1	HOUSE BILL 1008
2	47th Legislature - STATE OF NEW MEXICO - FIRST SESSION, 2005
3	INTRODUCED BY
4	Ben Lujan
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10	AN ACT
11	RELATING TO HEALTH; ELIMINATING THE HEALTH PROFESSION ADVISORY
12	COMMITTEE, THE HEALTH INFORMATION SYSTEM ADVISORY COMMITTEE,
13	THE ADULT PROTECTIVE SERVICES ADVISORY BOARD, THE HEALTH
14	INFORMATION ALLIANCE AND THE INTERAGENCY COMMITTEE ON LONG-TERM
15	CARE; REPEALING THE LONG-TERM SERVICES ACT.
16	
17	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:
18	Section 1. Section 21-22-2 NMSA 1978 (being Laws 1975,
19	Chapter 244, Section 2, as amended) is amended to read:
20	"21-22-2. PURPOSE [COMMITTEE]The purpose of the
21	Medical Student Loan for Service Act is to meet the emergency
22	currently existing resulting from the shortage of medical
23	doctors and physician assistants in the less populated areas of
24	the state by increasing the number of practitioners in rural
25	areas through a program of loans for medical and physician
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assistant students. The program shall require as a condition of each loan that the student declare his intent that after licensure he will commence his practice of medicine within one of the areas of the state designated by the [health profession advisory committee] commission."

Section 2. Section 21-22-6 NMSA 1978 (being Laws 1975, Chapter 244, Section 6, as amended) is amended to read:

"21-22-6. MEDICAL STUDENT LOANS--CONTRACT TERMS--REPAYMENT.--

A. Each applicant who is approved for a loan by the commission may be granted a loan, in such amounts and for such periods as determined by the commission, with which to defray expenses incurred in obtaining a medical education at any reputable and accredited medical school in the United States if the applicant files with the commission a declaration of his intent to practice his profession as a licensed physician or physician assistant in areas of New Mexico designated as not being adequately served by medical practitioners.

B. The loans shall not exceed the necessary expenses incurred while attending a medical school or college and shall bear interest at the rate of:

(1) eighteen percent per year if the student completes his medical education and no portion of the principal and interest is forgiven pursuant to Subsection E of this section; and

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(2) seven percent per year in all other cases.

C. The loan shall be evidenced by a contract between the student and the commission acting on behalf of the state. The contract shall provide for the payment by the state of a stated sum covering the costs of a medical education and shall be conditioned upon the repayment of the loan to the state, together with interest, over a period established by the commission in consultation with the student after completion of medical school and any period of internship or residency required to complete the student's education. The contract shall further provide that immediately upon completion or termination of the student's medical education, all interest then accrued shall be capitalized.

D. Loans made to students who fail to complete their medical education shall become due, together with interest, immediately upon termination of their medical education. The commission, in consultation with the student, shall establish terms of repayment, alternate service or cancellation terms.

E. The contract shall provide that the commission shall forgive a portion of the loan principal and interest for each year that a loan recipient practices his profession as a licensed physician or physician assistant in areas approved by the [health profession advisory committee] commission as not being adequately served by medical practitioners. Loan .155710.1

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principal and interest shall be forgiven as follows:

(1) loan terms of one year shall require one year of practice in a designated health professional shortage area. Upon completion of service, one hundred percent of the principal plus accrued interest shall be forgiven;

(2) loan terms of two years shall require one year of practice in a designated health professional shortage area for each year of the loan. Upon completion of the first year of service, fifty percent of the principal plus accrued interest shall be forgiven. Upon completion of the second year of service, the remainder of the principal plus accrued interest shall be forgiven; and

(3) for loan terms of three years or more, forty percent of the principal plus accrued interest shall be forgiven upon completion of the first year of service in a designated health professional shortage area, thirty percent of the principal plus accrued interest shall be forgiven upon completion of the second year of service and the remainder of the principal plus accrued interest shall be forgiven upon completion of the third year of service.

F. Recipients shall serve a complete year in order to receive credit for that year. The minimum credit for a year shall be established by the commission.

