1 10A NCAC 13B .2101 is adopted under temporary procedures as follows:
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3 **SECTION .2100 – TRANSPARENCY IN HEALTH CARE COSTS**
4
5 **10A NCAC 13B .2101 DEFINITIONS**
6 The following definitions shall apply throughout this section, unless text otherwise indicates to the contrary:
7 (1) "Commission" means the North Carolina Medical Care Commission.
8 (2) "Current Procedural Terminology (CPT)" means a medical code set developed by the American
9 Medical Association.
10 (3) "Diagnostic Related Group (DRG)" means a system to classify hospital cases assigned by a grouper
11 program based on ICD (International Classification of Diseases) diagnoses, procedures, patient's
12 age, sex, discharge status, and the presence of complications or co-morbidities.
13 (4) "Department" means the North Carolina Department of Health and Human Services.
14 (5) "Financial Assistance" means a policy, including charity care, describing how the organization will
15 provide assistance at its hospital(s) and any other facilities, Financial assistance includes free or
16 discounted health services provided to persons who meet the organization's criteria for financial
17 assistance and are unable to pay for all or a portion of the services. Financial assistance does not
18 include:
19 (a) bad debt;
20 (b) uncollectable charges that the organization recorded as revenue but wrote off due
21 to a patient's failure to pay;
22 (c) the cost of providing such care to such patients;
23 (d) the difference between the cost of care provided under Medicare or other
24 government programs, and the revenue derived therefrom.
25 (6) "Governing Body" means the authority as defined in G.S. 131E-76.
26 (7) "Healthcare Common Procedure Coding System (HCPCS)" means a three tiered medical code set
27 consisting of Level I, II and III services and contains the CPT code set in Level I.
28 (8) "Health Insurer" means an entity that writes a health benefit plan as defined in G.S. 131E-
29 214.13(a)(3).
30 (9) "Hospital" means a medical care facility licensed under Article 5 of Chapter 131E or under Article
31 2 of Chapter 122C of the General Statutes.
32 (10) "Public or Private Third Party" means the State, federal government, employers, health insurers,
33 third-party administrators and managed care organizations.
34
35 *History Note: Authority G.S. 131E-214.13; S.L. 2013-382(s.10.1); (s.13.1); S.L. 2014-100;*
36 *Temporary Adoption Eff. January 31, 2015.*

1 10A NCAC 13B .2102 is adopted under temporary procedures as follows:

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3 **10A NCAC 13B .2102 REPORTING REQUIREMENTS**

4 (a) The Department shall establish the lists of the statewide 100 most frequently reported DRGs, 20 most common
5 outpatient imaging procedures, and 20 most common outpatient surgical procedures performed in the hospital setting
6 to be used for reporting the data required in Paragraphs (b) through (d) of this Rule. The lists shall be determined
7 based on data provided by the certified statewide data processor. The Department shall make the lists available on its
8 website at: http://www.ncdhhs.gov/dhsr/ahc.
9 (b) In accordance with G.S. 131E-214.13 and quarterly per year all licensed hospitals shall report the data required in
10 Paragraph (d) of this Rule related to the statewide 100 most common DRGs to the certified statewide data processor
11 in a format provided by the certified statewide processor. The data reported shall be from the quarter ending three
12 months previous to the date of reporting and includes all sites operated by the licensed hospital.
13 (c) In accordance with G.S. 131E-214.13 and quarterly per year all licensed hospitals shall report the data required in
14 Paragraph (d) of this Rule related to the statewide 20 most common outpatient imaging procedures and the statewide
15 20 most common outpatient surgical procedures to the certified statewide data processor in a format provided by the
16 certified statewide processor. This report shall include the related primary CPT and HCPCS codes. The data reported
17 shall be from the quarter ending three months previous to the date of reporting and includes all sites operated by the
18 licensed hospital.
19 (d) The reports as described in Paragraphs (b) and (c) of this Rule shall be specific to each reporting hospital and shall
20 include:
21 (1) the average gross charge for each DRG or procedure if all charges are paid in full without any
22 portion paid by a public or private third party;
23 (2) the average negotiated settlement on the amount that will be charged for each DRG or procedure as
24 required for patients defined in Paragraph (d)(1) of this Rule. The average negotiated settlement is
25 to be calculated using the average amount charged all patients eligible for the hospital's financial
26 assistance policy, including self-pay patients;
27 (3) the amount of Medicaid reimbursement for each DRG or procedure, including all supplemental
28 payments to and from the hospital;
29 (4) the amount of Medicare reimbursement for each DRG or procedure; and
30 (5) on behalf of patients who are covered by a Department of Insurance licensed third-party and teachers
31 and State employees, report the lowest, average, and highest amount of payments made for each
32 DRG or procedure by each of the hospital's top five largest health insurers.
33 (A) each hospital shall determine its five largest health insurers based on the dollar volume of
34 payments received from those insurers;
35 (B) the lowest amount of payment shall be reported as the lowest payment from each of the
36 five insurers on the DRG or procedure;

