

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

HOUSE BILL 274

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

NICK L. SALAZAR

FOR THE HEALTH AND WELFARE REFORM COMMITTEE

AN ACT

RELATING TO HEALTH CARE DATA; ESTABLISHING STANDARDS FOR
HEALTH CARE DATA AND ELECTRONIC DATA EXCHANGE; MAKING AN
APPROPRIATION.

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 and Exchange Standards Act".

Section 2. PURPOSE. -- The purpose of the Health Data and
Exchange Standards Act is to improve the efficiency and
effectiveness of the health care system and state government
by establishing data and electronic exchange standards for
health data and information, promote data sharing among state
agencies, reduce redundant data entry and duplicate databases,
streamline reporting to state agencies by the private sector,
reduce health care administrative expenses and promote the

Underscored material = new
[bracketed material] = delete

1 appropriate exchange of information for improved care.

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

4 A. "chief information officer" means the chief
5 information officer of the office on information and
6 communication management;

7 B. "commission" means the New Mexico health policy
8 commission;

9 C. "electronic data interchange" means the
10 computer-to-computer exchange of strictly formatted messages;

11 D. "health care clearinghouse" means a public or
12 private entity that processes or facilitates the processing of
13 nonstandard data elements of health information into standard
14 data elements;

15 E. "health care facility" means a facility
16 licensed by the department of health under its authority
17 provided pursuant to Section 24-1-3 NMSA 1978;

18 F. "health data or information" means any data or
19 information, regardless of its form or medium that:

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

24 (2) relates to the physical or mental health
25 or condition of a person, the provision of health care or

Underscored material = new
[bracketed material] = delete

1 payment for health care to a person;

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

5 H. "standard-setting organization" means an
6 organization accredited by the American national standards
7 institute, including the national council for prescription
8 drug programs, that develops standards for information
9 transactions, data elements or any other standard used in the
10 implementation of the Health Data and Exchange Standards Act.

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

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

- 15 (1) licensed health care providers;
- 16 (2) licensed health care facilities;
- 17 (3) entities licensed as health insurance
18 entities by the department of insurance;
- 19 (4) a group health plan, if the plan has
20 fifty or more participants or if it is administered by an
21 entity other than the employer who established and maintains
22 the plan;
- 23 (5) state and political subdivisions paying
24 for or providing health services or collecting health data and
25 information; and

Underscored material = new
[bracketed material] = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

(6) health care clearinghouses.

B. Data definition standards and data exchange standards adopted pursuant to the Health Data and Exchange 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 and information 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 regulation.

C. A person shall submit nonstandard data elements to a health care clearinghouse for processing into standard

Underscored material = new
[bracketed material] = delete

1 data elements and transmission by the health care
2 clearinghouse.

3 D. Standards adopted pursuant to the Health Data
4 and Exchange Standards Act are applicable to data and the
5 exchange and retrieval of information between entities,
6 including state departments and agencies, but shall not
7 supersede department or agency standards and policies for
8 data, exchange and retrieval within departments or agencies.

9 Section 5. DATA STANDARDS-- ESTABLISHMENT. --

10 A. No later than January 1, 2000, the commission
11 shall adopt standard health care data definitions and
12 establish a health data dictionary and electronic data
13 exchange standards for health data.

14 B. In adopting the standard health care data
15 definitions and electronic data interchange standard for
16 health data, the commission shall:

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

20 (2) review and take into consideration public
21 and private functional data dictionaries and electronic data
22 interchange standards currently in use;

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

Underscored material = new
[bracketed material] = delete

1 (4) except as provided for in Subsection C of
2 this section, use standards that have been developed or
3 adopted by a standard-setting organization; and

4 (5) seek advice from the chief information
5 officer and others with technical and health care industry
6 expertise.

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

10 (1) the different standard will substantially
11 reduce costs to health care providers, health insurers or the
12 government compared to the alternative;

13 (2) the different standard will minimize the
14 need for redundant data reporting to state government by the
15 private sector or redundant data maintenance by government or
16 substantially improve the appropriate exchange of data to
17 enhance information as an asset;

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

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

25 (5) the standard is promulgated in accordance

Underscored material = new
[bracketed material] = delete

1 with the commission's procedures for promulgating regulations.

2 Section 6. IMPLEMENTATION. --

3 A. Except as provided in Subsection B of this
4 section, standards adopted by the commission shall be
5 implemented by January 1, 2002.

6 B. The commission, after consultation with the
7 chief information officer and the department of insurance, may
8 grant a temporary waiver of compliance with provisions of the
9 Health Data and Exchange Standards Act if the requestor can
10 demonstrate proof of inability to comply due to no fault of
11 its own or if compliance would impose a substantial burden
12 that outweighs the benefit to the health care system in New
13 Mexico.

14 Section 7. STANDARD MODIFICATIONS. --The commission shall
15 establish procedures for the routine review, modification,
16 enhancement and expansion of the standards.