G. If a loan recipient completes his professional education and does not serve in a health professional shortage .155710.1

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area, the commission shall assess a penalty of up to three 2 times the principal due, plus eighteen percent interest, unless the commission finds acceptable extenuating circumstances for why the student cannot serve. If the commission does not find acceptable extenuating circumstances for the student's failure to carry out his declared intent to serve in a health professional shortage area in the state, the commission shall 8 require immediate repayment of the unpaid principal amount of the loan plus accrued interest owed the state plus the amount 10 of any penalty assessed pursuant to this subsection.

н. The commission shall adopt regulations to implement the provisions of this section. The regulations may provide for the repayment of medical student loans in annual or other periodic installments."

Section 3. Section 21-22A-2 NMSA 1978 (being Laws 1978, Chapter 109, Section 2, as amended) is amended to read:

"21-22A-2. PURPOSE [COMMITTEE].--The purpose of the Osteopathic Medical Student Loan for Service Act is to meet the emergency currently existing resulting from the shortage of osteopathic medical doctors and osteopathic physician's assistants in the less populated areas of the state by increasing the number of practitioners in rural areas through a program of loans for osteopathic medical students. The program shall require as a condition of each loan that the student declare his intent that after licensure he will commence his .155710.1 - 5 -

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practice as an osteopathic physician or osteopathic physician's assistant within one of the areas of the state designated by the [health profession advisory committee] commission."

Section 4. Section 21-22A-6 NMSA 1978 (being Laws 1978, Chapter 109, Section 6, as amended) is amended to read:

"21-22A-6. OSTEOPATHIC MEDICAL STUDENT LOANS--CONTRACT TERMS--REPAYMENT.--

A. Each applicant who is approved for a loan by the commission may be granted a loan, in such amounts and for such periods as determined by the commission, with which to defray expenses incurred in obtaining an osteopathic medical education at any reputable and accredited osteopathic medical school in the United States if the applicant files with the commission a declaration of his intent to practice his profession as a licensed osteopathic physician or osteopathic physician's assistant in areas of New Mexico designated as not being adequately served by osteopathic medical practitioners.

B. The loan shall not exceed the necessary expenses incurred while attending an osteopathic medical school or college or osteopathic physician's assistant program and shall bear interest at the rate of:

(1) eighteen percent per year if the student completes his osteopathic medical education and no portion of the principal and interest is forgiven pursuant to Subsection E of this section; and

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(2) seven percent per year in all other cases.

C. The loan shall be evidenced by a contract between the student and the commission acting on behalf of the The contract shall provide for the payment by the state state. of a stated sum covering the costs of an osteopathic medical education and shall be conditioned upon the repayment of the loan to the state, together with interest, over a period established by the commission in consultation with the student after the completion of osteopathic medical school or an osteopathic physician's assistant program and any period of internship or residency required to complete the student's The contract shall further provide that immediately education. upon completion or termination of the student's osteopathic medical education, all interest then accrued shall be capitalized.

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D. Loans made to students who fail to complete their osteopathic medical education shall become due, together with interest, immediately upon termination of their osteopathic medical education. The commission, in consultation with the student, shall establish terms of repayment, alternate service or cancellation terms.

E. The contract shall provide that the commission shall forgive a portion of the loan principal and interest for each year that a loan recipient practices his profession as a licensed osteopathic physician or osteopathic physician's .155710.1

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assistant in areas approved by the [health profession advisory committee] commission as not being adequately served by osteopathic medical practitioners. Loan principal and interest shall be forgiven as follows:

(1) loan terms of one year shall require one year of practice in a designated health professional shortage area. Upon completion of service, one hundred percent of the principal plus accrued interest shall be forgiven;

9 (2) loan terms of two years shall require one
10 year of practice in a designated health professional shortage
11 area for each year of the loan. Upon completion of the first
12 year of service, fifty percent of the principal plus accrued
13 interest shall be forgiven. Upon completion of the second year
14 of service, the remainder of the principal plus accrued
15 interest shall be forgiven; and

(3) for loan terms of three years or more, forty percent of the principal plus accrued interest shall be forgiven upon completion of the first year of service in a designated health professional shortage area, thirty percent of the principal plus accrued interest shall be forgiven upon completion of the second year of service and the remainder of the principal plus accrued interest shall be forgiven upon completion of the second year of service.

