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FISCAL IMPACT REPORT

ORIGINAL DATE 02/08/13

SPONSOR Rehm LAST UPDATED _____ HB 356

SHORT TITLE UNM Hospital Indigent Care Reporting SB _____

ANALYST Hartzler-Toon

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	NFI	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in General Appropriation Act, University of New Mexico, Health Sciences Center

SOURCES OF INFORMATION

LFC Files

Responses Received From

University of New Mexico, Health Sciences Center (UNM HSC)
Higher Education Department (HED)
Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 356 (HB 356) requires the University of New Mexico Hospital (UNMH) to report certain data pertaining to indigent care to Bernalillo County Board of Commissioners. The bill requires UNMH to report on indigent and other care, receipt of mill levy and gross receipts funds used for indigent care in Bernalillo County, and other data requests specifically enumerated in the bill within 90 days after the UNMH's fiscal year ends (approximately September 30th). The bill also requires UNMH to provide the county board with its independent financial audit 180 days after the fiscal year ends (approximately December 31st).

FISCAL IMPLICATIONS

There are no direct fiscal impacts on state funds.

SIGNIFICANT ISSUES

The state, through a general fund appropriation, and Bernalillo County, through a mill levy, support UNM HSC's and UNMH's provision of care to indigent patients. As required by statute, the UNM HSC submits an annual financial audit to the Higher Education Department (HED). The audit and other annual budget documents report the UNM HSC's and UNMH's revenues and expenditures associated with providing care, though these documents are cumbersome and provide summary-level details. The programmatic details requested in HB 356 are not solely addressed in the annual financial documents.

However, in addition to annual budget and audit documents, the UNM HSC produces annual Healthcare Summit reports and keeps public hospital policies and procedures. These reports include programmatic details regarding costs of patient care and services, though the information can be difficult to locate in the materials. Some of the data requested in HB 356 is reported in these documents.

Of information requested in HB 356, the UNM HSC notes that the following items are not currently reported in existing UNM HSC financial and other reports:

- Section 1.B.1 Total patients receiving healthcare: demographics not reported are sex, race/ethnicity, and age. The UNM HSC cites HIPAA as preventing this reporting.
- Section 1.B.2 Total indigent patients receiving healthcare: demographics not reported are sex, race/ethnicity, and age. The UNM HSC cites HIPAA as preventing this reporting.
- Section 1.B.6 An itemization of uses, with corresponding amounts, to which funding to a program to improve access for underserved during the term of the 2008 mill levy was allocated.
- Section 1.B.12 Conditions for reimbursement of a related party or other non-hospital providers of health care, such as employed physician groups, that provide indigent care paid for by Bernalillo County through its mill levy funds, funds from gross receipts tax for indigent care, or funding from other sources.
- Section 1.B.18 Percentage of total patients who were Medicare eligible.
- Section 1.B.20 Percentage of total patients who were Medicaid eligible.
- Section 1.B.22 Disclosure of any related party transactions involving mill levy funds for indigent care.
- Section 1.B.23 Profit and loss from the investment of Bernalillo County mill levy funds for indigent care. The UNM HSC notes that this cannot be determined since mill levy funds are pooled with other revenues and invested according to UNMH investment policies.
- Section 1.B.25 Net days in accounts receivable.

- Section 1.B.26 Percentage of accounts receivable over 90 days old.
- Section 1.B.29 Year-end balance of any reserve or investment account in which any unexpended mill levy funds or funds from gross receipts tax for indigent care are deposited. The UNM HSC notes that this cannot be determined since mill levy funds are pooled with other revenues and invested according to UNMH investment policies.

If HB 356 is enacted, the items issued above may be required to be reported, unless there is a conflict with other laws, like HIPAA.

ADMINISTRATIVE IMPLICATIONS

The UNM HSC reports that much of the information requested in HB 356 is currently reported in publically-available audits, budget documents, health care reports, policy and procedures documents, and other reports.

AMENDMENTS

The Legislature may wish to add provisions in Sections 1.B and 1.C that require any reports provided to the Bernalillo County Board of Commissioners are also provided to the Legislature's Interim Committee on Health and Human Services and the Legislative Finance Committee.

THT/svb