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FISCAL IMPACT REPORT

ORIGINAL DATE 01/24/13

SPONSOR Ortiz y Pino LAST UPDATED _____ HB _____

SHORT TITLE Ambulatory Surgical Center Inspections SB 21

ANALYST Esquibel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$250.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

Public Regulation Commission (PRC)

SUMMARY

Synopsis of Bill

Senate Bill 21 appropriates \$250 thousand in general fund revenue in FY14 to the Department of Health (DOH) to survey and inspect ambulatory surgical centers.

FISCAL IMPLICATIONS

Senate Bill 21 contains a recurring appropriation of \$250 thousand from the general fund. Any unexpended or unencumbered balance remaining at the end of FY14 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The Department of Health (DOH) indicates Senate Bill 21 (SB 21) would require DOH to “survey and inspect” ASCs. It is unclear what activities would be included in the survey and inspection process. For example, SB 21 does not specify whether the surveys and inspections are to be conducted to determine the compliance of ASCs with DOH licensure requirements or other (See 7 NMAC 11.2.). Also, this bill does not specify how many surveys and inspections are to be done and with what frequency. SB 21 does not identify the difference between a

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“survey” and an “inspection”; for example, both the federal government and the State of New Mexico use the term “survey” alone to designate the process by which a facility’s compliance with applicable health and life safety code requirements is assessed.

The DOH currently licenses 27 ASCs in New Mexico. Nineteen of these ASCs are certified by the Centers for Medicare and Medicaid Services (CMS). CMS funds the DOH to survey compliance with CMS requirements for approximately 6 ASCs during Federal Fiscal Year 14. Additional ASCs may be surveyed through CMS funds based on complaints filed with DOH regarding these facilities.

RAE/svb