F. Recipients shall serve a complete year in order to receive credit for that year. The minimum credit for a year .155710.1

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shall be established by the commission.

2 G. If a loan recipient completes his professional 3 education and does not serve in a health professional shortage area, the commission shall assess a penalty of up to three times the principal due, plus eighteen percent interest, unless the commission finds acceptable extenuating circumstances for why the student cannot serve. If the commission does not find 8 acceptable extenuating circumstances for the student's failure to carry out his declared intent to serve in a health 10 professional shortage area in the state, the commission shall require immediate repayment of the unpaid principal amount of 12 the loan plus accrued interest owed the state plus the amount 13 of any penalty assessed pursuant to this section.

н. The commission shall adopt regulations to implement the provisions of this section. The regulations may provide for the repayment of osteopathic medical student loans in annual or other periodic installments."

Section 5. Section 21-22B-2 NMSA 1978 (being Laws 1987, Chapter 299, Section 2, as amended) is amended to read:

PURPOSE.--The purpose of the Nursing Student "21-22B-2. Loan for Service Act is to meet the emergency currently existing resulting from the shortage of nurses in the underserved areas of the state by increasing the number of practitioners in rural areas through a program of loans for nursing students. The program will require as a condition of .155710.1

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each loan that the student declare intent prior to the granting of the loan that the nurse will practice nursing within one of the areas of the state designated as an underserved area by the [health profession advisory committee] commission."

Section 21-22B-6 NMSA 1978 (being Laws 1987, Section 6. Chapter 299, Section 6, as amended) is amended to read:

"21-22B-6. NURSING STUDENT LOANS--CONTRACT TERMS--REPAYMENT. --

Α. Each applicant who is approved for a loan by the 10 commission may be granted a loan, in such amounts for such 11 periods as determined by the commission, with which to defray 12 expenses incurred in obtaining a nursing education; provided 13 that the applicant files with the commission a declaration of 14 intent to practice as a licensed nurse in areas of New Mexico 15 designated as underserved.

The loans shall not exceed the necessary Β. expenses incurred while attending a program of nursing and shall bear interest at the rate of:

(1) eighteen percent per year if the student completes his nursing education and no portion of the principal and interest is forgiven pursuant to Subsection E of this section; and

seven percent per year in all other cases. (2) The loan shall be evidenced by a contract C. between the student and the commission acting on behalf of the .155710.1 - 10 -

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state. The contract shall provide for the payment by the state of a stated sum covering the costs of a nursing education and shall be conditioned upon the repayment of the loan to the state, together with interest, over a period negotiated between the student and the commission after completion of a nursing program. The contract shall further provide that immediately upon completion or termination of the student's nursing education, all interest then accrued shall be capitalized.

D. Loans made to students who fail to complete their nursing education shall become due, together with interest, immediately upon termination of nursing education. The commission, in consultation with the student, shall establish terms of repayment, alternate service or cancellation terms with the commission.

E. The contract shall provide that the commission may forgive a portion of the loan principal and interest for each year that a loan recipient practices nursing in areas approved by the [health profession advisory committee] <u>commission</u>. Loan principal and interest shall be forgiven as follows:

(1) loan terms of one year shall require one year of practice in a designated health professional shortage area. Upon completion of service, one hundred percent of the principal plus accrued interest shall be forgiven;

(2) loan terms of two years shall require one
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year of practice in a designated health professional shortage area for each year of the loan. Upon completion of the first year of service, fifty percent of the principal plus accrued interest shall be forgiven. Upon completion of the second year of service, the remainder of the principal plus accrued interest shall be forgiven; and

(3) for loan terms of three years or more, forty percent of the principal plus accrued interest shall be forgiven upon completion of the first year of service in a designated health professional shortage area, thirty percent of the principal plus accrued interest shall be forgiven upon completion of the second year of service and the remainder of the principal plus accrued interest shall be forgiven upon completion of the third year of service.

F. Recipients shall serve a complete year in order to receive credit for that year. The minimum credit for a year shall be established by the commission.

G. The commission shall adopt regulations to implement the provisions of this section. The regulations may provide for the repayment of nursing student loans in annual or other periodic installments."

