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FISCAL IMPACT REPORT

SPONSOR Rodella DATE TYPED 3/4/05 HB 934

SHORT TITLE Infection Rate Disclosure & Patient Privacy SB _____

ANALYST Hanika-Ortiz

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	None		\$0.1	Recurring	General Fund

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

New Mexico Department of Health (DOH)

Aging and Long-Term Services Department (ALTSD)

New Mexico Human Services Department/Medical Assistance Division (HSD/MAD)

SUMMARY

Synopsis of Bill

House Bill 934 amends the Public Health Act to require hospitals collect and report data, and maintain records on hospital-acquired infection rates for surgical site infections, ventilator-associated pneumonia, central-line related blood infections, urinary tract infections and other types of infections as determined by the DOH. The hospitals will submit biannual reports on hospital-acquired infection rates to the DOH for the previous six months. Biannual reports will be available for the public disclosure of hospital-acquired infection rates. The DOH will appoint an advisory committee with representation from nonprofit and for-profit hospitals, physicians, epidemiologists, academic researchers, health insurers, HMO's, consumer organizations and employers to evaluate data, data collections methods, analysis and dissemination methodology. DOH would adopt, promulgate and enforce any rules required to implement the amended Act. HB 934 will also provide for patient, employee and licensed professional confidentiality.

The DOH will submit findings with recommendations to the Legislative Health and Human Services Committee by September 1 of each year.

Significant Issues

At the present time, DOH does not require hospitals to provide a public disclosure report of hospital-acquired infections specifying the types and frequency of infections by category.

Hospital-acquired infections are infections not present or incubating at the time of admission to the hospital. Hospitals in the U.S., including N.M., have had infection surveillance, prevention and control programs for over 30 years. Infection Control Professionals (ICPs) have received specialized training in infection prevention, surveillance and epidemiology and they are the professionals who typically oversee the infection control programs in hospitals.

New Mexico currently has a process in place through the New Mexico DOH for surveillance of infectious diseases of public health significance. New Mexico's list of *Notifiable Conditions in New Mexico* is maintained and updated in the context of the National Notifiable Disease Surveillance System and includes a formalized process for public input. Both the national system and the *Notifiable Conditions in New Mexico* do not require reporting of healthcare-acquired infections. New Mexico has been involved in the debate at the national and state levels about the best mechanism to monitor healthcare-acquired infections.

PERFORMANCE IMPLICATIONS

ALTSD suspects hospitals and professional health providers, liability insurers, and medical review panels may be resistant to releasing infection reports for fear the reports may be misunderstood and cause undue alarm within the general public.

HB 934 would assist the DOH strategic plan to improve compliance with and enforce standards of safety and quality of care in New Mexico's health facilities.

FISCAL IMPLICATIONS

The DOH Division of Health Improvement (DHI) has resources to monitor the provisions of this act through its Health Facility Licensing and Certification Bureau, consistent with its current Hospital oversight role mandated by the federal Center on Medicare and Medicaid Services (CMS); however, DHI has no resources or expertise to implement other aspects of the proposed legislation. Significant resources, including staff, will be required to facilitate the advisory committee, monitor and evaluate reports, disseminate findings, develop quality assurance and improvement mechanisms for the project.

ALTSD notes the waiver programs could be impacted positively because of the potential for fewer days spent in the hospital. Any funding not needed because of reduced infection incidents could be used for additional patient services.

CDC reports 90,000 people die annually and two million people are infected yearly from hospital-acquired infections that cost five billion dollars each year. The American Medical Association reports that one type of hospital-related infection, postoperative sepsis, can add 10 additional days to a patient's hospital stay and more than \$57 thousand to a patient's hospital bill.

The amended Act could have additional impact to the caseloads of the courts in the number of consumers that bring lawsuits against hospitals for hospital acquired infections.

ADMINISTRATIVE IMPLICATIONS

The Joint Commission on the Accreditation of Health Care Organizations (JCAHO) sets standards and monitors for patient safety in hospitals. The role of state departments of health with respect to hospitalized patient safety issues such as healthcare-acquired infections has not been clearly established

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 934 conflicts with:

HB 823 which amends the Public Health Act to require that a hospital collect and report quarterly on hospital-acquired infection rates. Provides penalties for violations of the Act.

HJM 62 which proposes the Health Policy Commission conduct an examination of best practices and studies around nosocomial (hospital-acquired) infections with recommendations on the advisability of adoption federal standards of reporting.

HB 934 relates to SJM 45 which proposes that DOH conduct a comprehensive study of hospital-acquired infection rates in New Mexico and provide a written report by December 31, 2005.

TECHNICAL ISSUES

The definition of hospitals should be expanded to include "limited service hospitals" which is a category that Division of Health Improvement added to its regulations about one year ago.

The bill is unclear if the new provisions of the Act would require a hospital perform tests upon admission to predetermine the presence or absence of infection.

The bill is unclear regarding any penalties for violations of the Act or sanctions for a poor report.

Suggest the inclusion of nursing home reporting of facility-acquired infections. ALTSD reports nursing home-related infections may be even more prevalent than hospital-related infections.

ALTERNATIVES

Allow for the current hospital infection surveillance programs to be made public for consumers and Departments to use for future planning.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

Hospitals will not have to report on hospital-acquired infection rates not mandated by current federal and state requirements. Consumers may have limited access to the information they need to be better consumers of health care services.

KC/yr