

1 11 NCAC 18 .0103 is readopted with changes as published in 32:02 NCR 61 as follows:

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3 **11 NCAC 18 .0103 FILING REQUIREMENTS**

4 (a) All communications and filings ~~must~~shall be made ~~with the Compliance Officer, Technical Services Group,~~
5 ~~North Carolina Department of Insurance, P.O. Box 26387, Raleigh, N.C. 27611 to the Deputy Commissioner,~~
6 ~~Life and Health Division, North Carolina Department of Insurance, 1201 Mail Service Center, Raleigh, North~~
7 ~~Carolina 27699-1201.~~

8 (b) To apply for licensure, ~~in addition to the~~ an applicant shall submit the following information required by G.S.
9 58-49-50, ~~the following items pertaining to the MEWA must by~~ [G.S. 58-49-50 shall] G.S. 58-49-50: be
10 submitted:

11 (1) Form MEWA-1 entitled "Application for License for Multiple Employer Welfare Arrangement
12 (MEWA);" ~~[The Commissioner prescribed]~~ A Form MEWA-1 entitled "Application for License for
13 Multiple Employer Welfare Arrangement [(MEWA)] (MEWA)"; ~~[required by G.S. 58-49-50;]~~

14 (2) ~~[The Commissioner prescribed]~~ Form MEWA-2 entitled "Financial Statement", "Financial
15 Statement," which shall contain the information required by G.S. 58-49-50(8);

16 (3) ~~(2)~~ Signed and notarized biographical affidavits by all trustees of the MEWA on ~~[Commissioner~~
17 ~~prescribed]~~ A Form MEWA-3 MEWA-3A entitled "Biographical Questionnaire", ~~[The~~
18 ~~Questionnaire] Affidavit."~~ signed and notarized biographical affidavits by ~~]~~ for all officers,
19 directors, and trustees of the MEWA that shall contain information to enable the Commissioner to
20 determine if such persons satisfy the criteria specified in ~~are~~ disqualified pursuant to G.S.
21 58-49-40(e);

22 (4) ~~(3)~~ A complete list of all names, addresses ~~addresses,~~ and telephone numbers of participating employers
23 and the number of employees covered by the MEWA; and

24 (5) ~~(4)~~ A statement of the reasons for applying for a North Carolina MEWA license; a description of exactly
25 how the MEWA proposes to develop and supervise its operations in North Carolina; the name, title,
26 and qualifications of the person who will be responsible for the MEWA's operation in North
27 Carolina (the managing general agent if the MEWA is domiciled outside of North Carolina); and
28 the location of and a description of the office facilities that will be provided by the MEWA in North
29 Carolina.

30 (5) A description of how the MEWA proposes to develop and supervise its operations in North Carolina;

31 (6) The name, title, and qualifications of the person who will be responsible for the MEWA's operation
32 in North Carolina (the managing general agent if the MEWA is domiciled outside of North
33 Carolina); and

34 (7) The location of and a description of the office facilities that will be provided by the MEWA in North
35 Carolina.

36 (b)(c) All forms may be obtained from the ~~Compliance Officer~~ Department's website at
37 ~~[http://www.ncdoi.com/lh/LH_MEWA.aspx.]~~ http://www.ncdoi.com/LH/Licensing, Renewals and Other -

1 MEWA.aspx#Certificate. Every application ~~must~~ shall contain a certification that any changes to the information
2 required by G.S. 58-49-50 and this Rule shall be reported to the Commissioner.

3 ~~(e)~~(d) During the pendency of an application, the MEWA shall update the Commissioner of any changes in the ~~keep~~
4 ~~all~~ required information, statements, documents, and ~~materials.~~ ~~materials current and factual.~~ current.

5 ~~(d)~~(e) An application for a license is not complete until the MEWA has satisfied the Commissioner that the MEWA
6 is in compliance with all of the requirements of Article 49 of General Statute Chapter 58 and this Section. The
7 Commissioner ~~is not required shall not process to process~~ an incomplete application.

8 ~~(e)~~(f) All financial information required by G.S. 58-49-50 and ~~this the rules of this~~ Section shall be prepared in
9 accordance with statutory accounting principles.

10 ~~(f)~~(g) Any change in the information required by Article 49 of General Statute Chapter 58 or by this Section shall,
11 unless otherwise specified in that Article or in this Section, be reported to the Commissioner within two business days
12 after such change.

