

AN ACT

RELATING TO HEALTH; ELIMINATING THE HEALTH PROFESSION ADVISORY COMMITTEE, THE HEALTH INFORMATION SYSTEM ADVISORY COMMITTEE, THE ADULT PROTECTIVE SERVICES ADVISORY BOARD AND THE HEALTH INFORMATION ALLIANCE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 21-22-2 NMSA 1978 (being Laws 1975, Chapter 244, Section 2, as amended) is amended to read:

"21-22-2. PURPOSE.--The purpose of the Medical Student Loan for Service Act is to meet the emergency currently existing resulting from the shortage of medical doctors and physician assistants in the less populated areas of the state by increasing the number of practitioners in rural areas through a program of loans for medical and physician 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 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

(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 commission as not being adequately served by 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;

(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 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 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 require immediate repayment of the unpaid

principal amount of the loan plus accrued interest owed the state plus the amount of any penalty assessed pursuant to this subsection.

H. 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.--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 practice as an osteopathic physician or osteopathic physician's assistant within one of the areas of the state designated by the 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

(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 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 education. The contract shall further provide that immediately upon completion or termination of the student's osteopathic medical education, all interest then accrued shall be capitalized.

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 assistant in areas approved by the 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;

(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 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 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 require immediate repayment of the unpaid principal amount of the loan plus accrued interest owed the state plus the amount of any penalty assessed pursuant to this section.

H. 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:

"21-22B-2. PURPOSE.--The purpose of the Nursing Student 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 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 commission."

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

"21-22B-6. NURSING 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 for such periods as determined by the commission, with which to defray expenses incurred in obtaining a nursing education; provided that the applicant files with the commission a declaration of intent to practice as a licensed nurse in areas of New Mexico designated as underserved.

B. The loans shall not exceed the necessary 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

(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 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 commission. 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 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.--Chapter 21, Article 22C NMSA 1978 may be cited as the "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 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 student completes his allied health profession education and no portion of the principal and interest is forgiven pursuant to Subsection E of this section; and

(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 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 commission. 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 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 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 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 require immediate repayment of the unpaid principal amount of the loan plus accrued interest owed the state plus the amount of any penalty assessed pursuant to this subsection.

H. 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.--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 Mexico designated as underserved by the commission.

B. Award criteria shall provide that:

(1) amounts shall be dependent upon the location of the practice, the applicant's total health

professional education indebtedness and characteristics of the practice;

(2) preference in making awards shall be to individuals who have graduated from a New Mexico public post-secondary educational institution;

(3) recruitment awards shall be made to eligible participants who agree to relocate to an approved designated area;

(4) highest priority shall be given to participants in practices in which health profession vacancies are difficult to fill, practices that require after hours call at least every other night and practices that have heavy obstetrical responsibilities;

(5) award amounts may be modified based upon available funding or other special circumstances; and

(6) an award shall not exceed the total medical education indebtedness of any participant.

C. The following education debts are not eligible for repayment pursuant to the Health Professional Loan Repayment Act:

(1) amounts incurred as a result of participation in state loan-for-service programs or other state programs whose purpose states that service be provided in exchange for financial assistance;

(2) scholarships that have a service

component or obligation;

(3) personal loans from friends or relatives; and

(4) loans that exceed individual standard school expense levels.

D. The loan repayment award shall be evidenced by a contract between the health professional and the commission acting on behalf of the state. The contract shall provide for the payment by the state of a stated sum to the health professional's debtors and shall state the obligations of the health professional under the program, including a minimum two-year period of service, quarterly reporting requirements and other policies established by the commission.

E. 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.

F. If a health professional does not comply with the terms of the contract, the commission shall assess a penalty of up to three times the amount of award disbursed plus 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 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 12. Section 24-14A-3 NMSA 1978 (being Laws 1989, Chapter 29, Section 3, as amended) is amended to read:

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

A. The "health information system" is created for 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:

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

(2) consumers in making informed decisions regarding health care; and

(3) in administering, monitoring and evaluating a statewide health plan.

B. In carrying out its powers and duties pursuant to the Health Information System Act, the commission shall not

duplicate databases that exist in the public sector or databases in the private sector to which it has electronic access. Every governmental entity shall provide the commission with access to its health-related data as needed by the commission. The commission shall collect data from data sources in the most cost-effective and efficient manner.

C. The commission shall establish, operate and maintain the health information system.

D. In establishing, operating and maintaining the health information system, the commission shall:

(1) obtain information on the following health factors:

(a) mortality and natality, including accidental causes of death;

(b) morbidity;

(c) health behavior;

(d) disability;

(e) health system costs, availability, utilization and revenues;

(f) environmental factors;

(g) health personnel;

(h) demographic factors;

(i) social, cultural and economic conditions affecting health;

(j) family status; and

(k) medical and practice outcomes as measured by nationally accepted standards and quality of care;

(2) give the highest priority in data gathering to information needed to implement and monitor progress toward achievement of the state health policy, including determining where additional health resources such as personnel, programs and facilities are most needed, what those additional resources should be and how existing resources should be reallocated;

(3) standardize collection and specific methods of measurement across databases and use scientific sampling or complete enumeration for collecting and reporting health information;

(4) take adequate measures to provide health information system security for all health data acquired under the Health Information System Act and protect individual patient and provider confidentiality. The right to privacy for the individual shall be a major consideration in the collection and analysis of health data and shall be protected in the reporting of results;

(5) adopt and promulgate regulations necessary to establish and administer the provisions of the Health Information System Act, including an appeals process for data sources and procedures to protect data source proprietary 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 health-related 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 assist in the delivery of primary and preventive health care services;

(11) collect health data sufficient for consumers to be able to evaluate health care services, plans, providers and payers and to make informed decisions regarding

quality, cost and outcome of care across the spectrum of health care services, providers and payers;

(12) collect comprehensive information on major capital expenditures for facilities, equipment by type and by data source and significant facility capacity reductions; provided that for the purposes of this paragraph 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 commission;

(13) serve as a health information 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 and effective method feasible and adopt regulations 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 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 and 27-7-18 NMSA 1978 (being Laws 1995, Chapter 144, Section 1, Laws 1994, Chapter 59, Sections 13 and 14 and Laws 1989, Chapter 389, Section 5, as amended) are repealed.