1 (C) the average amount of payment shall be reported as the arithmetic average of each of the
2 five health insurers payment amounts;
3 (D) the highest amount of payment shall be reported as the highest payment from each of the
4 five insurers on the DRG or procedure; and
5 (E) the identity of the top five largest health insurers shall be redacted prior to submission.
6 (e) The data reported, as defined in Paragraphs (b) through (d) of this Rule, shall reflect the payments received from
7 patients and health insurers for all closed accounts. For the purpose of this Rule, closed accounts are patient accounts
8 with a zero balance at the end of the data reporting period.
9 (f) A minimum of three data elements shall be required for reporting under Paragraphs (b) and (c) of this Rule.
10 (g) The information submitted in the report shall be in compliance with the federal "Health Insurance Portability and
11 Accountability Act of 1996."
12 (h) The Department shall provide the location of each licensed hospital and all specific hospital data reported pursuant
13 to this Rule on its website. Hospitals shall be grouped by category on the website. On each quarterly report, hospitals
14 shall determine one category that most accurately describes the type of facility. The categories are:
15 (1) "Academic Medical Center Teaching Hospital," means a hospital as defined in Policy AC-
16 3 of the N.C. State Medical Facilities Plan. The N.C. State Medical Facilities Plan can be
17 accessed at the Division's website at: http://www.ncdhhs.gov/dhsr/ncsmfp.
18 (2) "Teaching Hospital," means a hospital that provides medical training to individuals
19 provided that such educational programs are accredited by the Accreditation Council for
20 Graduated Medical Education to receive graduate medical education funds from the
21 Centers for Medicare & Medicaid Services.
22 (3) "Community Hospital," means a general acute hospital that provides diagnostic and medical
23 treatment, either surgical or nonsurgical, to inpatients with a variety of medical conditions, and that
24 may provide outpatient services, anatomical pathology services, diagnostic imaging services,
25 clinical laboratory services, operating room services, and pharmacy services, that is not defined by
26 the categories listed in this Subparagraph and Subparagraphs (h)(1), (2), or (5) of this Rule.
27 (4) "Critical Access Hospital," means a hospital defined in the Centers for Medicare & Medicaid
28 Services' State Operations Manual, Chapter 2 – The Certification Process, 2254D – Requirements
29 for Critical Access Hospitals (Rev. 1, 05-21-04), including all subsequent updates and revisions.
30 The manual may be accessed at no cost at the internet website: http://www.cms.gov/Regulations-
31 and-Guidance/Guidance/Manuals/downloads/som107ap_a_hospitals.pdf
32 (5) "Mental Health Hospital," means a hospital providing psychiatric services as defined in G.S.
33 131E-176(21).
34
35 *History Note: Authority G.S.131E-214.4; 131E-214.13; S.L. 2013-382(s.10.1); S.L. 2014-100;*
36 *Temporary Adoption Eff. January 31, 2015.*

10A NCAC 13C .0103 is amended under temporary procedures as follows:

10A NCAC 13C .0103 DEFINITIONS

As used in this Subchapter, unless the context clearly requires otherwise, the following terms have the meanings specified:

(1) "Adequate" means, when applied to various areas of services, that the services are at least satisfactory in meeting a referred to need when measured against contemporary professional standards of practice.

(2) "AAAASF" means American Association for Accreditation of Ambulatory Surgery Facilities.

(3) "AAAHC" means Accreditation Association for Ambulatory Health Care.

(4) "Ancillary nursing personnel" means persons employed to assist registered nurses or licensed practical nurses in the care of patients.

(5) "Anesthesiologist" means a physician whose specialized training and experience qualify him or her to administer anesthetic agents and to monitor the patient under the influence of these agents. For the purpose of these Rules the term "anesthesiologist" shall not include podiatrists.

(6) "Anesthetist" means a physician or dentist qualified, as defined in Item ~~(22)~~(26) of this Rule, to administer anesthetic agents or a registered nurse qualified, as defined in Item ~~(22)~~(26) of this Rule, to administer anesthesia.

(7) "Authority Having Jurisdiction" means the Division of Health Service Regulation.

(8) "Chief executive officer" or "administrator" means a qualified person appointed by the governing authority to act in its behalf in the overall management of the facility and whose office is located in the facility.

(9) “Commission” means the North Carolina Medical Care Commission.

(10) “Current Procedural Terminology (CPT)” means a medical code set developed by the American Medical Association.

~~(9)~~ (11) "Dentist" means a person who holds a valid license issued by the North Carolina Board of Dental Examiners to practice dentistry.

~~(10)~~ (12) "Department" means the North Carolina Department of Health and Human Services.

~~(11)~~ (13) "Director of nursing" means a registered nurse who is responsible to the chief executive officer and has the authority and direct responsibility for all nursing services and nursing care for the entire facility at all times.

(14) “Financial Assistance” means a policy, including charity care, describing how the organization will provide assistance at its facility, Financial assistance includes free or discounted health services provided to persons who meet the organization’s criteria for financial assistance and are unable to pay for all or a portion of the services. Financial assistance does not include:

(a) bad debt;

(b) uncollectable charges that the organization recorded as revenue but wrote off due to a patient's failure to pay;

(c) the cost of providing such care to such patients;

(d) the difference between the cost of care provided under Medicare or other government programs, and the revenue derived therefrom.

~~(12)~~ (15) "Governing authority" means the individual, agency or group or corporation appointed, elected or otherwise designated, in which the ultimate responsibility and authority for the conduct of the ambulatory surgical facility is vested.

(16) "Health Insurer" means an entity that writes a health benefit plan as defined in G.S. 131E-214.13.

(17) "Healthcare Common Procedure Coding System (HCPCS)" means a three tiered medical code set consisting of Level I, II and III services and contains the CPT code set in Level I.

~~(13)~~ (18) "JCAHO" or "Joint Commission" means Joint Commission on Accreditation of Healthcare Organizations.

~~(14)~~ (19) "Licensing agency" means the Department of Health and Human Services, Division of Health Service Regulation.

~~(15)~~ (20) "Licensed practical nurse" (L.P.N.) means any person licensed as such under the provisions of G.S. 90-171.

~~(16)~~ (21) "Nursing personnel" means registered nurses, licensed practical nurses and ancillary nursing personnel.

~~(17)~~ (22) "Operating room" means a room in which surgical procedures are performed.

~~(18)~~ (23) "Patient" means a person admitted to and receiving care in a facility.

~~(19)~~ (24) "Person" means an individual, a trust or estate, a partnership or corporation, including associations, joint stock companies and insurance companies; the state, or a political subdivision or instrumentality of the state.

~~(20)~~ (25) "Pharmacist" means a person who holds a valid license issued by the North Carolina Board of Pharmacy to practice pharmacy in accordance with G.S. 90-85.

~~(21)~~ (26) "Physician" means a person who holds a valid license issued by the North Carolina Medical Board to practice medicine. For the purpose of carrying out these Rules, a "physician" may also mean a person holding a valid license issued by the North Carolina Board of Podiatry Examiners to practice podiatry.

(27) "Public or Private Third Party" means the State, federal government employers, health insurers, third-party administrators and managed care organizations.

~~(22)~~ (28) "Qualified person" when used in connection with an occupation or position means a person:

(a) who has demonstrated through relevant experience the ability to perform the required functions; or

(b) who has certification, registration or other professional recognition.

~~(23)~~ (29) "Recovery area" means a room used for the post anesthesia recovery of surgical patients.

~~(24)~~ (30) "Registered nurse" means a person who holds a valid license issued by the North Carolina Board of Nursing to practice nursing as defined in G.S. 90-171.

~~(25)~~ (31) "Surgical suite" means an area which includes one or more operating rooms and one or more recovery rooms.

History Note: *Authority G.S. 131E-149; 131E-214.13; S.L. 2013-382(s.10.1),(s.13.1);S.L. 2014-100;*
Eff. October 14, 1978;
Amended Eff. April 1, 2003; ~~November 1, 1989.~~ November 1, 1989;
Temporary Amendment Eff. January 31, 2015.

Rules For: Ambulatory Surgical Facilities
Type of Rule: Temporary Adoption
MCC Action: Final Adoption

10/15/14

1 10A NCAC 13C .0206 is adopted under temporary procedures as follows:

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3 **10A NCAC 13C .0206 REPORTING REQUIREMENTS**

4 (a) The Department shall establish the lists of the statewide 20 most common outpatient imaging procedures and 20
5 most common outpatient surgical procedures performed in the ambulatory surgical facility setting to be used for
6 reporting the data required in Paragraphs (b) through (c) of this Rule. The lists shall be based on data provided by the
7 certified statewide data processor. The Department shall make the lists available on its website at:
8 http://www.ncdhhs.gov/dhsr/ahc.
9 (b) In accordance with G.S. 131E-214.13 and quarterly per year all licensed ambulatory surgical facilities shall report
10 the data required in Paragraph (c) of this Rule related to the statewide 20 most common outpatient imaging procedures
11 and the statewide 20 most common outpatient surgical procedures to the certified statewide data processor in a format
12 provided by the certified statewide processor. This report shall include the related primary CPT and HCPCS codes.
13 The data reported shall be from the quarter ending three months previous to the date of reporting.
14 (c) The report as described in Paragraphs (b) of this Rule shall be specific to each reporting ambulatory surgical
15 facility and shall include:
16 (1) the average gross charge for each DRG or procedure if all charges are paid in full without any
17 portion paid by a public or private third party;
18 (2) the average negotiated settlement on the amount that will be charged for each DRG or procedure as
19 required for patients defined in Paragraph (c)(1) of this Rule. The average negotiated settlement is
20 to be calculated using the average amount charged all patients eligible for the facility's financial
21 assistance policy, including self-pay patients;
22 (3) the amount of Medicaid reimbursement for each DRG or procedure, including all supplemental
23 payments to and from the ambulatory surgical facility;
24 (4) the amount of Medicare reimbursement for each DRG or procedure; and
25 (5) on behalf of patients who are covered by a Department of Insurance licensed third-party and teachers
26 and State employees, report the lowest, average, and highest amount of payments made for each
27 DRG or procedure by each of the facility's top five largest health insurers.
28 (A) each ambulatory surgical facility shall determine its five largest health insurers based on
29 the dollar volume of payments received from those insurers;
30 (B) the lowest amount of payment shall be reported as the lowest payment from each of the
31 five insurers on the DRG or procedure;
32 (C) the average amount of payment shall be reported as the arithmetic average of each of the
33 five health insurers payment amounts;
34 (D) the highest amount of payment shall be reported as the highest payment from each of the
35 five insurers on the DRG or procedure; and
36 (E) the identity of the top five largest health insurers shall be redacted prior to submission.

1 (e) The data reported, as defined in Paragraphs (b) through (c) of this Rule, shall reflect the payments received from
2 patients and health insurers for all closed accounts. For the purpose of this Rule, closed accounts are patient accounts
3 with a zero balance at the end of the data reporting period.
4 (f) A minimum of three data elements shall be required for reporting under Paragraph (b) of this Rule.
5 (g) The information submitted in the report shall be in compliance with the federal "Health Insurance Portability and
6 Accountability Act of 1996."
7 (h) The Department shall provide all specific ambulatory surgical facility data reported pursuant to this Rule on its
8 website.
9
10 *History Note: Authority G.S.131E-214.4; 131E-214.13; S.L. 2013-382(s.10.1); S.L. 2014-100;*
11 *Temporary Adoption Eff. January 31, 2015.*