

LFC Requester:	Eric Chenier
-----------------------	---------------------

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: 2/14/2025 *Check all that apply:*
Bill Number: SB404 Original Correction
 Amendment Substitute

Sponsor: Mimi Stewart **Agency Name and Code:** New Mexico Public Schools Insurance Authority 34200
Short Title: Healthcare Privacy Protections **Number:** _____
Person Writing: Kaylynn Roybal
Phone: 505-476-1672 **Email:** kaylynn.roybal@psia.nm.gov

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

SB404 proposes amendments to the "Electronic Medical Records Privacy Act" (Section 24-14B-1 NMSA 1978), renaming it as the "Patient Records Privacy Act" to enhance the confidentiality and security of patient records. The bill introduces definitions for "gender-affirming health care" and "reproductive health care,"

The bill amends Section 24-14B-3 NMSA 1978 to update and expand definitions

- **"Electronic patient record"** is defined as an electronic record of an individual patient's health care information that may contain demographic information.
- **"Electronic patient record system"** refers to a system used to process, store, and maintain the patient records of individuals, including an individual's health care information.
- **"Gender-affirming health care"** is defined as psychological, behavioral, surgical, pharmaceutical, or medical health care, services, procedures, or supplies provided to an individual in support of the individual's gender identity.
- **"Reproductive health care"** encompasses health care, services, procedures, or supplies related to the reproductive system of an individual, including pregnancy, contraception, or the termination of a pregnancy.

SB404 Specifies that such sensitive health care information must be segregated within electronic patient record systems to prevent unauthorized disclosure. The legislation mandates that health care providers and health care group purchasers implement measures to ensure the secure handling of electronic patient records, including the segregation of specific health care information. It also outlines permissible circumstances under which health care information may be disclosed, thereby safeguarding patient privacy.

Systems determined to be in violation of the Patient Records Privacy Act shall be: (1) subject to injunctive relief, (2) liable for a civil penalty up to \$2,500 for each negligent violation; or liable for a civil penalty up to \$7,500 for each intentional violation.

Additionally, the bill seeks to repeal Section 24-14-18 NMSA 1978, which requires the reporting of induced abortions, to further protect patient confidentiality.

The effective date of this legislation is July 1, 2025.

FISCAL IMPLICATIONS

NMPSIA has conducted a preliminary analysis and determined that, at this time, we cannot quantify any definitive impact. At present, it remains unclear whether these adjustments to the administration of the privacy practices laid out will incur any associated fees. However, should such fees arise, we anticipate that they would be minimal in nature and not materially affect our overall operations or financial standing.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

While it appears that there will be no immediate impacts, we recognize that there may be necessary operational adjustments to ensure compliance with the privacy provisions outlined in the bill.

Given the current ambiguity, we will continue to monitor the situation closely and remain prepared, while ensuring the efficient and effective delivery of services within our defined scope of responsibility.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS