

Landmark Insurance Legislation in North Carolina

GENERAL ASSEMBLY MANDATES EQUAL CO-PAYS FOR OFFICE VISITS TO DCS, MDS

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Chiropractors in North Carolina - and for that matter, most of the general public - can be excused if they choose not to read all of the text contained in SB 622, the state's latest budget appropriations bill. At more than 189,000 words, it was one of the longest documents to be approved by the state's General Assembly in this year's legislative session.

Look closely, however, at one particular section of the bill, and you'll find some significant language relative to the chiropractic profession. Nestled between sections on funding for replaced equipment and planning for information collection is a provision requiring insurance companies to charge the same co-payment fee for chiropractic treatment as for visits to primary care medical doctors.

Previously, chiropractors in North Carolina had been classified by insurance companies as specialists, which increased the average co-payment for patients seeking their services above co-payments for primary care physicians, often by a factor of two or more. According to an article in *The Business Journal of the Greater Triad Area*, co-pays for primary care medical doctors in North Carolina average between \$10 and \$20, while co-pays for specialists could range as high as \$40 or \$50.

The new provision revises Section 58-50-30(a3) of the North Carolina General Statutes by adding the following language (excerpted as follows):

"An insurer shall not impose as a limitation on treatment or level of coverage a co-payment amount charged to the insured for chiropractic services that is higher than the co-payment amount charged to the insured for the services of a duly licensed primary care physician for the same medically necessary treatment or condition."

According to Tom Schoenvogel, executive director of the North Carolina Chiropractic Association, the provision mandating equal co-payment amounts for chiropractors and medical doctors is the first of its kind in the U.S.

"North Carolina is the first state in the country to have legislation in place regarding co-pay equality," said Schoenvogel. "It is our hope that this will set a precedent for other states to follow in securing co-pay equality between primary care physicians and chiropractors. Insurance carriers understand the importance of chiropractic in reducing the need for surgery and medications, making our efforts possible in North Carolina."

The new requirement also has the potential to save chiropractic patients hundreds of dollars in co-payments. *The Business Journal* article cited an example of a patient who visited a chiropractor a dozen times in a one-month period. With a co-pay of \$50 per office visit, that patient would have to pay \$600 out of pocket for care. With the new provision in place, lowering the co-pay to \$20 would reduce out-of-pocket costs to \$240, a 60 percent savings. The reduction in co-payments could also

make chiropractic care more affordable for some patients, especially those living on fixed incomes.

When first approved by the General Assembly, the co-pay change was made retroactive to July 1, 2005. However, a follow-up bill approved in mid-August rolled the date back to March 1, 2005.

Resources

- Senate Bill 622/Session Law 2005-276. Approved Aug. 13, 2005. Available online at www.ncga.state.nc.us.
- Toszczak M. Chiropractors expect more business from cut on co-pay. *The Business Journal of the Greater Triad Area*, Aug. 26, 2005.
- E-mail from Thomas Schoenvogel, North Carolina Chiropractic Association, to *Dynamic Chiropractic*, Sept. 1, 2005.

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