

FILED

STATE OF NORTH CAROLINA
2016 MAY 18 PM 11:10
WAKE COUNTY
WAKE COUNTY, C.S.C.

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
NO.

STATE OF NORTH CAROLINA ex rel.)
Roy Cooper, Attorney General,)
)
Plaintiff,)
)
v.)
)
PROMPT MED, P.A. and PROMPT MED)
MANAGEMENT, INC.)
)
Defendants.)
)
)

CONSENT JUDGMENT

THIS CAUSE came on before the undersigned Judge for entry of a Consent Judgment between Plaintiff State of North Carolina, by and through its Attorney General (hereinafter “the State”), and Defendants Prompt Med, P.A. and Prompt Med Management, Inc. (hereinafter “Defendants”). The Court finds that the parties have resolved the matters in controversy between them and have consented to the terms of this Judgment. The Court, with the consent of the parties, makes the following:

FINDINGS OF FACT

1. The Plaintiff is the State of North Carolina, acting on the relation of Roy Cooper, Attorney General, pursuant to authority granted in Chapters 75 and 114 of the General Statutes of North Carolina.
2. The Defendants are Prompt Med, P.A. and Prompt Med Management, Inc. Prompt Med, P.A. owns an urgent care center located at 3402 Battleground Avenue, Greensboro, N.C., including medical records located at that facility. Prompt Med Management, Inc. manages Prompt Med, P.A.

3. Plaintiff alleges the following:
- a. In owning and operating the urgent care center in Greensboro, N.C., Prompt Med at Battleground, defendants came into possession of personal information of people coming to the facility for medical treatment. The personal information collected by Defendants included names, addresses, dates of birth, Social Security numbers, drivers' license numbers, and insurance account numbers, as well as personal health information.
 - b. Defendants authorized the destruction of certain medical records located in their storage warehouse. They hired Harold Styles to perform this service. The records were dumped in a dumpster located at the corner of East Cone Boulevard and Summit Avenue in Greensboro, N.C.
 - c. Gary McAdoo found the records and took some of them to WFMY-News 2, a news studio nearby. News 2 personnel went to the dumpster identified by Mr. McAdoo and recovered approximately four boxes of medical records that were strewn in the dumpster.
 - d. WFMY-News 2 returned files to six individuals. WFMY-News 2 turned over the remainder of the files to Special Agent D. W. Mayes with the North Carolina State Bureau of Investigation and brought to the Consumer Protection Division of the North Carolina Department of Justice.
 - e. Personnel within the Consumer Protection Division catalogued each file recovered. Approximately 600 files recovered contained personal information on 757 individuals.
 - f. Defendants caused harm to consumers by exposing their patients to the risk of

identity theft.

g. Defendants' alleged actions with regard to its medical records, as a violation of N.C. Gen. Stat. § 75-64, are unfair or deceptive business practices that affect commerce in North Carolina.

4. The medical files recovered from the dumpster remain in possession of the Consumer Protection Division of the North Carolina Department of Justice until the resolution of this matter when they will be properly destroyed.
5. Defendants neither admit nor deny Plaintiff's allegations in Paragraph 3. Defendants do not object to the entry of this Consent Judgment.
6. The parties have consented to the entry of this Consent Judgment for the purposes of settlement only and this Consent Judgment does not constitute evidence against or any admission of wrongdoing by any party.

CONCLUSIONS OF LAW

1. The Court has jurisdiction over the parties and the subject matter of this action.
2. Good cause exists for the Court to enter judgment as to Defendants, as set forth herein.
3. The complaint states a cause of action against Defendants pursuant to N.C. Gen. Stat. §§ 75-60 *et seq.* and N.C. Gen. Stat. § 75-1.1 in connection with the improper disposal and destruction of medical files containing personal information as defined in N.C. Gen. Stat. § 75-61, and the Court finds good and sufficient cause to adopt the agreement of the parties and these findings of fact and conclusions of law as its determination of their respective rights and obligations and for the entry of this Consent Judgment.