Section 7. Section 21-22C-1 NMSA 1978 (being Laws 1994, Chapter 57, Section 3) is amended to read:

"21-22C-1. SHORT TITLE.--[Sections 3 through 12 of this act] Chapter 21, Article 22C NMSA 1978 may be cited as the .155710.1 - 12 -

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"Allied Health Student Loan for Service Act"."

Section 8. Section 21-22C-2 NMSA 1978 (being Laws 1994, Chapter 57, Section 4, as amended) is amended to read:

"21-22C-2. PURPOSE.--The purpose of the Allied Health Student Loan for Service Act is to meet the emergency currently existing resulting from the shortage of allied health professionals in underserved areas of the state by increasing the number of practitioners in rural areas through a program of loans for allied health students. Each applicant shall declare his intent to practice his allied health profession within one of the areas of the state designated as an underserved area by the [health profession advisory committee] commission."

Section 9. Section 21-22C-6 NMSA 1978 (being Laws 1994, Chapter 57, Section 8, as amended) is amended to read:

"21-22C-6. ALLIED HEALTH STUDENT LOANS--CONTRACT TERMS--REPAYMENT.--

A. Prior to receiving a loan, each applicant approved for a loan shall file with the commission a declaration of intent to practice as a licensed allied health professional in areas of New Mexico designated as underserved.

B. The loans shall not exceed the necessary expenses incurred while attending an allied health profession program and shall bear interest at the rate of:

(1) eighteen percent per year if the studentcompletes his allied health profession education and no portion.155710.1

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seven percent per year in all other cases. (2) C. The loan shall be evidenced by a contract between the student and the commission acting on behalf of the The contract shall provide for the payment by the state state. of a stated sum covering the costs of an allied health profession education and shall be conditioned on the repayment of the loan to the state, together with interest, over a period negotiated between the student and the commission after completion of an allied health profession education. The contract shall further provide that immediately upon completion or termination of the student's allied health profession education, all interest then accrued shall be capitalized.

D. Loans made to students who fail to complete their allied health profession education shall become due, together with interest, immediately upon termination of that education. The commission, in consultation with the student, shall establish repayment terms, alternate service or cancellation terms.

E. The contract shall provide that the commission shall forgive a portion of the loan principal and interest for each year that a loan recipient practices an allied health profession in areas approved by the [health profession advisory committee] commission. Loan principal and interest shall be .155710.1

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(1) loan terms of one year shall require one year of practice in a designated health professional shortage area. Upon completion of service, one hundred percent of the principal plus accrued interest shall be forgiven;

(2) loan terms of two years shall require one year of practice in a designated health professional shortage area for each year of the loan. Upon completion of the first year of service, fifty percent of the principal plus accrued interest shall be forgiven. Upon completion of the second year of service, the remainder of the principal plus accrued interest shall be forgiven; and

(3) for loan terms of three years or more, forty percent of the principal plus accrued interest shall be forgiven upon completion of the first year of service, thirty percent of the principal plus accrued interest shall be forgiven upon completion of the second year of service and the remainder of the principal plus accrued interest shall be forgiven upon completion of the third year of service.

F. Recipients shall serve a complete year in order to receive credit for that year. The minimum credit for a year shall be established by the commission.

G. If a loan recipient completes his professional education and does not serve the required number of years in a health professional shortage area, the commission shall assess .155710.1

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1 a penalty of up to three times the principal due, plus eighteen 2 percent interest, unless the commission finds acceptable 3 extenuating circumstances for why the student cannot serve. Ιf 4 the commission does not find acceptable extenuating 5 circumstances for the student's failure to carry out his 6 declared intent to serve in a health professional shortage area 7 in the state, the commission shall require immediate repayment 8 of the unpaid principal amount of the loan plus accrued 9 interest owed the state plus the amount of any penalty assessed 10 pursuant to this subsection.

Η. The commission shall adopt regulations to implement the provisions of this section. The regulations may provide for the repayment of allied health student loans in annual or other periodic installments."

Section 10. Section 21-22D-1 NMSA 1978 (being Laws 1995, Chapter 144, Section 16) is amended to read:

"21-22D-1. SHORT TITLE.--[Sections 16 through 25 of this act] Chapter 21, Article 22D NMSA 1978 may be cited as the "Health Professional Loan Repayment Act"."

