



# SENATE BILL 257: Appropriations Act of 2017, Sec. 11A.5: Health Information Exchange

2017-2018 General Assembly

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<b>Committee:</b>		<b>Date:</b>	August 22, 2017
<b>Introduced by:</b>		<b>Prepared by:</b>	Theresa Matula Legislative Analyst
<b>Analysis of:</b>	Sec. 11A.5 of S.L. 2017-57		

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**OVERVIEW:** *Sec. 11A.5 of S.L. 2017-57 amends session laws and statutes pertaining to the Health Information Exchange (HIE) to specify when certain providers and entities must be connected to the HIE Network and to require a study of the State Health Plan related to the feasibility and appropriateness of providers and entities connecting to submit data.*

**Providers and Entities Connected to the HIE Network** - *Sec 12A.5(a)(1) of S.L. 2015-241 is amended to require specified providers and entities to be connected to the HIE Network with regard to services rendered to Medicaid and other State-funded health care program beneficiaries and services paid for with Medicaid or other State-funded health care funds. The changes in the Session Law are also included as G.S. 90-414.4(a1) and require the following:*

- *By June 1, 2018, the following Medicaid service providers must be connected: Hospitals, Physicians, Physician Assistants, and Nurse Practitioners. (G.S. 90-414(a1)(1))*
- *By June 1, 2019, all other providers of Medicaid and State-funded health care services, except those outlined in the third bullet, must submit demographic and clinical data. (G.S. 90-414(a1)(2))*
- *In accordance with S.L. 2015-245, Prepaid Health Plans must submit encounter and claims data by the commencement date of a capitated contract with the Division of Health Benefits for the delivery of Medicaid and NC Health Choice services. By June 1, 2020, local management entities/managed care organizations must submit encounter and claims data. (G.S. 90-414(a1)(3))*

*The Department of Information Technology (DIT), in consultation with the Department of Health and Human Services (DHHS), may establish a process to grant limited extensions of time to providers and entities that demonstrate and on-going good faith effort to establish connection and begin data submission. Both Departments must review and decide on an extension request within 30 days. The process must include a presentation by the provider or entity on an expected time line for connection. No extension may be granted to: (i) a provider or entity that fails to provide information to both DIT and DHHS, or (ii) that would result in connecting to the HIE Network later than June 1, 2020. The statute is also amended to allow an exemption for providers for patient records that are subject to certain disclosure restrictions.*

*Sec.11A.5(c)-(f) amends various statutory provisions related to the Health Information Exchange. Section 11A.5(g) requires DHHS to include as one of the terms and conditions of any contract it enters into, on or after the effective date, with a local management entity/managed care organization (LME/MCO) or Prepaid Health Plan (PHP), a requirement that the LME/MCO or PHP must comply with the provisions of G.S. 90-414.4.*

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*State Health Plan Study - Sec. 11A.5(h) requires DHHS, DIT, and the Division in the Department of State Treasurer responsible for the State Health Plan for Teachers and State Employees, to conduct a joint study of:*

- *The feasibility and appropriateness of providers and entities, other than those specified in G.S. 90-414.4(a1)(1), connecting with and submitting demographic and clinical data through the HIE Network.*
- *The feasibility and appropriateness of providers and entities, other than those specified in G.S. 90-414.4(3), connecting with and submitting encounter and claims data through the HIE Network.*

*The study must examine at least six specified topics and a joint report must be submitted to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Oversight Committee on Information Technology by April 1, 2018.*

*This section became effective July 1, 2017.*