

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 405

Short Title: Eliminate Medicaid Prescription Limit.

(Public)

Sponsors: Representatives Cunningham; Alexander, Black, Earle, Easterling, Gulley, H. Hunter, McMahan, Rayfield, Saunders, and C. Wilson.

Referred to: Insurance.

March 5, 1997

A BILL TO BE ENTITLED

AN ACT TO ELIMINATE THE SIX-PRESCRIPTION LIMIT FOR MEDICAID
RECIPIENTS.

The General Assembly of North Carolina enacts:

Section 1. Section 23.14(a) of Chapter 324, 1995 Session Laws, as amended by Section 24 of Chapter 18, Session Laws, Second Extra Session 1996, reads as rewritten:

"(a) Funds appropriated in this act for services provided in accordance with Title XIX of the Social Security Act (Medicaid) are for both the categorically needy and the medically needy. Funds appropriated for these services shall be expended in accordance with the following schedule of services and payment bases. All services and payments are subject to the language at the end of this subsection.

Services and payment bases:

- (1) Hospital-Inpatient - Payment for hospital inpatient services will be prescribed in the State Plan as established by the Department of Human Resources. Administrative days for any period of hospitalization shall be limited to a maximum of three days.

- 1 (2) Hospital-Outpatient - Eighty percent (80%) of allowable costs or a
2 prospective reimbursement plan as established by the Department of
3 Human Resources.
- 4 (3) Nursing Facilities - Payment for nursing facility services will be
5 prescribed in the State Plan as established by the Department of Human
6 Resources. Nursing facilities providing services to Medicaid recipients
7 who also qualify for Medicare, must be enrolled in the Medicare
8 program as a condition of participation in the Medicaid program. State
9 facilities are not subject to the requirement to enroll in the Medicare
10 program.
- 11 (4) Intermediate Care Facilities for the Mentally Retarded - As prescribed
12 in the State Plan as established by the Department of Human Resources.
- 13 (5) Drugs - Drug costs as allowed by federal regulations plus a professional
14 services fee per month excluding refills for the same drug or generic
15 equivalent during the same month. Reimbursement shall be available
16 for ~~up to six prescriptions per recipient, per month, including refills, and~~
17 refills for recipients, without limit, at the discretion of the attending
18 physicians of the recipients. Payments for drugs are subject to the
19 provisions of subsection (f) of this section and to the provisions at the
20 end of subsection (a) of this section, or in accordance with the State
21 Plan adopted by the Department of Human Resources consistent with
22 federal reimbursement regulations. Payment of the professional
23 services fee shall be made in accordance with the Plan adopted by the
24 Department of Human Resources, consistent with federal
25 reimbursement regulations. The professional services fee shall be five
26 dollars and sixty cents (\$5.60) per prescription. Adjustments to the
27 professional services fee shall be established by the General Assembly.
- 28 (6) Physicians, Chiropractors, Podiatrists, Optometrists, Dentists, Certified
29 Nurse Midwife Services - Fee schedules as developed by the
30 Department of Human Resources. Payments for dental services are
31 subject to the provisions of subsection (g) of this section.
- 32 (7) Community Alternative Program, EPSDT Screens - Payment to be
33 made in accordance with rate schedule developed by the Department of
34 Human Resources.
- 35 (8) Home Health and Related Services, Private Duty Nursing, Clinic
36 Services, Prepaid Health Plans, Durable Medical Equipment - Payment
37 to be made according to reimbursement plans developed by the
38 Department of Human Resources.
- 39 (9) Medicare Buy-In - Social Security Administration premium.
- 40 (10) Ambulance Services - Uniform fee schedules as developed by the
41 Department of Human Resources.
- 42 (11) Hearing Aids - Actual cost plus a dispensing fee.

- 1 (12) Rural Health Clinic Services - Provider-based - reasonable cost;
2 nonprovider based - single cost reimbursement rate per clinic visit.
- 3 (13) Family Planning - Negotiated rate for local health departments. For
4 other providers - see specific services, for instance, hospitals,
5 physicians.
- 6 (14) Independent Laboratory and X-Ray Services - Uniform fee schedules as
7 developed by the Department of Human Resources.
- 8 (15) Optical Supplies - One hundred percent (100%) of reasonable wholesale
9 cost of materials.
- 10 (16) Ambulatory Surgical Centers - Payment as prescribed in the
11 reimbursement plan established by the Department of Human
12 Resources.
- 13 (17) Medicare Crossover Claims - An amount up to the actual coinsurance or
14 deductible or both, in accordance with the Plan, as approved by the
15 Department of Human Resources.
- 16 (18) Physical Therapy and Speech Therapy - Services limited to EPSDT
17 eligible children. Payments are to be made only to qualified providers
18 at rates negotiated by the Department of Human Resources.
- 19 (19) Personal Care Services - Payment in accordance with Plan approved by
20 the Department of Human Resources.
- 21 (20) Case Management Services - Reimbursement in accordance with the
22 availability of funds to be transferred within the Department of Human
23 Resources.
- 24 (21) Hospice - Services may be provided in accordance with Plan developed
25 by the Department of Human Resources.
- 26 (22) Other Mental Health Services - Unless otherwise covered by this
27 section, coverage is limited to agencies meeting the requirements of the
28 rules established by the Commission for Mental Health, Developmental
29 Disabilities, and Substance Abuse Services, and reimbursement is made
30 in accordance with a Plan developed by the Department of Human
31 Resources not to exceed the upper limits established in federal
32 regulations.
- 33 (23) Medically Necessary Prosthetics or Orthotics for EPSDT Eligible
34 Children - Reimbursement in accordance with Plan approved by the
35 Department of Human Resources.
- 36 (24) Health Insurance Premiums - Payments to be made in accordance with
37 the Plan adopted by the Department of Human Resources consistent
38 with federal regulations.
- 39 (25) Medical Care/Other Remedial Care - Services not covered elsewhere in
40 this section include related services in schools; health professional
41 services provided outside the clinic setting to meet maternal and infant
42 health goals; and services to meet federal EPSDT mandates. Services
43 addressed by this paragraph are limited to those prescribed in the State

1 Plan as established by the Department of Human Resources. Providers
2 of these services must be certified as meeting program standards of the
3 Department of Environment, Health, and Natural Resources.

4 (26) Pregnancy Related Services - Covered services for pregnant women
5 shall include nutritional counseling, psychosocial counseling, and
6 predelivery and postpartum home visits by maternity care coordinators
7 and public health nurses.

8 Services and payment bases may be changed with the approval of the Director of the
9 Budget.

10 Reimbursement is available for up to 24 visits per recipient per year to any one or
11 combination of the following: physicians, clinics, hospital outpatient, optometrists,
12 chiropractors, and podiatrists. Prenatal services, all EPSDT children, and emergency
13 rooms are exempt from the visit limitations contained in this paragraph. Exceptions may
14 be authorized by the Department of Human Resources where the life of the patient would
15 be threatened without such additional care. ~~Any person who is determined by the~~
16 ~~Department to be exempt from the 24 visit limitation may also be exempt from the six-~~
17 ~~prescription limitation."~~

18 Section 2. This act becomes effective July 1, 1997.