

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 609

Short Title: Facilitate Locum Tenens Physicians. (Public)

Sponsors: Senators Rouzer and Rabon.

Referred to: Health Care.

April 19, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE INSURANCE LAWS IN ORDER TO FACILITATE THE USE
3 OF LOCUM TENENS PHYSICIANS TO ENSURE NORTH CAROLINA'S MEDICAL
4 PROFESSIONALS ARE CAPABLE OF SERVING THE STATE'S EXPANDING
5 POPULATION.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Article 3 of Chapter 58 of the General Statutes is amended by adding
8 a new section to read:

9 **"§ 58-3-231. Payment under locum tenens arrangements.**

10 (a) As used in this section, the following definitions apply:

- 11 (1) "Covered visit services" means all office visits, emergency visits, and any
12 related service performed by a physician that is covered by the insurer.
13 (2) "Insurer" has the same meaning as in G.S. 58-3-167(a).
14 (3) "Locum tenens agency" means a company authorized to conduct business in
15 North Carolina that provides through contract locum tenens placement and
16 administrative services for regular physicians, locum tenens physicians,
17 medical groups, and hospitals.
18 (4) "Locum tenens physician" means a physician who substitutes for a regular
19 physician on a temporary basis and is not an employee of the regular
20 physician.
21 (5) "Regular physician" means the physician that is normally scheduled to see a
22 patient, including physician specialists and a physician who has left a group
23 practice for whom a locum tenens physician is retained.

24 (b) An insurer that provides a health benefit plan shall establish and maintain a process
25 to allow a patient's regular physician to submit a claim and, if the claim is accepted, receive
26 payment for covered visits that the regular physician or a locum tenens agency arranges to be
27 provided by a locum tenens physician, provided the following are true:

- 28 (1) The regular physician is unavailable to provide the visit services or the
29 locum tenens physician is assisting the regular physician in providing visit
30 services.
31 (2) The insured patient has arranged or seeks to receive the visit services from
32 the regular physician.
33 (3) The locum tenens physician does not provide the visit services to insured
34 patients of a single regular physician for more than 90 consecutive days.
35 (4) The regular physician identifies the services as locum tenens physician
36 services meeting the requirements of this section by entering the proper code
37 required by the insurer after the procedure code.



1 (5) The regular physician pays for the locum tenens physician's services on a per
2 diem or similar fee-for-time basis.

3 (6) The regular physician maintains a record of each service provided by the
4 locum tenens physician and makes this record available to the insurer upon
5 request.

6 (c) A medical group or hospital may submit claims for the services of a locum tenens
7 physician substituting for a regular physician who is a member of the group or an employee of
8 the hospital if the requirements of subsection (b) of this section are met. For purposes of these
9 requirements, per diem or similar fee-for-time compensation that the group or hospital pays for
10 the locum tenens physician is considered paid by the regular physician. A physician who has
11 left the group and for whom the group has engaged a locum tenens physician as a temporary
12 replacement may bill for the temporary physician for up to 90 consecutive days.

13 (d) An insurer shall allow a locum tenens physician to substitute for a regular physician
14 in accordance with this section without a statement of supervision if (i) the regular physician is
15 a solo practitioner or (ii) there is not otherwise a regular physician who is able to provide a
16 statement of supervision.

17 (e) Locum tenens agencies may contract with regular physicians, medical groups,
18 hospitals, and locum tenens physicians to provide placement and administrative services related
19 to the locum tenens substitution, provided the following are true:

20 (1) The locum tenens agency charges fees that are reasonably related to the
21 value of the services that the locum tenens agency provides.

22 (2) The locum tenens agency does not interfere with or attempt to influence the
23 clinical judgment of a physician providing locum tenens services."

24 **SECTION 2.** Insurers shall establish within 180 days after the effective date of this
25 act the process required by G.S. 58-2-231, as enacted by this act.

26 **SECTION 3.** This act becomes effective October 1, 2011.