



CHAPTER 90
ARTICLE 28 - SELF-REFERRALS BY HEALTH CARE PROVIDERS

N.C.G.S. § 90-407.

Disciplinary action and penalties.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT S.L. 1998-215, s. 74 — second act in the lineage	RETRIEVED 21 September 2026, 04:02 UTC	SOURCE FINGERPRINT 9a74e1265e6c7fd51fe1edb1 - c8f27fbbd145f6f5509ac452 - ca99c91fb4fe5caa
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§ 90-407(a) Any violation of this Article shall constitute grounds for disciplinary action to be taken by the applicable Board pursuant to Chapter 90 of the General Statutes.

§ 90-407(b) Any health care provider who refers a patient in violation of G.S. 90-406(a), or any health care provider or entity who

- (1) Presents or causes to be presented a bill or claim for service that the health care provider or entity knows or should know is prohibited by G.S. 90-406(b), or
- (2) Fails to make a refund as required by G.S. 90-406(c),

shall be subject to a civil penalty of not more than twenty thousand dollars (\$20,000) for each such bill or claim, to be recovered in an action instituted either in Wake County Superior Court, or any other county, by the Attorney General for the use of the State of North Carolina.

§ 90-407(c) Any health care provider or other entity that enters into an arrangement or scheme, such as cross-referral arrangement, that the health care provider or entity knows or should know is intended to induce referrals or patients for designated health care services to a particular entity and that, if the health care provider directly made referrals to such entity, would violate G.S. 90-406(d), shall be subject to a civil penalty of not more than seventy-five thousand dollars (\$75,000) for each such circumvention arrangement or scheme, to be recovered in an action instituted either in Wake County Superior Court, or any other county, by the Attorney General for the use of the State of North Carolina. No civil penalty shall be assessed hereunder for any arrangement fully disclosed to the Attorney General in writing which receives a favorable determination

by the Attorney General that, in his opinion, such arrangement is not a violation of G.S. 90-406, until a contrary determination is made in a court of law.

§ 90-407(d) The clear proceeds of civil penalties provided for in this section shall be remitted to the Civil Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
2 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

1993		1996	1998
TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT			
Nº	YEAR	ACT	CHARACTER
01	1993	c. 482, s. 1	ENACTED
02	1998	S.L. 1998-215, s. 74	AMENDED

APPARATUS II
6 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 90-406(a)	(b)	"refers a patient in violation of"
G.S. 90-406(b)	(b)(1)	"or should know is prohibited by"
G.S. 90-406(c)	(b)(2)	"make a refund as required by"
G.S. 90-406(d)	(c)	"referrals to such entity, would violate"
G.S. 90-406	(c)	"arrangement is not a violation of"
G.S. 115C-457.2	(d)	"and Forfeiture Fund in accordance with"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 90-407 (1998).

PINPOINT

N.C. Gen. Stat. § 90-407(a) (1998).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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This is not the official text. The official text is published by the General Assembly of North Carolina.

HISTORY PARENTHETICAL, AS PRINTED BY THE STATE
(1993, c. 482, s. 1; 1998-215, s. 74.)

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NORTH CAROLINA LAW — STATUTE EXPORT, FORMAT V1

