10A NCAC 13B .2101 is adopted with changes under temporary procedures as follows:

SECTION .2100 – TRANSPARENCY IN HEALTH CARE COSTS

10A NCAC 13B .2101 DEFINITIONS

~~The following definitions~~ In addition to the terms defined in G.S. 131E-214.13, the following terms shall apply throughout this ~~section,~~ Section, unless text ~~otherwise~~ indicates to the contrary:

~~(1) "Commission" means the North Carolina Medical Care Commission.~~

~~(2)~~ (1) "Current Procedural Terminology (CPT)" means a medical code set developed by the American Medical Association.

~~(3)~~ (2) "Diagnostic ~~Related Group~~ related group (DRG)" means a system to classify hospital cases assigned by a grouper program based on ICD (International Classification of Diseases) diagnoses, procedures, patient's age, sex, discharge status, and the presence of complications or co-morbidities.

~~(4)~~ (3) "Department" means the North Carolina Department of Health and Human Services.

~~(5)~~ (4) "Financial ~~Assistance"~~ assistance" means a policy, including charity care, describing how the organization will provide assistance at its hospital(s) and any other ~~facilities,~~ facilities. Financial assistance includes free or discounted health services provided to persons who meet the organization's criteria for financial assistance and are unable to pay for all or a portion of the services. Financial assistance does not include:

(a) bad debt;

(b) uncollectable charges that the organization recorded as revenue but wrote off due to a patient's failure to pay;

(c) the cost of providing such care to ~~such patients;~~ the patients in Sub-Item (4)(b); or

(d) the difference between the cost of care provided under Medicare or other government programs, and the revenue derived therefrom.

~~(6) "Governing Body" means the authority as defined in G.S. 131E-76.~~

~~(7)~~ (5) "Healthcare Common Procedure Coding System (HCPCS)" means a ~~three-tiered~~ three-tiered medical code set consisting of Level I, II and III services and contains the CPT code set in Level I.

~~(8) "Health Insurer" means an entity that writes a health benefit plan as defined in G.S. 131E-214.13(a)(3).~~

~~(9) "Hospital" means a medical care facility licensed under Article 5 of Chapter 131E or under Article 2 of Chapter 122C of the General Statutes.~~

~~(10) "Public or Private Third Party" means the State, federal government, employers, health insurers, third-party administrators and managed care organizations.~~

History Note: *Authority G.S. 131E-214.13; S.L. 2013-382(s.10.1); S.L. 2013-382(s.13.1); S.L. ~~2014-100;~~ 2014-100(s. 12G.2);*
Temporary Adoption Eff. December 31, 2014.

10A NCAC 13B .2102 is adopted with changes under temporary procedures as follows:

10A NCAC 13B .2102 REPORTING REQUIREMENTS

(a) The Department shall establish the lists of the statewide 100 most frequently reported DRGs, 20 most common outpatient imaging procedures, and 20 most common outpatient surgical procedures performed in the hospital setting to be used for reporting the data required in Paragraphs ~~(b)~~ (c) through ~~(d)~~ (e) of this Rule. The lists shall be determined based ~~on~~ upon data provided by the certified statewide data processor. The Department shall make the lists available on its ~~website at: http://www.ncdhhs.gov/dhsr/ahc.~~ website.

(b) All information required by Paragraphs (a), (c) and (d) of this Rule shall be posted on the Department's website at: http://www.ncdhhs.gov/dhsr/ahc and may be accessed at no cost.

~~(b)~~ (c) In accordance with G.S. 131E-214.13 and quarterly per ~~year~~ year, all licensed hospitals shall report the data required in Paragraph ~~(d)~~ (e) of this Rule related to the statewide 100 most ~~common~~ frequently reported DRGs to the certified statewide data processor in a format provided by the certified statewide processor. The data reported shall be from the quarter ending three months ~~previous~~ prior to the date of reporting and includes all sites operated by the licensed hospital.

