

AN ACT

RELATING TO HEALTH CARE DATA; AUTHORIZING ADOPTION OF
STANDARDS FOR HEALTH CARE DATA AND ELECTRONIC DATA EXCHANGE;
ENACTING THE HEALTH DATA STANDARDS ACT.

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

Section 1. SHORT TITLE.--This act may be cited as the
"Health Data Standards Act".

Section 2. PURPOSE.--The purpose of the Health Data
Standards Act is to improve the efficiency and effectiveness
of the health care system and state government by:

- A. establishing data and electronic exchange
standards for health data and information;
 - B. promoting data sharing among state agencies;
 - C. reducing redundant data entry and duplicate
databases;
 - D. streamlining reporting to state agencies by
the private sector;
 - E. reducing health care administrative expenses;
- and
- F. promoting the exchange of information for
improved care.

Section 3. DEFINITIONS.--As used in the Health Data
Standards Act:

- A. "commission" means the New Mexico health

policy commission;

B. "electronic data interchange" or "data exchange" means the computer-to-computer exchange of strictly formatted messages;

C. "health care facility" means a facility licensed by the department of health;

D. "health data" means data or information, regardless of its form or medium that:

(1) is created or received by a health care provider, health care facility, health plan, state or political subdivision, employer, life insurer, school, university or health data clearinghouse; and

(2) relates to the physical or mental health or condition of a person, the provision of health care or payment for health care to a person;

E. "health data clearinghouse" means a public or private person that processes or facilitates the processing of nonstandard data elements of health information into standard data elements;

F. "person" means an individual or other legal entity, including the state or a department, agency, institution or political subdivision of the state; and

G. "standard-setting organization" means an organization accredited by the American national standards institute, including the national council for prescription

drug programs, that develops standards for information transactions, data elements or any other standards used in the implementation of the Health Data Standards Act.

Section 4. HEALTH DATA STANDARDS--APPLICABILITY.--

A. Standards adopted pursuant to the Health Data Standards Act shall apply to the data and the exchange of data between the following:

- (1) licensed health care providers;
- (2) licensed health care facilities;
- (3) persons licensed as health insurers by the insurance division of the public regulation commission;
- (4) a group health plan, if the plan has fifty or more participants or if it is administered by a person other than the employer who established and maintains the plan;
- (5) state and political subdivisions paying for or providing health services or collecting health data; and
- (6) health data clearinghouses.

B. Data definition standards and data exchange standards adopted pursuant to the Health Data Standards Act shall apply to the following data exchanges:

- (1) health claims or equivalent encounter information;
- (2) enrollment and disenrollment in a health

plan;

- (3) eligibility for a health plan;
- (4) health care payment and remittance;
- (5) health plan premium payments;
- (6) first report of injury;
- (7) referral certification and

authorization;

- (8) required reporting of health data to the

state;

- (9) electronic transmission of medical

records;

(10) retrieval by the public or other nonstate government entity of health data maintained by government; and

(11) other clinical, financial or administrative exchanges of health or health-related data established by the commission by rule.

C. A person is considered in compliance with the Health Data Standards Act by submitting nonstandard data elements to a health data clearinghouse for processing into standard data elements and transmission by the health data clearinghouse.

D. Standards adopted pursuant to the Health Data Standards Act:

- (1) are applicable to data and the exchange

and retrieval of information between entities, including state departments and agencies;

(2) shall not supersede department or agency standards and policies for data exchange and retrieval within departments or agencies; and

(3) shall only be required for new or redesigned systems implemented after January 1, 2003.

Section 5. DATA STANDARDS--ESTABLISHMENT.--

A. No later than January 1, 2001, the commission shall adopt standard health care data definitions and establish a health data dictionary and electronic data exchange standards for health data.

B. In adopting the standard health care data definitions and electronic data exchange standards for health data, the commission shall:

(1) incorporate those standards required and established pursuant to the federal Health Insurance Portability and Accountability Act of 1996;

(2) review and take into consideration public and private functional data dictionaries and electronic data exchange standards currently in use;

(3) consult with the health information alliance and the health information system advisory committee memberships;

(4) except as provided for in Subsection C

of this section, use standards that have been developed or adopted by a standard-setting organization; and

(5) seek advice from the information systems division of the general services department.

C. The commission may adopt a standard that is different from any standard developed or adopted by a standard-setting organization if:

(1) the different standard substantially reduces costs to health care providers, health insurers or the government compared to the alternative;

(2) the different standard minimizes the need for redundant data reporting to state government by the private sector or redundant data maintenance by government or the different standard substantially improves the appropriate exchange of data to enhance information as an asset;

(3) no standard-setting organization has developed, adopted or modified any standard relating to a standard that the commission is authorized or required to adopt under the Health Data Standards Act; or

(4) the different standard is required to comply with the purpose of the Health Data Standards Act; and

(5) the standard is promulgated in accordance with the commission's procedures for promulgating rules.

