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FISCAL IMPACT REPORT

SPONSOR Espinoza **ORIGINAL DATE** 01/31/14
LAST UPDATED 02/10/14 **HB** 9

SHORT TITLE Require Newborn Infant Heart Disease Testing **SB** _____

ANALYST Weber

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Uncertain- See OSI Comments	Uncertain- See OSI comments			General

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB 147

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

University of New Mexico Health Sciences Center (UNM HSC)

Office of Superintendent of Insurance (OSI)

SUMMARY

Synopsis of Bill

House Bill 9 adds a screen for congenital heart disease by a test performed using a pulse oximeter before a newborn is discharged from a hospital or birthing center.

FISCAL IMPLICATIONS

OSI notes that a section of the Affordable Care Act, PPACA Sec.1311 (d) (3) (B) may result in significant, but undetermined, continuing cost to the state for any new health insurance mandate... This federal statute requires states to assume the cost of new required benefits enacted after 12/31/2011.

SIGNIFICANT ISSUES

UNM HSC indicates the full financial and clinical implications of making pulse oximetry screening mandatory by law should be assessed. The guidelines suggest that any newborn with a low saturation have an echocardiogram and if pediatric echocardiography is not available, that baby should be medically transported to a center with pediatric echocardiography.

While many states with greater population density than New Mexico have made this screening mandatory, other more rural states are evaluating the implications of requiring this screening test.

DOH reports that critical congenital heart defect (CCHD) is a group of defects that change the normal flow of blood through the heart, causing severe and life-threatening symptoms and requiring intervention within the first year of the newborn's life. Congenital heart disease affects about 9 of every 1,000 live births in the United States and Europe (Botto, Correa, & Erickson, 2001; Knowles et al., 2005; Wren, Richmond & Donaldson, 2000). In New Mexico, the estimated number of infants born with CCHD a year is 243. DOH adds that congenital heart disease is the most common cause of infant death in the first year of life, with defects accounting for 3 percent of all infant deaths and more than 40 percent of all deaths due to congenital malformations.

Pulse oximetry is a method of screening that can help identify low levels of oxygen in the blood, which can be a sign of CCHD. If the baby screens positive (oxygen levels too low), the birthing facility will notify the physician and further follow-up may be done. The follow-up tests would involve an echocardiogram (an ultrasound picture of the heart). This type of screening is point of care, which means hospital staff will directly contact the physician and make referral for further testing or to a cardiologist without the assistance of the Newborn Genetic Screening Program.

Education information for facilities would have to be developed, as well as guidance and/or algorithms for hospitals to follow to develop a standard of care for New Mexico infants screened for CCHD.

The states are the primary regulators of insurance under federal law, 15 U.S. Code § 1011, the McCarran-Ferguson Act and nothing in the ACA amends the Act. However the federal government may require minimum requirements.

MW/ds:jl