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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/25/07  
 LAST UPDATED 01/31/07    **HB** \_\_\_\_\_

SPONSOR Jennings

SHORT TITLE Electronic Health Record Implementation    **SB** 122/a SPAC

ANALYST Hanika Ortiz

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$1,500.0	Non-recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Health (DOH)  
 Human Services Department (HSD)

### SUMMARY

#### Synopsis of SPAC Amendment

The Senate Public Affairs Committee Amendment directs the appropriation of \$1.5 million in the bill toward DOH instead of to HSD.

#### Synopsis of Original Bill

Senate Bill 122 appropriates \$1.5 million to HSD to assist in the adoption of electronic health records by funding pilot projects in Taos, Chaves, Hidalgo, Luna and Grant counties. \$500 thousand of appropriation requested will be to contract with qualified non-profit organizations to assist health care providers in the selection and implementation of electronic health records. \$1 million will be used to facilitate the installation of electronic health record systems in provider offices and clinics.

### FISCAL IMPLICATIONS

The appropriation of \$1.5 million contained in SB 122 is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general fund.

DOH reports that any ongoing costs to maintain systems will be the responsibility of the provider or clinic.

**SIGNIFICANT ISSUES**

DOH reports appropriation may be insufficient to support many providers. Medical records systems typically cost \$50,000 for a small provider. CMS already funds (through a contract) a non-profit charged with assisting providers in adopting electronic health records systems.

**TECHNICAL ISSUES**

The title of the bill indicates appropriation is directed to DOH and the body of the bill appropriates the funds to HSD. The correct agency should be DOH.

AHO/csd