

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

H

1

HOUSE BILL 179

Short Title: Amend HIE Participation Enforcement Mechanism.-AB (Public)

Sponsors: Representatives Lambeth and Goodwin (Primary Sponsors).

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Health, if favorable, Rules, Calendar, and Operations of the House

March 1, 2021

A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE IMPOSITION OF A CIVIL PENALTY AGAINST CERTAIN ENTITIES AND PROVIDERS THAT FAIL TO CONNECT TO, AND SUBMIT MANDATORY DEMOGRAPHIC AND CLINICAL DATA INFORMATION THROUGH, THE NORTH CAROLINA HEALTH INFORMATION EXCHANGE NETWORK KNOWN AS NC HEALTHCONNEX.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 90-414.4 is amended by adding new subsections to read:

"(b1) The HIE Authority shall assess a civil penalty to any provider or entity that fails to connect to the HIE Network and submit demographic and clinical data information through the HIE Network as required under subsection (b) of this section. The amount of the civil penalty shall not exceed ten dollars (\$10.00) per claim that the provider or entity fails to submit through the HIE Network during any period of noncompliance with the requirements of subsection (b) of this section. The clear proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Within 30 days after receiving a notice of civil penalty assessment under this subsection, a provider or entity shall do one of the following:

- (1) Pay the full amount of the civil penalty.
- (2) Contact the HIE Authority and execute a participation agreement.
- (3) Contact the Department of Information Technology to request an exemption under subsection (a2) of this section or contact the Department of Health and Human Services to request a hardship extension under subsection (a3) of this section.
- (4) File a petition for a contested case with the Office of Administrative Hearings.

(b2) Chapter 150B of the General Statutes applies to proceedings for the assessment of civil penalties under subsection (b1) of this section. If an entity or provider assessed a civil penalty under subsection (b1) of this section fails to take any of the actions listed in subdivisions (1) through (4) of subsection (b1) of this section within 30 days after receiving a notice of civil penalty assessment, or if an entity or provider fails to pay the civil penalty to the HIE Authority within 30 days after a final decision affirming the civil penalty, then the HIE Authority may institute an action in the superior court of the county in which the entity or provider has a principal place of business to recover the unpaid amount of the civil penalty. An action to recover a civil penalty under this subsection does not relieve any party from any other penalty prescribed by law.

...."



\* H 1 7 9 - V - 1 \*

1           **SECTION 2.** G.S. 90-414.7(b) is amended by adding a new subdivision to read:  
2           "(18) Assess civil penalties, as provided in subsection (b1) of G.S. 90-414.4, against  
3           entities and providers that fail to connect to the HIE Network and submit  
4           required demographic and clinical information."

5           **SECTION 3.** This act becomes effective October 1, 2021, and applies to violations  
6 of G.S. 90-414.4(b) occurring on or after that date.