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FISCAL IMPACT REPORT

ORIGINAL DATE 01/30/12
 SPONSOR HHGAC LAST UPDATED 02/11/12 HB CS/33/aSPAC
 SHORT TITLE Hospitals as Primary Stroke Centers SB _____
 ANALYST Esquibel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY12 | FY13 | FY14 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|--------------|------|---------|---------|----------------------|------------------------------|------------------|
| Total | | \$100.0 | \$100.0 | \$300.0 | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

University of New Mexico Health Sciences Center (UNMHSC)

SUMMARY

Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment to the House Health and Government Affairs Committee substitute for House Bill 33 (HB33/HHGACS/aSPAC) corrects a typographical error.

Synopsis of Original Bill

The House Health and Government Affairs Committee substitute for House Bill 33 (HB33/HHGACS) allows the Department of Health (DOH) to certify any acute care hospital as a primary stroke center, comprehensive stroke center or acute stroke capable center if that hospital has been accredited as such by the Joint Commission or another nationally recognized organization that provides certification for primary stroke centers, comprehensive stroke centers or acute stroke capable centers.

If a hospital loses any national certification as a primary stroke center, comprehensive stroke center or acute stroke capable center, the substitute bill stipulates the DOH secretary shall revoke that hospital's certification and provide this information on the DOH website.

The substitute also allows the Department of Health secretary to adopt rules to assist and encourage primary stroke centers to enter into coordinated stroke care agreements with other health care facilities throughout the state.

FISCAL IMPLICATIONS

House Bill 33 contains no appropriation.

The Department of Health indicates it would need additional funding for an additional FTE and associated operating costs to implement the provisions of HB33/HHGACS. The estimated cost would be approximately \$100 thousand recurring funding from the general fund (*see Administrative Implications below*).

SIGNIFICANT ISSUES

The DOH's Division of Health Improvement (DHI) currently licenses hospitals in the state. The DOH indicates the certification process proposed in HB33/HHGACS would not be related to licensure, but could be implemented through the DHI for licensed hospitals. HB33/HHGACS does not indicate that a hospital would request DOH certification as a primary stroke center, comprehensive stroke center or acute stroke capable center; and as such it would be difficult for the DHI to independently determine which hospitals had national stroke center certification and issue a certificate based on the independent determination. Any changes made to the certification status of a hospital would be based solely on the hospital's national accreditation status as submitted by the hospital, so the DOH certification and subsequent website posting for a hospital would not provide due process to the hospital.

HB33/HHGACS proposes a program for stroke center designation that is very similar to the current trauma center designation program operated through the DOH, Epidemiology and Response Division (ERD). An option would be to amend HB33/HHGACS to add the stroke center designation task to the Emergency Medical Services Act rather than the Public Health Act. The DOH/ERD has current rules for trauma center designation that could serve as a template for stroke center designation. These rules address a multi-leveled designation process that includes inspection of hospitals. The DOH/ERD has hospital and pre-hospital caregivers trained in hospital inspection.

ADMINISTRATIVE IMPLICATIONS

The DOH/ERD has hospital and pre-hospital care professionals currently employed that are trained in hospital inspections for trauma center designation. The process of inspection, and the capabilities that hospitals must demonstrate, will be very similar to tasks and assessments already being completed by the DOH/ERD staff.

The DOH/ERD has a near identical program for certifying Trauma Centers, working with national accrediting agencies, performing inspections of hospitals, and issuing New Mexico trauma center certifications on behalf of the Cabinet Secretary of Health. DOH/ERD estimates that funding additional staffing of 1.0 FTE at a pay grade of 70 would be needed to augment current staff to revise rule and develop and implement survey tools for stroke center certification. DOH/ERD will also work with emergency medical service pre-hospital agencies to assure consistent training, and goals of treatment and transport for the stroke patient. This will assure the development of a stroke system to assure a continuum of care from initial response through hospital as currently developed for the trauma system.

TECHNICAL ISSUES

The Department of Health (DOH) indicates that page 2, lines 1 through 4 of HB33/HHGACS refer to national *accreditation* by the joint commission or other nationally recognized organization. Then at line 4 and line 8, it refers to national *certification*. DOH recommends that the term *accreditation* be used in regards to The Joint Commission.

Page 2, line 12 allows the Secretary to adopt rules to assist and encourage primary stroke centers to enter into coordinated stroke care agreements. The wording seems to exclude the possibility of rule creation to encourage comprehensive stroke centers to do the same activities.

The DOH recommends replacing the wording on Page 1 lines 23 and 24 with the following: “The secretary shall adopt rules to establish processes by which the department shall certify hospitals as stroke centers. In accordance with department rules, the department may certify any acute care hospital...”

ALTERNATIVES

The DOH indicates HB33 could allow hospitals seeking State certification as stroke centers to be accredited by any accreditation entity recognized by CMS.

The HB33/HHGACS could direct DOH to post on the website a hospital’s accreditation designation as primary stroke center, comprehensive stroke center or acute stroke capable center after formal notification from a hospital of their accreditation status without issuing a certificate.

RAE/svb