Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

F I S C A L   I M P A C T   R E P O R T

SPONSOR Anderson **ORIGINAL DATE** 02/27/07 **LAST UPDATED** **HB** HJM 67

SHORT TITLE Study Healthcare-Acquired Infections in NM **SB**

ANALYST Geisler

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Minimal, see narrative				

(Parenthesis ( ) Indicate Expenditure Decreases)

Relationship: HB 165 and HB 944.

SOURCES OF INFORMATION
LFC Files

Responses Received From
Department of Health (DOH)
Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

House Joint Memorial 67 would require that the Department of Health (DOH) create a task force to conduct a comprehensive review of healthcare-acquired infection studies in the United States, and would require that task force to write a report regarding the feasibility of healthcare-acquired infection surveillance in New Mexico. The task force would include a representative from the New Mexico Association for Professionals in Infection Control and Epidemiology; a representative of the New Mexico Hospitals and Health Systems Association; a representative of the New Mexico Medical Review Association; and a representative of the University of New Mexico Health Sciences Center.

FISCAL IMPLICATIONS

There would be a minimal cost to DOH to support the taskforce and to develop the required report.

SIGNIFICANT ISSUES

There has been significant debate at the national and state levels about the best mechanism to monitor healthcare-acquired infections. Respected national organizations have met to define certain types of hospital-acquired infections and the standardized reporting of these infections. Currently there are no national standards on how to define, detect, report, analyze and track trends in hospital-acquired infections. The Centers for Disease Control and Prevention's (CDC) Healthcare Infection Control and Prevention Advisory Committee (HIPAC) concluded in 2005 that there is not enough evidence to determine whether mandatory public reporting of hospital-acquired infections will reduce infection rates or provide useful information to consumers.

New Mexico has participated in these discussions through its collaboration with the Centers for Disease Control and Prevention (CDC), Council of State and Territorial Epidemiologists (CSTE), Association for Professionals in Infection Control and Epidemiology, Inc. (APIC), and the New Mexico Hospital Association.

The inclusion on the task force of representatives of various New Mexico health care associations could help to assure that these significant stakeholders would contribute to determining the feasibility of conducting surveillance for healthcare-acquired infections.

The task force will need to consider the following if healthcare acquired infections are to be reported:

1) Standardized infection surveillance measures that address both healthcare-associated infections (outcomes) and healthcare practices that have been shown to reduce the risk of infection (processes) [i.e., all hospitals must measure the same infections or infection prevention practices];
2) Standardized methods for collecting, risk-adjusting, analyzing, comparing, and reporting data;
3) Computer systems that support a standardized data collection and reporting process and improve the efficiency, accuracy, and effectiveness of infection surveillance programs;
4) The involvement of individuals who have expertise in infection surveillance and prevention programs when designing, implementing, and evaluating a system for publicly reporting infection data;
5) A mechanism to ensure that data reported will be useful and not misleading for consumers and will provide hospitals with the information they need to guide their infection prevention programs;
6) Education for the consumer on infection-prevention strategies and the meaning of the data released in public reports;
7) Adequate support for infection surveillance, prevention, and control programs to prevent infection control personnel and other healthcare resources from being diverted away from infection prevention activities and towards data collection;
8) Research to determine the impact that public reporting of infection data has on patients, consumers, and hospitals; and
9) Adequate funding and infrastructure to support a public reporting system for healthcare-associated infections.

A standardized surveillance system developed by a task force including the representatives of health care organizations may help to assure that the reporting of healthcare acquired infections

does not cause hospitals to be wary of treating certain patients or conditions that run a high risk for infection.

RELATIONSHIP

HJM 67 relates to HB 165 and HB 944, both of which would amend the Public Health Act to require that a hospital collect and report on hospital-acquired infection rates for specific clinical procedures determined by rule of the Department of Health (DOH).

OTHER SUBSTANTIVE ISSUES

HPC provides:

Reporting on hospital quality data appears to improve hospital performance. There are a number of studies that show public reporting improves health provider performance. A Health Affairs (Hibbard, et.al. April 2003) study evaluated the impact on quality improvement of reporting hospital performance publicly versus privately back to the hospital. Making performance information public appears to stimulate quality improvement activities in areas where performance is reported to be low. The findings from this Wisconsin-based study indicate that there is added value to making this information public. A new study (National Committee for Quality Assurance-NCQA) finds that the quality of care delivered by health plans that publicly report on their performance improved markedly in 2003(Source: NCQA).

Collection and use of hospital infection data is a complicated endeavor. Health care providers say there is no universal method for obtaining infection rate statistics, in part because it is difficult to determine whether a patient developed an infection while in the hospital. Providers add that some hospitals are more likely to have higher infection rates because of patient mix, and a universal standard would need to account for these discrepancies. Hospitals will say laws requiring data reporting could affect malpractice litigation, reward facilities that are less persistent in finding infections and force others to hire additional record keeping staff. Some infection control specialists say CDC data show that only about one third of hospital-acquired infections are preventable and, even with infection-disclosure mandates, health experts do not know just how far it is possible to reduce them. A large part of the difficulty in measuring hospital-acquired infections will be definitional. Will the definition include outpatients treated within the hospitals? Will it include a home health agency operated by a hospital? Will it include ambulance service operated by a hospital, but the patient transported may never be in that hospital? In addition, discovery of infections, and determining the true time when the infection was acquired, is a difficult task.

New Mexico currently has a process in place through the New Mexico Department of Health for surveillance of infectious diseases of public health significance. New Mexico's list of 'Notifiable Conditions in New Mexico' ([7.4.3.13 NMAC 6/30/2006] 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. There has been significant debate at the national and state levels about the best mechanism to monitor healthcare-acquired infections. New Mexico has participated in discussions through its collaboration with the Centers for Disease Control and Prevention (CDC), Council of State and Territorial Epidemiologists (CSTE), Association for Professionals in Infection Control and Epidemiology, Inc. (APIC), and

the New Mexico Hospital Association.

Some hospitals have begun publicly and voluntarily reporting their outcomes as a demonstration of accountability to the public they serve. The New Mexico Hospital and Health Systems Association has developed a voluntary reporting process (see http://www.nmchecheckpoint.org) for surgical infection prevention. Twenty two hospitals out of thirty five hospitals participate in the program. Information on hospitals in NM is available at the Medicare website http://www.hospitalcompare.hhs.gov/hospital/home2.asp.

In December 2005, the HPC authored a study on Hospital Charges, Quality and Charge Increases which was done for Reps. Park and Payne as a result of HM 43 in 2005. During this study the HPC collected considerable information on infection reporting as a part of the public quality reporting already in place in other states. The HPC currently has 178 articles or reports (some of which are media reports) on infection reporting done in other states. Much of what is reported on from other states may be useful to the task force if the memorial passes and the work is commenced.

GG/mt