~~(c)~~ (d) In accordance with G.S. 131E-214.13 and quarterly per ~~year~~ year, all licensed hospitals shall report the data required in Paragraph ~~(d)~~ (e) of this Rule related to the statewide 20 most common outpatient imaging procedures and the statewide 20 most common outpatient surgical procedures to the certified statewide data processor in a format provided by the certified statewide processor. This report shall include the related primary CPT and HCPCS codes. The data reported shall be from the quarter ending three months ~~previous~~ prior to the date of reporting and includes all sites operated by the licensed hospital.

~~(d)~~ (e) The reports as described in Paragraphs ~~(b)~~ (c) and ~~(c)~~ (d) of this Rule shall be specific to each reporting hospital and shall include:

(1) the average gross charge for each ~~DRG~~ DRG, CPT code, or procedure if all charges are paid in full without any portion paid by a public or private third party;

(2) the average negotiated settlement on the amount that will be charged for each ~~DRG~~ DRG, CPT code, or procedure as required for patients defined in ~~Paragraph~~ Subparagraph ~~(d)(1)~~ (e)(1) of this Rule. The average negotiated settlement ~~is to~~ shall be calculated using the average amount charged all patients eligible for the hospital's financial assistance policy, including self-pay patients;

(3) the amount of Medicaid reimbursement for each ~~DRG~~ DRG, CPT code, or procedure, including all supplemental payments to and from the hospital;

(4) the amount of Medicare reimbursement for each ~~DRG~~ DRG, CPT code, or procedure; and

(5) on behalf of patients who are covered by a Department of Insurance licensed third-party and teachers and State employees, ~~report~~ the lowest, average, and highest amount of payments made for each ~~DRG~~ DRG, CPT code, or procedure by each of the hospital's top five largest health insurers.

(A) each hospital shall determine its five largest health insurers based on the dollar volume of payments received from those insurers;

(B) the lowest amount of payment shall be reported as the lowest payment from each of the five insurers on the ~~DRG~~ DRG, CPT code, or procedure;

(C) the average amount of payment shall be reported as the arithmetic average of each of the five health insurers payment amounts;

(D) the highest amount of payment shall be reported as the highest payment from each of the five insurers on the ~~DRG~~ DRG, CPT code, or procedure; and

(E) the identity of the top five largest health insurers shall be redacted prior to submission.

~~(e)~~ (f) The data reported, as defined in Paragraphs ~~(b)~~ (c) through ~~(d)~~ (e) of this Rule, shall reflect the payments received from patients and health insurers for all closed accounts. For the purpose of this Rule, ~~closed accounts~~ "closed accounts" are patient accounts with a zero balance at the end of the data reporting period.

~~(f)~~ (g) A minimum of three data elements shall be required for reporting under Paragraphs ~~(b)~~ (c) and ~~(c)~~ (d) of this Rule.

~~(g)~~ (h) The information submitted in the report shall be in compliance with the federal ~~"Health~~ Health Insurance Portability and Accountability Act of ~~1996."~~ 1996, 45 CFR Part 164.

~~(h)~~ (i) The Department shall provide the location of each licensed hospital and all specific hospital data reported pursuant to this Rule on its website. Hospitals shall be grouped by category on the website. On each quarterly report, hospitals shall determine one category that most accurately describes the type of facility. The categories are:

(1) "Academic Medical Center Teaching Hospital," means a hospital as defined in Policy AC-3 of the N.C. State Medical Facilities Plan. The N.C. State Medical Facilities Plan ~~can~~ may be accessed ~~at the Division's website at: http://www.ncdhhs.gov/dhsr/ncsmfp.~~ at: http://www.ncdhhs.gov/dhsr/ncsmfp at no cost.

(2) "Teaching Hospital," means a hospital that provides medical training to ~~individuals~~ individuals, provided that such educational programs are accredited by the Accreditation Council for Graduated Medical Education to receive graduate medical education funds from the Centers for Medicare & Medicaid Services.

