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| LFC Requester: | RubyAnn Esquibel |
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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 22, 2025 *Check all that apply:*
Bill Number: HB 430 Original Correction
 Amendment Substitute

Sponsor: Reps. Sariñana, Anaya, Thomson, & Ferrary **Agency Name and Code** University of New Mexico-952
Short Title: Health Data Privacy Act **Number:** _____
Person Writing Kelly O'Donnell
Phone: 505-6595702 **Email** kodonnell@unm.edu

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:

HB 430 enacts the Health Data Privacy Act which establishes comprehensive regulations for the handling of regulated health information by entities that process such data. Regulated entities must provide clear privacy information, implement robust data security practices, and ensure accessibility for individuals with disabilities. The Act prohibits practices such as processing health information without consent and using precise geolocation data for non-essential purposes. It also grants individuals rights to access, correct, and delete their health information, requiring explicit consent for processing activities and easy mechanisms for revoking consent.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

Licensed healthcare providers are excluded from the provisions of this bill, so this would not impact clinical operations at the UNM HSC

However, research conducted at the UNM HSC could be negatively impacted by the provisions of this bill. Of particular concern is the requirement in Section 2A that datasets be “deidentified.” While UNM researchers customarily strip most identifying information from the data they work with and follow strict data protection and confidentiality protocols, they must retain the minimum necessary amount of protected health information (zip codes and dates) to conduct a meaningful analysis. The resulting datasets are “limited” but not strictly deidentified.

The NM Center for Health Policy (CHP) is one of a number of centers at UNM that could suffer negative consequences from this bill as written. CHP has been working at the request of the HCA’s Medicaid division to develop a process for a) turning around ad hoc data requests from the HCA in a timely manner and b) responding to data analysis requests from other state agencies. The goal is to make better use of the rich information available in Medicaid claims for informing policy decisions that improve the health outcomes of New Mexicans.

"Place matters" in public health and zip code continues to be a significant predictor of health outcomes in New Mexico and elsewhere. However, zip codes cannot be included in "de-identified" datasets (Section 2A) and are instead included in "limited" datasets (not defined in this bill) that include the minimum necessary amount of protected health information (zip codes, dates) to conduct a meaningful analysis of data to inform policy.

Section 4A.1.a. (page 5) could require Center for Health Policy to obtain consent from all individuals with NM Medicaid claims (several hundred thousand people) in a particular time period in order to do an analysis to by zip code.

Section 9 (page 18) states that "Nothing in the Health Data Privacy Act shall be interpreted or construed to:...B) apply to information processed by local, state or federal governments or

municipal corporations;..." It does not specifically reference public universities, so it is not clear if this provision would exempt research conducted by UNM.

Section 9.C.11 allows for medical research in compliance with federal regulations (human subjects protections Part 46 of Title 45 and parts 50 and 56 of Title 21 Human subjects & IRB), but lists only de-identified data, not limited data.

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

Clarify that data used for research and policy analysis at universities is exempt from provisions of this bill