17 Section 8. APPROPRIATION. --One hundred thirty thousand
18 dollars (\$130,000) is appropriated from the general fund to
19 the New Mexico health policy commission for expenditure in
20 fiscal year 1999 for professional services contracts necessary
21 to carry out the provisions of the Health Data and Exchange
22 Standards Act. Any unexpended or unencumbered balance
23 remaining at the end of the fiscal year 1999 shall revert to
24 the general fund.

25 Section 9. EFFECTIVE DATE. --The effective date of the

Underscored material = new
~~[bracketed material]~~ = delete

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

provisions of this act is July 1, 1998.

- 8 -

1 FORTY-THIRD LEGISLATURE

2 SECOND SESSION, 1998

3
4
5
6 February 3, 1998

7
8 Mr. Speaker:

9
10 Your CONSUMER AND PUBLIC AFFAIRS COMMITTEE, to
11 whom has been referred

12
13 HOUSE BILL 274

14
15 has had it under consideration and reports same with
16 recommendation that it DO PASS, amended as follows:

17 1. On page 2, line 9, after "interchange" insert "or
18 "data exchange".

19
20 2. On page 4, line 24, strike "submit" and insert in lieu
21 thereof "be considered in compliance with the Health Data and
22 Exchange Standards Act by submitting".,

23 and thence referred to the APPROPRIATIONS AND FINANCE
24 COMMITTEE.

FORTY-THIRD LEGISLATURE
SECOND SESSION, 1998

HCPAC/HB 274

Page 10

Respectfully submitted,

Gary K. King, Chairman

Adopted _____

(Chief Clerk)

Not Adopted _____

(Chief Clerk)

Date _____

The roll call vote was 8 For 0 Against

Yes: 8

Excused: Sandel, Trujillo Knauer

Absent: None

122492.1ms

G:\BILLTEXT\BILLW_98\H0274

. 120716.3ms

Underscored material = new
[bracketed material] = delete

1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998
3

4 February 11, 1998
5

6
7 Mr. Speaker:
8

9 Your APPROPRIATIONS AND FINANCE COMMITTEE, to
10 whom has been referred

11 HOUSE BILL 274, as amended
12

13 has had it under consideration and reports same with
14 recommendation that it DO PASS, amended as follows:
15

16 1. On page 1, lines 12 and 13, strike “; MAKING AN
17 APPROPRIATION”

18 2. On page 7, strike Section 8 in its entirety.
19

20 3. Renumber succeeding section accordingly.
21
22
23
24
25

1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998

3 Page 12

4 Respectfully submitted,
5
6
7
8 _____

9
10 Max Coll, Chairman

11
12 Adopted _____

13 Not Adopted _____

14 (Chief Clerk)

15 (Chief Clerk)

16 Date _____

17 The roll call vote was 16 For 0 Against

18 Yes: 16

19 No: 0

20 Excused: Bird, Vigil

21 Absent: None

22
23
24 G: \BILLTEXT\BILLW_98\H0274
25

. 120716. 3ms

Underscored material = new
[bracketed material] = delete

1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998
3

4 February 11, 1998
5

6
7 Mr. Speaker:

8
9 Your APPROPRIATIONS AND FINANCE COMMITTEE, to
10 whom has been referred

11 HOUSE BILL 274, as amended
12

13 has had it under consideration and reports same with
14 recommendation that it DO PASS, amended as follows:
15

16 1. On page 1, lines 12 and 13, strike “; MAKING AN
17 APPROPRIATION”

18 2. On page 7, strike Section 8 in its entirety.
19

20 3. Renumber succeeding section accordingly.
21
22
23
24
25

1 FORTY-THIRD LEGISLATURE
2 SECOND SESSION, 1998

3 Page 14

4 Respectfully submitted,
5
6
7
8 _____

9
10 Max Coll, Chairman

11
12 Adopted _____

12 Not Adopted _____

13
14 (Chief Clerk)

14 (Chief Clerk)

15
16 Date _____

17 The roll call vote was 16 For 0 Against

18 Yes: 16

19 No: 0

20 Excused: Bird, Vigil

21 Absent: None
22
23
24

25 G:\BILLTEXT\BILLW_98\H0274

. 120716. 3ms

Underscored material = new
[bracketed material] = delete

FORTY-THIRD LEGISLATURE
SECOND SESSION, 1998

Page 15

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

FORTY-THIRD LEGISLATURE
SECOND SESSION, 1998

February 16, 1998

Mr. President:

Your PUBLIC AFFAIRS COMMITTEE, to whom has been referred

HOUSE BILL 274, as amended

has had it under consideration and reports same with recommendation that it DO PASS, and thence referred to the FINANCE COMMITTEE.

Respectfully submitted,

Shannon Robinson, Chairman

FORTY-THIRD LEGISLATURE
SECOND SESSION, 1998

Page 16

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Adopted _____ Not

Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 5 For 0 Against

Yes: 5

No: 0

Excused: Adair, Boitano, Ingle, Vernon

Absent: None

H0274PA1

Underscored material = new
[bracketed material] = delete