13
14 *History Note:* Authority G.S. 58-2-40(1); 58-49-40; 58-49-50; 58-49-60;

15 *Eff. ~~July 1, 1992.~~ July 1, 1992;*

16 *Readopted Eff. ~~[November 1, 2017.]~~ December 1, 2017*

1 11 NCAC 20 .0203 is readopted with changes as published in 32:02 NCR 63 as follows:

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3 **11 NCAC 20 .0203 CHANGES REQUIRING APPROVAL**

4 All material changes to an approved contract form shall be filed with the Division for approval before use. For the
5 purpose of this ~~Section~~Rule, a "material change" includes a change ~~in the means of calculating payment to the provider~~
6 ~~(for example, change from fee for service to capitation), a change in the distribution of risk between parties, or a change~~
7 ~~in the delegation of clinical or administrative responsibilities in:~~

8 (1) ~~the means of calculating payment to the ~~provider~~provider; for example, change from fee for service~~
9 ~~to capitation;~~

10 (2) ~~the distribution of risk between parties; or~~

11 (3) ~~the delegation of clinical and administrative responsibilities.~~

12

13 *History Note: Authority G.S. 58-2-40(1); ~~58-50-50; 58-50-55; 58-65-25; 58-65-140; 58-67-10; 58-~~*
14 *~~67-20; 58-67-35; 58-67-115; 58-67-120; 58-67-150;~~*

15 *Eff. ~~October 1, 1996.~~ October 1, 1996;*

16 *Readopted Eff. ~~November 1, 2017.~~ December 1, 2017.*

1 11 NCAC 20 .0301 is readopted with changes as published in 32:02 NCR 64 as follows:

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3 **11 NCAC 20 .0301 PROVIDER AVAILABILITY STANDARDS**

4 Each network plan carrier shall develop a methodology to determine the size and adequacy of the provider network
5 necessary to serve the members. The methodology shall provide for the development of performance targets that shall
6 address the following:

7 (1) The number and type of primary care physicians, specialty care providers, hospitals, and other
8 provider facilities, as defined by the carrier.

9 (2) A method to determine when the addition of providers to the network will be necessary based on
10 increases in the membership of the network plan carrier.

11 (3) A method for arranging or providing health care services outside of the service area when providers
12 are not available in the area.

13

14 *History Note: Authority G.S. 58-2-40(1); ~~58-50-55(b)~~; 58-65-1; 58-65-25; ~~58-65-140~~; 58-67-10; 58-67-20;*
15 *58-67-35; 58-67-65; 58-67-140; 58-67-150;*

16 *Eff. ~~October 1, 1996~~. October 1, 1996;*

17 *Readopted Eff. [~~November 1, 2017~~] December 1, 2017.*

1 11 NCAC 20 .0302 is readopted with changes as published in 32:02 NCR 64 as follows:

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3 **11 NCAC 20 .0302 PROVIDER ACCESSIBILITY STANDARDS**

4 Each carrier shall establish performance targets for member accessibility to primary and specialty care physician services
5 and ~~hospital-based~~ hospital-based services. Carriers shall also establish similar performance targets for health care
6 services provided by providers who are not physicians. Carriers shall establish written ~~Written~~ policies and performance
7 targets that shall address the following:

8 (1) The ~~Proximity~~ proximity of network ~~providers~~ providers, as measured by such means as driving
9 distance or time a member must travel to obtain primary care, ~~specialty care~~ specialty care, and
10 hospital services, taking into account local variations in the supply of ~~providers~~ providers, and
11 geographic considerations.

12 (2) The availability to provide emergency services on a 24-hour, ~~seven~~ 7 day per week basis.

13 (3) Emergency provisions within and outside of the service area.

14 (4) The average or expected waiting time for urgent, routine, and specialist appointments.

15

16 *History Note: Authority G.S. 58-2-40(1); ~~58-50-55(b)~~; 58-65-1; 58-65-25; ~~58-65-140~~; 58-67-10; 58-67-20;*
17 *58-67-35; 58-67-65; 58-67-140; 58-67-150;*

18 *Eff. ~~October 1, 1996~~. October 1, 1996;*

19 *Readopted Eff. ~~November 1, 2017~~. December 1, 2017*

1 11 NCAC 20 .0404 is readopted with changes as published in 32:02 NCR 64 as follows:

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3 **11 NCAC 20 .0404 APPLICATION**