Section 11. Section 21-22D-6 NMSA 1978 (being Laws 1995, Chapter 144, Section 21) is amended to read:

"21-22D-6. AWARD CRITERIA--CONTRACT TERMS--PAYMENT.--

A. Prior to receiving an award, the health professional shall file with the commission a declaration of intent to practice as a health professional in areas of New .155710.1 - 16 -

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1 Mexico designated as underserved by the [health profession 2 advisory committee] commission. 3 Award criteria shall provide that: Β. 4 (1)amounts shall be dependent upon the 5 location of the practice, the applicant's total health 6 professional [educational] education indebtedness and 7 characteristics of the practice; 8 (2) preference in making awards shall be to 9 individuals who have graduated from a New Mexico public post-10 secondary educational institution; 11 (3) recruitment awards shall be made to 12 eligible participants who agree to relocate to an approved 13 designated area; 14 (4) highest priority shall be given to 15 participants in practices in which health profession vacancies 16 are difficult to fill, practices that require after hours call 17 at least every other night and practices that have heavy 18 obstetrical responsibilities; 19 (5) award amounts may be modified based upon 20 available funding or other special circumstances; and 21 an award shall not exceed the total (6)22 medical [educational] education indebtedness of any 23 participant. 24 The following [educational] education debts are C. 25 not eligible for repayment pursuant to the Health Professional .155710.1 - 17 -

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1 Loan Repayment Act: 2 (1)amounts incurred as a result of 3 participation in state loan-for-service programs or other state 4 programs whose purpose states that service be provided in 5 exchange for financial assistance; 6 (2) scholarships that have a service component 7 or obligation; 8 personal loans from friends or relatives; (3) 9 and 10 loans that exceed individual standard (4) 11 school expense levels. 12 The loan repayment award shall be evidenced by a D. 13 contract between the health professional and the commission 14 acting on behalf of the state. The contract shall provide for 15 the payment by the state of a stated sum to the health 16 professional's debtors and shall state the obligations of the 17 health professional under the program, including a minimum two-18 year period of service, quarterly reporting requirements and 19 other policies established by the commission. 20 Recipients shall serve a complete year in order Ε. 21 to receive credit for that year. The minimum credit for a year 22 shall be established by the commission. 23 If a health professional does not comply with F. 24 the terms of the contract, the commission shall assess a 25 penalty of up to three times the amount of award disbursed plus .155710.1 - 18 -

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eighteen percent interest, unless the commission finds acceptable extenuating circumstances for why the health professional cannot serve or comply with the terms of the contract. If the commission does not find acceptable extenuating circumstances for the health professional's failure to comply with the contract, the commission shall require 7 immediate repayment plus the amount of the penalty.

G. The commission shall adopt regulations to implement the provisions of this section. The regulations may provide for the disbursement of loan repayment awards to the lenders of health professionals in annual or other periodic installments."

Section 24-14A-3 NMSA 1978 (being Laws 1989, Section 12. Chapter 29, Section 3, as amended) is amended to read:

"24-14A-3. HEALTH INFORMATION SYSTEM--CREATION--DUTIES OF COMMISSION. --

The "health information system" is created for Α. the purpose of assisting the commission, legislature and other agencies and organizations in the state's efforts in collecting, analyzing and disseminating health information to assist:

in the performance of health planning and (1) policymaking functions, including identifying personnel, facility, education and other resource needs and allocating financial, personnel and other resources where appropriate; .155710.1 - 19 -

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1 consumers in making informed decisions (2) 2 regarding health care; and 3 in administering, monitoring and (3) 4 evaluating a statewide health plan. 5 In carrying out its powers and duties pursuant Β. 6 to the Health Information System Act, the commission shall not 7 duplicate databases that exist in the public sector or 8 databases in the private sector to which it has electronic 9 access. Every governmental entity shall provide the commission 10 with access to its health-related data as needed by the 11 commission. The commission shall collect data from data 12 sources in the most cost-effective and efficient manner. 13 C. The commission shall establish, operate and 14 maintain the health information system. 15 In establishing, operating and maintaining the D. 16 health information system, the commission shall: 17 obtain information on the following health (1) 18 factors: 19 (a) mortality and natality, including 20 accidental causes of death; 21 morbidity; (b) 22 health behavior; (c) 23 (d) disability; 24 (e) health system costs, availability, 25 utilization and revenues; .155710.1 - 20 -

