



NORTH CAROLINA DEPARTMENT OF INSURANCE
Jim Long, Commissioner

LIFE AND HEALTH DIVISION

1201 Mail Service Center • Raleigh, NC 27699-1201 • (919)733-5060 • (919)715-3547 (Fax)

AN EQUAL OPPORTUNITY/AFFIRMATIVE ACTION EMPLOYER

**Guarantee Issue of Individual Health Insurance Coverage to Federally
Defined HIPAA Eligible Individuals under G.S. 58-68-60
& the North Carolina Health Insurance Risk Pool
November 10, 2008**

The Life & Health Division has received inquiries from insurers who provide individual health insurance in North Carolina relating to the guarantee issue requirements under G.S. 58-68-60(a). The companies have inquired about the continued applicability of the statute in light of the provisions in G.S. 58-50-195(a)(5) providing coverage through the North Carolina Health Insurance Risk Pool for federally defined eligible individuals (HIPAA eligible individuals). The following are some of the frequently asked questions and the Department's responses.

- 1) Does the implementation of the NC Health Insurance Risk Pool mean that carriers participating in the individual market are no longer obligated to offer two policy forms on a guarantee issue basis to federally eligible individuals?

DOI Response: No. Currently G.S. 58-68-60(a) is still in effect and there is no change to the statutory obligations to insurers who write health insurance coverage to individuals in North Carolina to make coverage guaranteed available to HIPAA eligible individuals as required under that statute.

- 2) If not, does this mean that individuals who are not able to obtain health coverage will have two choices, either be covered under the High Risk Pool or under one of the HIPAA eligible plans?

DOI Response: Yes.

- 3) What sort of notice requirements, if any is a carrier obligated to provide to individuals regarding their ability to obtain coverage under the High Risk Pool.

DOI Response: At this time there are no specific notice requirements relating to HIPAA eligible individuals rights except as may be found in notices of creditable coverage as provided under the Federal HIPAA regulations.

The Life & Health Division is currently reviewing various statutes relating to HIPAA eligible individuals that may be affected by the implementation of the North Carolina Health Insurance Risk Pool for the possibility of proposing amendments.