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FISCAL IMPACT REPORT

SPONSOR Thomson/Sariñana LAST UPDATED _____
ORIGINAL DATE 2/20/2025
BILL
SHORT TITLE State Health Data Utility NUMBER House Bill 389
ANALYST Hernandez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
DOH		At least \$479.0	At least \$479.0	At least \$958.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
Department of Health (DOH)
Health Care Authority (HCA)
State Ethics Commission (SEC)

SUMMARY

Synopsis of House Bill 389

House Bill 389 (HB389) amends the Electronic Medical Records Act to identify a health data utility (HDU). In the bill, the HDU would be the same as the health information exchange (HIE).

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

DOH states the cost was difficult to estimate. LFC analysis assumes the cost is likely similar or above what DOH is currently paying Synchronys to serve as the HIE. In FY24, DOH spent \$479 thousand to maintain its contracts. This does not include start-up costs, which are likely much higher than the above cost.

The bill designates the state's health information exchange as the health data utility. The current HEI is Synchronys.

SIGNIFICANT ISSUES

According to the DOH,

HB389 seeks to ensure the state has an electronic health records system that is accessible to all state agencies providing healthcare to residents. This type of system assists in tracking health data throughout the state to gain a clearer understanding of disease progression, which can assist in disease intervention strategies for health promotion teams. While these electronic records systems ensure the ability of providers to access a person's full history and data, the cost of implementation and maintenance of these systems can be a limiting factor.

Currently, New Mexico has multiple systems that are utilized for electronic health records and immunization records. To meet the requirements under HB389, one system would have to be designated as the state system and all records imported into that system, or funding would be required for a new system, as well as consultation with experts to assist in the importation of records.

AEH/hg/rl