

North Carolina Department of Health and Human Services

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

May 13, 2014

The Honorable Ralph Hise, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 1026, Legislative Building
Raleigh, NC 27601

The Honorable Justin Burr, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 307A, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Mark Hollo, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 639, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Andrew Brock, Co-Chair
Joint Legislative Oversight Committee on
Information Technology
Room 521, Legislative Office Building
Raleigh, NC 27603-5925

The Honorable Jason Saine, Co-Chair
Joint Legislative Oversight Committee on
Information Technology
Room 402, Legislative Office Building
Raleigh, NC 27603-5925

Dear Senators Hise and Brock; and Representatives Burr, Hollo and Saine:

Section 4.18 of Session Law 2013-363 requires hospitals that have an electronic health record system to connect to the North Carolina Health Information Exchange (NC HIE) and submit individual patient demographic and clinical data on services paid for with Medicaid funds. The NC HIE is also required to give the Department of Health and Human Services (DHHS) real-time access to data and information contained in the NC HIE.

Prior to those mandates becoming effective, S.L. 2013-363 imposed two conditions precedent:

- (1) The Department of Health and Human Services and the NC HIE must execute an agreement regarding the utilization and sharing of data and information contained in the HIE Network, which has to be in a manner that complies with the Health Information Portability and Accountability Act of 1996, P.L. 104-191, as amended (HIPAA), the rules adopted under HIPAA, and any other applicable federal laws; and
- (2) The Department of Health and Human Services and the NC HIE must jointly submit a report to the Joint Legislative Oversight Committees on Information Technology and Health and Human Services on the agreement described in item (1) above.

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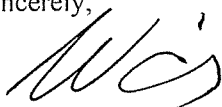
DHHS and NC HIE have entered into a Subscription Agreement effective May 12, 2014 meeting the requirements of (1) above and providing for DHHS access to data contained in the NC HIE. A copy of the executed agreement is attached.

Prior to executing this agreement, DHHS and NC HIE jointly hosted a forum of hospital representatives and key stakeholders to address the purpose of the legislation and provider concerns. This forum and subsequent discussions established a dialog between NC HIE and hospitals to clarify services, costs and implementation options. While fees associated with hospital connection to the NC HIE are not addressed in legislation, this dialog was crucial for successful hospital engagement.

This letter, along with the attached letter from the NC HIE, serves to fulfill the joint reporting requirements stated above.

Please contact Joe Cooper at 919.855.3060 should you have any questions regarding this report.

Sincerely,



Aldona Wos, M.D.
Secretary

Attachments

cc: Members of the Joint Legislative Oversight Committee on Health and Human Services
 Members of the Joint Legislative Oversight Committee on Information Technology
 Adam Sholar Susan Jacobs
 Joe Cooper Patricia Porter
 Darryl Meeks Sarah Riser
 David Oglesby Kristi Huff
 Pam Kilpatrick Brandon Greife
 Grant Brooks Kasey Ginsberg
 Larry Yates Karlynn O'Shaughnessy
 Theresa Matula Joyce Jones
 Robin Cummings Chris Scarboro
 reports@ncleg.net



NORTH CAROLINA
HEALTH INFORMATION EXCHANGE

May 12, 2014

The Honorable Ralph Hise, Co-Chair
Joint Legislative Oversight Committee on
Health and Human Services
Room 1026, Legislative Building
Raleigh, NC 27603-5925

The Honorable Justin Burr, Co-Chair
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Raleigh, NC 27603-5925

Dear Senators Hise and Brock and Representatives Burr, Hollo and Saine:

This letter serves to fulfill the requirement set forth in Section 4.18 of Session Law 2013-363 and House Bill 834, 2013 Regular Session, Section 14.2 (2) that the Joint Legislative Committees on Health and Human Services and Information Technology shall be notified when an agreement regarding the sharing of data contained in the HIE Network has been executed by the Department of Health and Human Services and the NC HIE. Such an agreement has been executed by both parties on May 12, 2014. Therefore, in conjunction with this letter, the conditions to enact G.S. 90-413.3A have been met.

Thank you to the Members of the Committees for allowing the North Carolina Health Information Exchange to serve our state. We look forward to continuing our work with the Department of Health and Human Services and the General Assembly in moving forward with statewide implementation.

Sincerely,

Chris Scarboro, MPH
President
North Carolina Health Information, Inc.

Cc:

Members of the Joint Legislative Oversight Committee on Health and Human Services
Members of the Joint Legislative Oversight Committee on Information Technology
Robin Cummings
Adam Sholar

Sarah Riser
Kristi Huff
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