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1	(f) environmental factors;
2	(g) health personnel;
3	(h) demographic factors;
4	(i) social, cultural and economic
5	conditions affecting health;
6	(j) family status; and
7	(k) medical and practice outcomes as
8	measured by nationally accepted standards and quality of care;
9	(2) give the highest priority in data
10	gathering to information needed to implement and monitor
11	progress toward achievement of the state health policy,
12	including determining where additional health resources such as
13	personnel, programs and facilities are most needed, what those
14	additional resources should be and how existing resources
15	should be reallocated;
16	(3) standardize collection and specific
17	methods of measurement across databases and use scientific
18	sampling or complete enumeration for collecting and reporting
19	health information;
20	(4) take adequate measures to provide <u>health</u>
21	information system security for all health data acquired under
22	the Health Information System Act and protect individual
23	patient and provider confidentiality. The right to privacy for
24	the individual shall be a major consideration in the collection
25	and analysis of health data and shall be protected in the
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1 reporting of results;

2 (5) adopt and promulgate regulations necessary
3 to establish and administer the provisions of the Health
4 Information System Act, including an appeals process for data
5 sources and procedures to protect data source proprietary
6 information from public disclosure;

(6) establish definitions, formats and other common information standards for core health data elements of the health information system in order to provide an integrated financial, statistical and clinical health information system, including a geographic information system, that allows data sharing and linking across databases maintained by data sources and federal, state and local public agencies;

(7) develop and maintain health and healthrelated data inventories and technical documentation on data holdings in the public and private sectors;

(8) collect, analyze and make available health data to support preventive health care practices and to facilitate the establishment of appropriate benchmark data to measure performance improvements over time;

(9) establish and maintain a systematic approach to the collection and storage of health data for longitudinal, demographic and policy impact studies;

(10) use expert system-based protocols to identify individual and population health risk profiles and to .155710.1

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assist in the delivery of primary and preventive health care services:

collect health data sufficient for 3 (11)4 consumers to be able to evaluate health care services, plans, 5 providers and payers and to make informed decisions regarding 6 quality, cost and outcome of care across the spectrum of health 7 care services, providers and payers;

8 (12) collect comprehensive information on major capital expenditures for facilities, equipment by type 10 and by data source and significant facility capacity 11 reductions; provided that for the purposes of this paragraph 12 and Section 24-14A-5 NMSA 1978, "major capital expenditure" means purchases of at least one million dollars (\$1,000,000) for construction or renovation of facilities and at least five hundred thousand dollars (\$500,000) for purchase or lease of equipment, and "significant facility capacity reductions" means those reductions in facility capacities as defined [by the 18 advisory committee established] by the commission;

serve as a health information (13) clearinghouse, including facilitating private and public collaborative, coordinated data collection and sharing and access to appropriate data and information, maintaining patient and client confidentiality in accordance with state and federal requirements; and

(14)collect data in the most cost-efficient .155710.1

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and effective method feasible and adopt regulations [after receiving recommendations from the advisory committee] that place a limit on the maximum amount of unreimbursed costs that a data source can incur in any year for the purposes of complying with the data requirements of the Health Information System Act."

Section 13. Section 24-14A-4.1 NMSA 1978 (being Laws 1994, Chapter 59, Section 11) is amended to read:

"24-14A-4.1. ANNUAL REVIEW OF DATA NEEDS.--At least once each year, the commission [with the recommendations of the advisory committee and health information alliance] shall review its data collection requirements to determine the relevancy of the data elements on which it collects data and review its regulations and procedures for collecting, analyzing and reporting data for efficiency, effectiveness and appropriateness. The review shall consider the cost incurred by data sources to collect and submit data."

Section 14. REPEAL.--Sections 21-1-26.8, 24-14A-3.1, 24-14A-3.2, 24-17A-1 through 24-17A-5 and 27-7-18 NMSA 1978 (being Laws 1995, Chapter 144, Section 1, Laws 1994, Chapter 59, Sections 13 and 14, Laws 1998, Chapter 82, Sections 1 through 5 and Laws 1989, Chapter 389, Section 5, as amended) are repealed.

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