

LFC Requester:	Allegra Hernandez
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION
WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.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}

Date Prepared: February 21, 2025 *Check all that apply:*
Bill Number: House Bill 389 Original Correction
 Amendment Substitute

Sponsor:	Rep. Elizabeth "Liz" Thomson	Agency Name and Code	State Ethics Commission (410)	
	and Rep. Debra M. Sariñana		Number:	
	Short Title:	State Health Data Utility	Person Writing	Caroline "KC" Chato
	Title:	_____	Phone:	362-9617 Email

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

House Bill 389 amends the Electronic Medical Records Act to designate the state's Health Information Exchange (HIE) as the official Health Data Utility (HDU) for New Mexico. The bill expands the HIE's role to function as an integrated system for managing and sharing electronic health data across healthcare providers, institutions, and public health agencies.

Key provisions of the bill include:

- Definition of Health Data Utility (HDU) (Section 24-14B-3, Subsection J)
The bill introduces the term "health data utility", defined as an entity that “combines and shares disparate electronic health care information sets for purposes that include treatment, care coordination, quality improvement, population health, managing public health emergencies or other public and community health services.”
- Amendment to definition of Health Information Exchange (HIE) (Section 24-14B-3, Subsection K)
The bill redefines a "health information exchange" as an “entity that provides services to enable the electronic and secure sharing of health care information.” This change removes prior language limiting the HIE to specific types of participants and networks, broadening its function to act as a centralized data hub.
- Incorporating “the health data utility” into the various provisions of the Electronic Medical Records Act, Chapter 24, Article 14B NMSA 1978, which reference the requirements for a “health information exchange” under that Act, including certain privacy protections for an audit log and patient access to records (Section 24-14B-6, Subsections C & D); a patient opt-out provision (Section 24-14B-6, Subsection E) whereby patients may exclude their information from the record locator service, health data utility, or health information exchange (although still requiring that individuals opting out “shall include a waiver of liability for any harm caused by the exclusion of the individual's information”); permitted disclosures (Section 24-14B-6, Subsection G) (clarifying where patient health data may be disclosed without consent); and the interoperability requirement for state agencies (Section 24-14B-10) which ensures that all participating entities—including health data utilities, health information exchanges, and healthcare institutions—may use public, proprietary, or open-source software, provided that it “complies with federal interoperability-certified laws or rules.”
- Designation of State Health Data Utility (New Section, Selection of State Health Data Utility)
The bill mandates that “the entity designated as the state's health information exchange shall also function as the state's health data utility.”

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS