

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H

D

HOUSE BILL 906
PROPOSED COMMITTEE SUBSTITUTE H906-PCS40539-BP-11

Short Title: Reagan's Law.

(Public)

Sponsors:

Referred to:

April 14, 2025

A BILL TO BE ENTITLED
AN ACT TO IMPROVE THE ACCESS OF NORTH CAROLINIANS WITH LIMB LOSS
AND LIMB DIFFERENCE TO PROSTHETIC AND ORTHOTIC DEVICES AND CARE.
The General Assembly of North Carolina enacts:

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

"§ 58-3-286. Prosthetic and orthotic devices and care.

(a) This section shall apply to all health benefit plans offered in this State other than those regulated under Part 5 of Article 50 of this Chapter, Small Employer Group Health Insurance Reform, or Article 50A of this Chapter, Multiple Employer Welfare Arrangements.

(b) Health benefit plan coverage shall include coverage for all prosthetic and orthotic devices required to be covered by federal law or regulation under Medicare Part B, as detailed under Part B of Subchapter XVIII of Chapter 7 of Title 42 of the U.S. Code and Subpart D of Part 414 of Subchapter B of Chapter IX of Title 42 of the Code of Federal Regulations. Coverage under this section shall include:

- (1) All materials and components necessary to use a prosthetic or orthotic device.
- (2) Instruction relating to the use of a prosthetic or orthotic device.
- (3) Repair or replacement of a prosthetic or orthotic device meeting the requirements of subsection (g) of this section.

(c) Coverage consistent with this section shall be required for all prosthetic or orthotic devices, including custom devices, determined by the insured's healthcare provider to be the most appropriate model to adequately meet the medical needs of the insured for completing activities of daily living or essential job-related activities.

(d) Coverage under this section shall not be limited to one prosthetic or orthotic device. In addition to coverage required under subsection (c) of this section, a health benefit plan shall provide coverage for additional prosthetic or orthotic devices, including custom devices determined by the insured's healthcare provider to be the most appropriate model to adequately meet the medical needs of the insured for either or both of the following:

- (1) Performing physical activities, such as running, biking, swimming, and strength training.
- (2) Maximizing the insured's whole-body health and function of one or more lower or upper limb.

(e) Coverage for prosthetic and orthotic devices, including custom devices, is considered a habilitative or rehabilitative benefit, including for the purposes of any federal requirement for the coverage of essential health benefits.



* H 9 0 6 - P C S 4 0 5 3 9 - B P - 1 1 *

(f) An insurer shall not deny any health benefit claim for a prosthetic or orthotic device for an insured with limb loss or absence that would otherwise be covered for any insured without a disability seeking medical or surgical intervention to restore or maintain the ability to perform the same physical activity.

(g) A health benefit plan shall provide coverage for the replacement of a prosthetic or orthotic device, or part of a prosthetic or orthotic device, and all of the following shall apply to that coverage:

(1) The coverage shall be provided without regard to continuous use or useful lifetime restrictions so long as the prescribing healthcare provider determines that the provision of a replacement prosthetic or orthotic device, or a replacement part of a prosthetic or orthotic device, is necessary for any of the following reasons:

a. A change in the physiological condition of the insured.

b. An irreparable change in the condition of the device or part of the device.

c. The condition of the device, or part of the device, requires one or more repairs and the cost of the repair or repairs would be more than sixty percent (60%) of replacement cost of the device or the parts requiring replacement.

(2) An insurer may require confirmation from the prescribing healthcare provider prior to replacement only if the device or the part of the device being replaced is less than 3 years old.

(3) The coverage shall be provided for custom devices."

SECTION 1.(b) No later than February 1, 2028, each issuer that offers a health benefit plan subject to G.S. 58-3-286 shall report to the Commissioner of the Department of Insurance, in a form prescribed by the Commissioner, the number of claims and total amount of claims paid for benefits required under G.S. 58-3-286.

SECTION 1.(c) No later than March 1, 2028, the Commissioner of the Department of Insurance shall aggregate all data received under subsection (b) of this section by health benefit plan year and provide this information in a report to the Joint Legislative Oversight Committee on General Government and the Joint Legislative Oversight Committee on Health and Human Services.

SECTION 2. This act is effective October 1, 2025, and applies to the earlier of the following:

(1) To insurance contracts issued, renewed, or amended on or after October 1, 2025.

(2) Upon the next yearly anniversary of the insurance contract date occurring after October 1, 2025. For the purposes of this act, the next yearly anniversary of the insurance contract date is deemed a renewal of the contract.