

LFC Requester: Julisa Rodriguez

AGENCY BILL ANALYSIS
2024 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original Amendment
Correction Substitute

Date 2/1/2024
Bill No: HB 306

Sponsor: Chandler Agency Name and Code 440 OSI
Short Hospital Financial Number: _____
Title: Transparency Report Person Writing Tim Vigil
Phone: 505 690-0651 Email Timothy.vigil@osi.nm

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
\$50		Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$550	\$400	\$400	\$1350	Recurring	OSI

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

HB 306 requires hospitals to provide information to the OSI, on an annual basis, concerning their corporate structure and related entities, their net worth and compensation packages, their health care provider percentages and malpractice claims. Failure to provide the information will bar the hospital from monetary cap benefits provided by New Mexico law.

The bill creates an appropriation of \$50,000 to the OSI for collecting and publishing the information provided by the hospitals. The information shall be available on a searchable database created by OSI.

FISCAL IMPLICATIONS

The bill does not provide sufficient funds to the OSI for the establishment and administration of the program. As such, without a corresponding increase in funding and staffing, OSI would be tasked with developing, implementing and then distributing a significant amount of funding without the necessary resources for program development and operation.

SIGNIFICANT ISSUES

An adequate funding source is not being created. The failure to provide future adequate appropriations will result in an additional financial burden on the OSI.

PERFORMANCE IMPLICATIONS

The OSI will need additional funding and staff to develop and administer the program.

ADMINISTRATIVE IMPLICATIONS

The OSI does not have the existing infrastructure to develop and administer this program. The OSI will require additional funding and staff to develop and implement the program. The Insurance Code allows a party to request confidential treatment of records and information submitted to the Superintendent. Hospitals submitting information required by HB 306 will likely designate some of the information as trade secrets. This will require the Superintendent to review and deny or grant the request to treat the information as confidential. Adverse decisions could result in litigation.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Section 41-5-5 NMSA 1978 sets forth the requirements be qualified under the Medical Malpractice Act. HB 306 would effectively impose an additional requirement for qualification.

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The information collected from the hospitals will not be available to the public.

AMENDMENTS

The OSI recommends an amendment that provides additional recurring funds for the development and administration of the program.