

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

H.B. 179
Feb 25, 2021
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH50000-MG-62B

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

Sponsors: Representative Lambeth.

Referred to:

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

7 The General Assembly of North Carolina enacts:

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

9 "(b1) The HIE Authority shall assess a civil penalty to any provider or entity that fails to
10 connect to the HIE Network and submit demographic and clinical data information through the
11 HIE Network as required under subsection (b) of this section. The amount of the civil penalty
12 shall not exceed ten dollars (\$10.00) per claim that the provider or entity fails to submit through
13 the HIE Network during any period of noncompliance with the requirements of subsection (b) of
14 this section. The clear proceeds of civil penalties assessed pursuant to this subsection shall be
15 remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2. Within
16 30 days after receiving a notice of civil penalty assessment under this subsection, a provider or
17 entity shall do one of the following:

18 (1) Pay the full amount of the civil penalty.
19 (2) Contact the HIE Authority and execute a participation agreement.
20 (3) Contact the Department of Information Technology to request an exemption
21 under subsection (a2) of this section or contact the Department of Health and
22 Human Services to request a hardship extension under subsection (a3) of this
23 section.

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

35"

36 **SECTION 2.** G.S. 90-414.7(b) is amended by adding a new subdivision to read:



1 "(18) Assess civil penalties, as provided in subsection (b1) of G.S. 90-414.4, against
2 entities and providers that fail to connect to the HIE Network and submit
3 required demographic and clinical information."

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