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FISCAL IMPACT REPORT

SPONSOR Beffort DATE TYPED 1/27/05 HB _____

SHORT TITLE UNM, Bernalillo & Taos Health Info Exchange SB 162

ANALYST Woods

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$400.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB181

Relates to the appropriation for the University of New Mexico in the General Appropriations Act.

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Health Policy Commission (HPC)
New Mexico Department of Health (DOH)

No Response From

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

Senate Bill 162 – Making an Appropriation for Participation by the University of New Mexico Health Sciences Center in a Health Information Data Exchange in Bernalillo and Taos Counties – appropriates \$400,000 to the board of regents of the University of New Mexico for expenditure in FY06 for participation by the New Mexico Health Sciences Center in a health information

data exchange in Bernalillo and Taos counties. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

Significant Issues

DOH indicates that the development of workable health information technology solutions is a national priority. This pilot project helps to achieve that goal in a number of interrelated areas:

- enhancing health care coordination for patients
- assisting patients in becoming effective participants in their care
- improving care provided by health care professionals (including school health nurses)
- providing large employers information on the prevalence of specific chronic conditions among their employees
- creating more comprehensive and accurate health care data to support disease-specific research and policy development.

PERFORMANCE IMPLICATIONS

DOH indicates that SB162 relates to DOH Strategic Plan, Program Area 1, Objective 6: To prevent and control chronic disease. It also relates to Program Area 2, Strategic direction: to improve access to health care.

DOH further notes that if a health information data exchange becomes a reality in New Mexico, patients and providers would have access to improved information to better manage their care, while the state would have greater access to accurate information on which to base health policy decisions.

FISCAL IMPLICATIONS

DOH suggests that the exchange of information between these three groups may require the purchase of network infrastructure equipment for the transmission of information; software to ensure the information is encrypted and secure; and costs associated with information technology support staff.

The appropriation of \$400,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

This program was not included in the CHE's *2005-2006 Higher Education Funding Recommendation*.

ADMINISTRATIVE IMPLICATIONS

The University of New Mexico, Health Sciences Center will retain oversight of this program.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Duplicates HB181

Relates to the appropriation for UNM in the General Appropriations Act.

OTHER SUBSTANTIVE ISSUES

HPC raises the following discussion items with respect to the implementation of SB162:

- There is no language in SB 162 to define what is included in “health information”.
- It is not clear from SB 162 which entities would be exchanging the health information.
- SB 162 is not specific as to how the appropriation of \$400,000 will be used in the data exchange. Entities other than UNM involved in the data exchange may have specific monetary needs that could be accounted for in SB 162.
- SB 162 does not explain the usage of the data that would be exchanged. This may be important for determining if such an exchange can legally take place or if other measures will be necessary to complete before an exchange can take place.

BFW/sb