IT IS THEREFORE ORDERED, ADJUDGED, AND DECREED THAT:

1. Defendants are permanently enjoined from disposing of or destroying documents in

violation of N.C. Gen. Stat. § 75-64.

2. Upon execution of this Consent Judgment, in equal payments over the course of twelve months, Defendants shall pay the sums of:
 - a. Twenty six thousand six hundred fifty dollars (\$26,650.00) to the Attorney General as civil penalties pursuant to N. C. Gen. Stat. § 75-15.2 regarding the improper disposal of documents containing personal information;
 - b. Twenty thousand dollars (\$20,000.00) to the Attorney General. Said payment shall be placed in, or applied to, the consumer protection enforcement fund, including future consumer protection enforcement, consumer education, litigation or local consumer aid fund or revolving fund, used by the State to defray the costs of the inquiry leading hereto, and may be used to fund or assist in funding, consumer education, outreach, prevention or monitoring programs, and consumer protection enforcement or for other uses permitted by state law, at the sole discretion of the Attorney General; and
 - c. Three thousand three hundred fifty dollars (\$3,350.00) to the Attorney General for attorneys' fees and other costs of investigation and litigation or for other uses permitted by state law, at the sole discretion of the Attorney General.
3. Upon execution of this Consent Judgment, Defendants shall pay the sum of fifty dollars (\$50.00) to the Attorney General for proper destruction of the medical records recovered from the dumpster.
4. Defendants shall pay the amounts set forth above via certified check payable to "North Carolina Attorney General." The check shall be tendered the date this Consent Judgment is entered by the Court, and shall be forwarded to North Carolina Attorney General, c/o

Kim D'Arruda, Assistant Attorney General, Consumer Protection Division, 114 West Edenton Street, Raleigh, North Carolina, 27602.

6. This Consent Judgment shall not affect the rights of any private party to pursue any remedy or remedies allowed pursuant to the laws of the State of North Carolina.
7. This Consent Judgment Agreement shall not bind any other offices, boards, commissions, or agencies of the State of North Carolina.
8. Nothing contained in this Consent Judgment shall be construed as approval, sanction or authorization of any act, practice, or conduct of Defendants.
9. Nothing in this Consent Judgment shall be construed to limit the authority of Plaintiff to enforce laws, regulations or rules against Defendants, their successors and assigns. The Court shall retain jurisdiction of this matter for the purposes of enabling any of the parties to this Consent Judgment to apply to the Court at any time for such further orders or directives as may be necessary or appropriate for the interpretation or modification of this Consent Judgment, for the enforcement of compliance therewith, or for the punishment of violations thereof. The provisions of this Consent Judgment shall be enforceable by contempt proceedings and as provided in N.C. Gen. Stat. § 75-15.2.

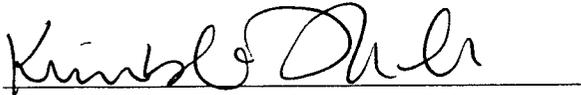
So Ordered, this, the 18th day of MAY, 2010.



Superior Court Judge
Howard E. MANNING JR

WE CONSENT:

STATE OF NORTH CAROLINA
ex rel. ROY COOPER,
Attorney General



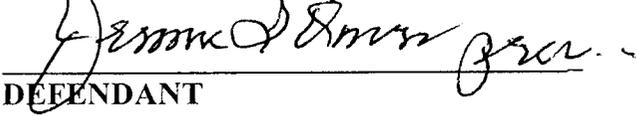
Kimberley A. D'Arruda
Assistant Attorney General

PROMPT MED, P.A..

By

Name:

Title:



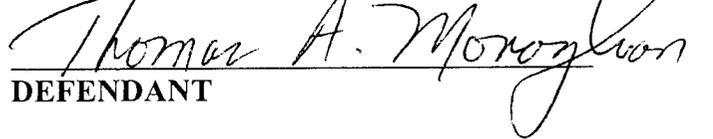
DEFENDANT

PROMPT MED MANAGEMENT, INC.

By

Name:

Title:



DEFENDANT



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