4 For all providers who submit applications to be added to a carrier's ~~network on or after October 1, 2001:~~network:

- 5 (1) The definitions in G.S. 58-3-167 are incorporated into this Rule by reference. Each carrier that is an
6 insurer ~~and~~ that issues a health benefit plan shall obtain and retain on file each provider's signed and
7 dated application on the form approved by the Commissioner under G.S. 58-3-230. ~~All other~~
8 ~~carriers shall obtain and retain on file the provider's signed and dated application on a form provided~~
9 ~~by the carrier.~~ All required information shall be current upon final approval ~~of the provider~~ by the
10 carrier. The application shall include, when applicable:
11 (a) The provider's name, address, and telephone number.
12 (b) Practice information, including call coverage.
13 (c) Education, ~~training~~training, and work history.
14 (d) The current provider license, registration, or certification, and the names of other states
15 where the applicant is or has been licensed, registered, or certified.
16 (e) Drug Enforcement Agency (DEA) registration number and prescribing restrictions.
17 (f) Specialty board or other certification.
18 (g) Professional and hospital affiliation.
19 (h) The amount of professional liability coverage and any malpractice history.
20 (i) Any disciplinary actions by medical organizations and regulatory agencies.
21 (j) Any felony or misdemeanor convictions.
22 (k) The type of affiliation ~~requested (for~~requested, ~~for example,~~ primary care, consulting
23 specialists, ambulatory ~~care, etc.)~~care.
24 (l) A ~~signed and dated~~ statement ~~of completeness, veracity, and release of information, signed~~
25 ~~and dated by the applicant, by the provider attesting that the information provided is true,~~
26 ~~accurate, and complete, and authorizing the release of information and materials related to~~
27 ~~the provider's qualifications and competence.~~
28 (m) Letters of reference or recommendation or letters of oversight from supervisors, or
29 ~~both,~~both, that attest to the qualifications or competence of the provider or otherwise
30 ~~recommend approval of the provider's application.~~
31 (2) The carrier shall obtain and retain on file the following information regarding facility provider
32 credentials, when applicable:
33 (a) ~~Joint Commission on Accreditation of Healthcare Organization's~~The Joint Commission's
34 certification or certification from other accrediting agencies.
35 (b) State licensure.
36 (c) Medicare and Medicaid certification.
37 (d) Evidence of ~~current~~ active malpractice insurance.

1 (3) No credential item listed in Items (1) or (2) of this Rule shall be construed as a substantive threshold
2 or criterion or as a standard for credentials that must be held by any provider in order to be a network
3 provider.
4

5 *History Note:* Authority G.S. 58-2-40(1); 58-2-131; 58-3-167; 58-3-230; 58-65-1; 58-65-25; 58-65-105; ~~58-67-~~
6 ~~5-~~58-67-10; 58-67-20; 58-67-35; 58-67-65; 58-67-100; 58-67-140; 58-67-150;
7 Eff. October 1, 1996;
8 Temporary Amendment Eff. October 1, 2001;
9 Amended Eff. May 1, 2008; ~~August 1, 2002-~~August 1, 2002;
10 Readopted Eff. ~~November 1, 2017,~~ December 1, 2017
11

1 11 NCAC 20 .0410 is readopted with changes as published in 32:02 NCR 65 as follows:

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3 **11 NCAC 20 .0410 DELEGATION OF CREDENTIAL VERIFICATION ACTIVITIES**

4 Whenever any carrier delegates credential verification activities to a contracting entity, whether an intermediary or
5 subcontractor, the carrier shall review ~~and approve~~ the contracting entity's credential verification program before
6 contracting ~~and shall require to ensure~~ that the entity ~~comply~~ complies with all applicable requirements in this Section.

7 The carrier shall monitor the contracting entity's credential verification activities. The carrier shall implement
8 oversight mechanisms, including:

9 (1) Reviewing the contracting entity's credential verification plans, policies, procedures, forms, and
10 adherence to verification procedures.

11 (2) Requiring the contract entity to submit an updated list of providers ~~no less frequently than~~ quarterly.

12 (3) Conducting an evaluation of the contracting entity's credential verification program ~~at least~~
13 three years.

