§ 135-48.15. Whistle-blower protections related to the State Health Plan.

(a) Statement of Public Policy. – It is the policy of this State that persons shall be encouraged to report verbally or in writing to the State Health Plan, Attorney General, or other appropriate authority evidence of activity related to the State Health Plan and involving the following:

(1) A violation of State or federal law, rule, or regulation.

(2) Fraud.

(3) Misappropriation of State resources.

(4) Gross mismanagement, a gross waste of monies, or gross abuse of authority.

Further, it is the policy of this State that persons shall be free of intimidation or harassment when reporting matters of public concern related to the State Health Plan, including offering testimony to or testifying before appropriate legislative panels.

(a1) Rules to Further Public Policy. – In accordance with G.S. 135-48.25, the State Treasurer may adopt rules to assist in the identification and investigation of activities described under subsection (a) of this section undertaken by a health care provider that provides services to Plan members. If the Plan adopts a program to encourage its members to report these activities, then the Plan is authorized to expend State funds in furtherance of the policy objectives of this section and may adopt rules to offer an incentive to Plan members. The incentive offered shall be five hundred dollars ($500.00), or a maximum of twenty percent (20%) of any net recovery made by the Plan resulting from the member report, whichever amount is less.

(b) Protection From Retaliation. – No employer shall sue, discharge, threaten, or otherwise discriminate against an employee regarding the employee's compensation, terms, conditions, location, or privileges of employment because the employee, or a person acting on behalf of the employee, reports or is about to report, verbally or in writing, any activity described in subsection (a) of this section, unless the employee knows or has reason to believe that the report is inaccurate. No other employee of an employer shall retaliate against another employee because the employee, or a person acting on behalf of the employee, reports or is about to report, verbally or in writing, any activity described in subsection (a) of this section. No person shall sue, terminate a contract, threaten, or otherwise discriminate against a reporting person regarding the reporting person's compensation or terms of contract because the reporting person, or a person acting on behalf of the reporting person, reports or is about to report, verbally or in writing, any activity described in subsection (a) of this section, unless the reporting person knows or has reason to believe that the report is inaccurate.

(c) Relief for Violation. – Any person injured by a violation of subsection (b) of this section may maintain an action in superior court for damages, an injunction, or other remedies provided in this section against the person who committed the violation within one year after the occurrence of the alleged violation of this Article.

(d) Remedies. – A court, in rendering a judgment in an action brought pursuant to this section, may order an injunction, damages, reinstatement of the employee, the payment of back wages or payments owed under a contract, full reinstatement of fringe benefits and seniority rights, costs, reasonable attorneys' fees, or any combination of these. If an application for a permanent injunction is granted, the person maintaining the action shall be awarded costs and reasonable attorneys' fees. If in an action for damages the court finds that the person maintaining the action was injured by a willful violation of subsection (b) of this section, the court shall award as damages three times the amount of actual damages plus costs and reasonable attorneys' fees against the individual or individuals found to be in violation of subsection (b) of this section.

(e) Unrelated Unfavorable Action. – It shall not be a violation of this Article for a person to discharge or take any other unfavorable action with respect to an employee who has engaged in protected activity as set forth under this Article if the person proves by the greater weight of the

evidence that it would have taken the same unfavorable action in the absence of the protected activity of the employee. (2012-192, s. 3; 2021-157, s. 1.)