



BULLETIN
Number 22-B-10

To: All Insurance Companies and other Entities Licensed under Chapter 58 of the North Carolina General Statutes

From: Life & Health Division

Date: December 2, 2022

Subject: Underwriting for Opioid Antagonist Drugs Such as Naloxone

North Carolina, like many other jurisdictions, has taken significant steps in confronting the opioid use public health crisis. As part of its commitment to address the opioid epidemic, North Carolina passed a law in 2013 (Session Law 2013-23, recodified as N.C. Gen. Stat. § 90-12.7), expanding access to the medication Naloxone Hydrochloride (Narcan) by allowing such medication to be prescribed to, among others, a family member, friend, or other person in a position to assist a person at risk of experiencing an opiate-related overdose. Further, the N.C. Department of Health and Human Services issued a standing order, most recently on March 24, 2022, authorizing any pharmacist practicing in the State of North Carolina and licensed by the N.C. Board of Pharmacy to dispense Naloxone Hydrochloride (Narcan) to persons who voluntarily request it and are the family member or friend of a person at risk of experiencing an opiate-related overdose, or a person who is in the position to assist a person at risk of experiencing an opiate-related overdose.

Use of Prescription Information in Underwriting

The North Carolina Department of Insurance (“Department”) understands that as part of the underwriting process, insurers collect and consider information about an applicant’s medical history, including prescription medications, in order to assess the applicant’s health status and level of risk. However, insurers need to be aware that North Carolina law permits the purchase of Naloxone Hydrochloride (Narcan) by a family member or friend of a person at risk of experiencing an opiate-related overdose, or a person who is in the position to assist a person at risk of experiencing an opiate-related overdose.

The Department is issuing this Bulletin to highlight that these prescriptions are different from other prescriptions written, as the medication may be issued to a named individual for use by a different

individual or prescribed to specifically prevent illness or disease. As such, the Department expects that prior to making an underwriting decision, insurers will obtain information sufficient to determine if an applicant has obtained a prescription for a medication that is not relevant to the applicant's health or is designed to prevent disease. Failure to do so may violate N.C. Gen. Stat. § 58-58-35, which prohibits a life insurance company from making any distinction or discrimination in favor of individuals between insurants of the same class and equal expectation of life in the amount of payment of premiums or rates charged for policies of life or endowment insurance, or in the dividends or other benefits payable thereon, or in any of the terms and conditions of the contracts it makes. *See* N.C. Gen. Stat. § 58-58-35.

Further, it would negatively affect North Carolina's crucial public health efforts if insurers decline applications, rescind coverage, or charge a person carrying naloxone a higher premium for life insurance, annuity contracts, sickness and accident insurance, and/or disability insurance solely because the applicant had obtained Naloxone Hydrochloride (Narcan) to help respond to opioid overdoses. We expect insurers to carefully consider the reason for and intended user of the prescription prior to issuing an underwriting decision.

Please refer any questions regarding this Bulletin to the attention of Ted Hamby at LHInbox@ncdoi.gov.