14

15 *History Note:* Authority G.S. 58-2-40(1); ~~58-50-55(b)~~; 58-65-1; 58-65-25; ~~58-67-5~~; 58-67-10; 58-67-20; 58-67-
16 35;

17 58-67-65; 58-67-140; 58-67-150;

18 *Eff. October 1, 1996;*

19 *Readopted Eff. [~~November 1, 2017.~~] December 1, 2017.*

20

1 11 NCAC 20 .0601 is readopted with changes as published in 32.02 NCR 65 as follows:

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3 **11 NCAC 20 .0601 APPLICATIONS FOR MODIFICATIONS TO SERVICE AREAS OR PRODUCT**
4 **LINES**

5 (a) All requests to expand an HMO's service area shall ~~be submitted~~ ~~[submit]~~ ~~in writing as electronic format~~ ~~as~~ an
6 application to the Division for review and approval. ~~An HMO shall submit an original and eight copies of the~~ ~~The~~
7 ~~application,~~ ~~application~~ which shall include the following information:

- 8 (1) ~~A a~~ description of operational changes that will result from the ~~expansion,~~ ~~expansion;~~
9 (2) ~~Financial~~ ~~financial~~ and actuarial information as required by 11 NCAC 11C .0311 and ~~11 NCAC 16~~
10 ~~.0605;~~ ~~11 NCAC 16 .0605;~~
11 (3) ~~A a~~ description of provider interest and network development in the service area requested and
12 information as to the HMO's existing provider ~~network,~~ ~~network;~~ and
13 (4) ~~Copies~~ ~~copies~~ of any form contracts to be made as a result of the expansion, including providers and
14 subcontractors.

15 (b) Material changes in the product lines offered by an HMO shall ~~be submitted~~ ~~[submit]~~ ~~in writing as~~ ~~electronic format~~
16 ~~as~~ an application to the Division for review and approval. For the purposes of this Section, ~~material changes~~ ~~"material~~
17 ~~changes"~~ include the addition of a point of service ~~product;~~ ~~product,~~ or the addition of or changes to the HMO's existing
18 health care delivery model, such as the addition of an IPA product or group model product or the addition of a gatekeeper
19 product. ~~HMOs shall submit an original and eight copies of the~~ ~~The~~ ~~application,~~ ~~application~~ which shall include the
20 following information:

- 21 (1) ~~A a~~ description of operational changes that will result from the ~~expansion-~~ ~~expansion;~~
22 (2) ~~Financial~~ ~~financial~~ and actuarial information as required by 11 NCAC 11C .0311 and ~~11 NCAC 16~~
23 ~~.0605;~~ ~~11 NCAC 16 .0605;~~
24 (3) ~~A a~~ description of provider interest and network development in the service area requested and
25 information as to the HMO's existing provider ~~network,~~ ~~network;~~ and
26 (4) ~~Copies~~ ~~copies~~ of form contracts to be made as a result of the expansion, including providers and
27 subcontractors.

28 (c) Notice of the addition of an intermediary shall be submitted by an HMO in writing to the Division within 30 days
29 after the execution of the contract for the intermediary's services.

30 (d) Notice of the deletion of an intermediary shall be submitted by the HMO in writing within 30 days after termination
31 of the contract, unless termination is immediate, along with a plan to select another intermediary or for the HMO to
32 perform the ~~one~~ ~~formerly~~ delegated functions in-house.

33 (e) All changes to provider and intermediary contract forms shall be submitted to the Division for review and approval in
34 accordance with ~~11 NCAC 20~~ ~~Rule~~ .0203 ~~of this Chapter~~ prior to the use of the amended form.

35 (f) Each HMO shall submit written notice to the Division of its intent to engage in any arrangement through which ~~that~~
36 ~~HMO owns or controls or manages~~ ~~the HMO owns, controls, or manages~~ any operations of another HMO in any other
37 state, before entering into the arrangement.

1

2 *History Note:* Authority G.S. 58-2-40; 58-67-10; 58-67-150;

3 *Eff. ~~October 1, 1996.~~ October 1, 1996;*

4 *Readopted Eff. [November 1, 2017,]December 1, 2017*

1 11 NCAC 21 .0106 is readopted with changes as published in 32:02 NCR 65 as follows:

2

3 **11 NCAC 21 .0106 PAYMENT OF CLAIMS**

4 If claims filed with a TPA or insurer are not paid within 30 days after receipt of the initial claim by the TPA or the
5 insurer, the TPA or the insurer shall at that time mail a claim status report to the claimant.

6

7 *History Note: Authority G.S. 58-2-40; 58-3-100; 58-56-31;*

8 *Eff. ~~June 1, 1996.~~ June 1, 1996.*

9 *Readopted Eff. ~~November 1, 2017.~~ December 1, 2017*

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