(3) "Community Hospital," means a general acute hospital that provides diagnostic and medical treatment, either surgical or nonsurgical, to inpatients with a variety of medical conditions, and that may provide outpatient services, anatomical pathology services, diagnostic imaging services, clinical laboratory services, operating room services, and pharmacy services, that is not defined by the categories listed in this Subparagraph and Subparagraphs ~~(h)(1),~~ (i)(1), (2), or (5) of this Rule.

(4) "Critical Access Hospital," means a hospital defined in the Centers for Medicare & Medicaid Services' State Operations Manual, Chapter 2 – The Certification Process, 2254D – Requirements for Critical Access Hospitals (Rev. 1, 05-21-04), including all subsequent updates and revisions.

The manual may be accessed ~~at no cost~~ at the ~~internet~~ website: http://www.cms.gov/Regulations-and-Guidance/Guidance/Manuals/downloads/som107ap_a_hospitals.pdf at no cost.

(5) "Mental Health Hospital," means a hospital providing psychiatric services ~~as defined in~~ pursuant to G.S. 131E-176(21).

History Note: *Authority G.S.131E-214.4; 131E-214.13; S.L. 2013-382(s.10.1); S.L. ~~2014-100;~~ 2014-100(s. 12G.2);*
Temporary Adoption Eff. December 31, 2014.

10A NCAC 13C .0103 is amended with changes under temporary procedures as follows:

10A NCAC 13C .0103 DEFINITIONS

In addition to the terms defined in G.S. 131E-214.13, the following terms shall apply throughout ~~As used in~~ this Subchapter, unless the context clearly requires ~~otherwise, the following terms have the meanings specified:~~ otherwise:

(1) "Adequate" means, when applied to various areas of services, that the services are ~~at least~~ satisfactory in meeting a referred to need when measured against ~~contemporary~~ professional standards of practice.

(2) "AAAASF" means American Association for Accreditation of Ambulatory Surgery Facilities.

(3) "AAAHC" means Accreditation Association for Ambulatory Health Care.

(4) "Ancillary nursing personnel" means persons employed to assist registered nurses or licensed practical nurses in the care of patients.

(5) "Anesthesiologist" means a physician whose specialized training and experience qualify him or her to administer anesthetic agents and to monitor the patient under the influence of these agents. For the purpose of ~~these Rules~~ this Subchapter, the term "anesthesiologist" shall not include podiatrists.

(6) "Anesthetist" means a physician or dentist qualified, as defined in ~~Item~~ Items (10) and ~~(22)~~ {~~(26)~~} (24) of this Rule, to administer anesthetic agents or a registered nurse qualified, as defined in ~~Item~~ Items ~~(22)~~ {~~(26)~~} (25) and (27) of this Rule, to administer anesthesia.

(7) "Authority ~~Having Jurisdiction"~~ having jurisdiction" means the Division of Health Service Regulation.

(8) "Chief executive officer" or "administrator" means a qualified person appointed by the governing authority to act in its behalf in the overall management of the facility and whose office is located in the facility.

{~~(9) "Commission" means the North Carolina Medical Care Commission.~~}

{~~(10)~~} (9) "Current Procedural Terminology (CPT)" means a medical code set developed by the American Medical Association.

~~(9)~~ {~~(11)~~} (10) "Dentist" means a person who holds a valid license issued by the North Carolina Board of Dental Examiners to practice dentistry.

~~(10)~~ {~~(12)~~} (11) "Department" means the North Carolina Department of Health and Human Services.

~~(11)~~ {~~(13)~~} (12)"Director of nursing" means a registered nurse who is responsible to the chief executive officer or administrator and has the authority and direct responsibility for all nursing services and nursing care for the entire facility at all times.

{~~(14)~~} (13) "Financial {~~Assistance"~~} assistance" means a policy, including charity care, describing how the organization will provide assistance at its {~~facility,~~} facility. Financial assistance includes free or discounted health services provided to persons who meet the organization's criteria for financial

assistance and are unable to pay for all or a portion of the services. Financial assistance does not include:

(a) bad debt;

(b) uncollectable charges that the organization recorded as revenue but wrote off due to a patient's failure to pay;

(c) the cost of providing such care to {~~such patients;~~} the patients in Sub-Item (13)(b); or

(d) the difference between the cost of care provided under Medicare or other government programs, and the revenue derived therefrom.

~~(12)~~ {~~(15)~~} (14) "Governing authority" means the individual, ~~agency or group~~ agency, group, or corporation appointed, elected or otherwise designated, in which the ultimate responsibility and authority for the conduct of the ambulatory surgical facility is vested.

{~~(16) "Health Insurer" means an entity that writes a health benefit plan as defined in G.S. 131E-214.13.~~}

{~~(17)~~} (15) "Healthcare Common Procedure Coding System (HCPCS)" means a three tiered medical code set consisting of Level I, II and III services and contains the CPT code set in Level I.

~~(13)~~ {~~(18)~~} (16) "JCAHO" or "Joint Commission" means Joint Commission on Accreditation of Healthcare Organizations.

~~(14)~~ {~~(19)~~} (17) "Licensing agency" means the Department of Health and Human Services, Division of Health Service Regulation.

~~(15)~~ {~~(20)~~} (18) "Licensed practical ~~nurse" (L.P.N.)~~ nurse (L.P.N.)" means any person licensed as such under the provisions of ~~G.S. 90-171.~~ G.S. 90-171.20(8).

~~(16)~~ {~~(21)~~} (19) "Nursing personnel" means registered nurses, licensed practical ~~nurses~~ nurses, and ancillary nursing personnel.

~~(17)~~ {~~(22)~~} (20) "Operating room" means a room in which surgical procedures are performed.

~~(18)~~ {~~(23)~~} (21) "Patient" means a person admitted to and receiving care in a facility.

~~(19)~~ {~~(24)~~} (22) "Person" means an individual, a trust or estate, a partnership or corporation, including associations, joint stock companies and insurance companies; the ~~state,~~ State, or a political subdivision or instrumentality of the state.

~~(20)~~ {~~(25)~~} (23) "Pharmacist" means a person who holds a valid license issued by the North Carolina Board of Pharmacy to practice pharmacy in accordance with ~~G.S. 90-85.~~ G.S. 90-85.3A.

~~(21)~~ {~~(26)~~} (24) "Physician" means a person who holds a valid license issued by the North Carolina Medical Board to practice medicine. For the purpose of carrying out these Rules, a "physician" may also mean a person holding a valid license issued by the North Carolina Board of Podiatry Examiners to practice podiatry.

{~~(27) "Public or Private Third Party" means the State, federal government employers, health insurers, third-party administrators and managed care organizations.~~}

~~(22)~~ {~~(28)~~} (25) "Qualified ~~person"~~ person," when used in connection with an occupation or ~~position~~ position, means a person:

(a) who has demonstrated through ~~relevant~~ experience the ability to perform the required functions; or

(b) who has certification, ~~registration~~ registration, or other professional recognition.

~~(23)~~ {~~(29)~~} (26) "Recovery area" means a room used for the ~~post-anesthesia~~ post-anesthesia recovery of surgical patients.

~~(24)~~ {~~(30)~~} (27) "Registered nurse" means a person who holds a valid license issued by the North Carolina Board of Nursing to practice nursing as defined in ~~G.S. 90-171.~~ G.S. 90-171.20(7).

~~(25)~~ {~~(31)~~} (28) "Surgical suite" means an area ~~which~~ that includes one or more operating rooms and one or more recovery rooms.

History Note: *Authority G.S. 131E-149; 131E-214.13; S.L. 2013-382(s.10.1), S.L. 2013-382(s.13.1);S.L. {~~2014-100;~~} 2014-100(s. 12G.2);*
Eff. October 14, 1978;
Amended Eff. April 1, 2003; ~~November 1, 1989.~~ November 1, 1989;
Temporary Amendment Eff. December 31, 2014.

10A NCAC 13C .0206 is adopted with changes under temporary procedures as follows:

10A NCAC 13C .0206 REPORTING REQUIREMENTS

(a) The Department shall establish the lists of the statewide 20 most common outpatient imaging procedures and 20 most common outpatient surgical procedures performed in the ambulatory surgical facility setting to be used for reporting the data required in Paragraphs ~~(b)~~ (c) ~~through (c)~~ and (d) of this Rule. The lists shall be based ~~on~~ upon data provided by the certified statewide data processor. The Department shall make the lists available on its ~~website at: http://www.ncdhhs.gov/dhsr/ahc.~~ website.

(b) All information required by this Rule shall be posted on the Department's website at: http://www.ncdhhs.gov/dhsr/ahc and may be accessed at no cost.

~~(b)~~ (c) In accordance with G.S. 131E-214.13 and quarterly per ~~year~~ year, all licensed ambulatory surgical facilities shall report the data required in Paragraph ~~(c)~~ (d) of this Rule related to the statewide 20 most common outpatient imaging procedures and the statewide 20 most common outpatient surgical procedures to the certified statewide data processor in a format provided by the certified statewide processor. This report shall include the related primary CPT and HCPCS codes. The data reported shall be from the quarter ending three months ~~previous~~ prior to the date of reporting.

~~(c)~~ (d) The report as described in ~~Paragraphs~~ Paragraph ~~(b)~~ (c) of this Rule shall be specific to each reporting ambulatory surgical facility and shall include:

(1) the average gross charge for each ~~DRG~~ CPT code or procedure if all charges are paid in full without any portion paid by a public or private third party;

(2) the average negotiated settlement on the amount that will be charged for each ~~DRG~~ CPT code or procedure as required for patients defined in ~~Paragraph~~ Subparagraph ~~(c)(1)~~ (d)(1) of this Rule. The average negotiated settlement ~~is to~~ shall be calculated using the average amount charged all patients eligible for the facility's financial assistance policy, including self-pay patients;

(3) the amount of Medicaid reimbursement for each ~~DRG~~ CPT code or procedure, including all supplemental payments to and from the ambulatory surgical facility;

(4) the amount of Medicare reimbursement for each ~~DRG~~ CPT code or procedure; and

(5) on behalf of patients who are covered by a Department of Insurance licensed third-party and teachers and State employees, ~~report~~ the lowest, average, and highest amount of payments made for each ~~DRG~~ CPT code or procedure by each of the facility's top five largest health insurers.

(A) each ambulatory surgical facility shall determine its five largest health insurers based on the dollar volume of payments received from those insurers;

(B) the lowest amount of payment shall be reported as the lowest payment from each of the five insurers on the ~~DRG~~ CPT code or procedure;

(C) the average amount of payment shall be reported as the arithmetic average of each of the five health insurers payment amounts;

(D) the highest amount of payment shall be reported as the highest payment from each of the five insurers on the ~~DRG~~ CPT code or procedure; and

(E) the identity of the top five largest health insurers shall be redacted prior to submission.

(e) The data reported, as defined in Paragraphs ~~(b) through (c)~~ (c) and (d) of this Rule, shall reflect the payments received from patients and health insurers for all closed accounts. For the purpose of this Rule, ~~closed accounts~~ "closed accounts" are patient accounts with a zero balance at the end of the data reporting period.

(f) A minimum of three data elements shall be required for reporting under Paragraph ~~(b)~~ (c) of this Rule.

(g) The information submitted in the report shall be in compliance with the federal ~~"Health~~ Health Insurance Portability and Accountability Act of ~~1996."~~ 45 CFR Part 164.

(h) The Department shall provide all specific ambulatory surgical facility data reported pursuant to this Rule on its website.

History Note: *Authority ~~G.S.131E-214.4;~~ G.S. 131E-147.1; 131E-214.4; 131E-214.13; S.L. 2013-382(s.10.1); S.L. ~~2014-100;~~ 2014-100(s. 12G.2);*
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