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FISCAL IMPACT REPORT

ORIGINAL DATE 2/5/07

SPONSOR Beffort LAST UPDATED _____ HB _____

SHORT TITLE Health Info Exchange Collaborative Network SB 539

ANALYST Geisler

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$2,400.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to: multiple bills (see below)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)
Chief Information Officer (CIO)

SUMMARY

Synopsis of Bill

Senate Bill 539, for the Legislative Health and Human Services Committee, would appropriate \$2.4 million to the Department of Health (DOH) from the General Fund in FY08 to contract with a nonprofit organization to complete the implementation of a health information exchange collaborative network in Bernalillo and Taos counties, expand the health information exchange network to: (1) serve rural and underserved communities outside these counties, (2) enhance existing telehealth services, and (3) facilitate the Department of Health's disease reporting and communication with physicians. Any unencumbered or unexpended balances remaining at the end of FY08 shall revert to the General Fund.

FISCAL IMPLICATIONS

DOH notes that their FY08 operating budget request includes an expansion request of \$2 million

for telehealth activities. This funding was not recommended in either the executive or Legislative Finance Committee budget recommendations for DOH. The executive has recommended \$2 million as a special appropriation.

The CIO notes that additional dollars may be needed for the maintenance and support of the health information exchange collaborative network.

SIGNIFICANT ISSUES

DOH notes that several efforts are underway to explore how to best implement a health information exchange network in New Mexico. A functioning network would permit effective exchange of patient information between health care providers, consistent with the restrictions of HIPAA and other privacy requirements. The Telehealth Commission is considering several alternatives but has not made specific recommendations about an implementation path.

RELATIONSHIP

SB 539 is related to SB 122, which would appropriate \$1,500,000 for implementation of electronic health record pilot projects in selected counties. SB 539 is also related to HB 871, which provides \$500 thousand to DOH to coordinate and assist in implementation of telemedicine programs and projects throughout the state through contracting with a qualified non-profit and SB 180/HB 429, which provides \$600,000 from the General Fund to the DOH for expenditure in fiscal year 2008 to fund a telehealth program providing training, education, case conferencing and clinical consultation targeted towards childhood diabetes and obesity, developmental disabilities early intervention, mental health of children under 5 years old, pediatric asthma and other pediatric specialties. HB 427/SB 456 amend the NM telehealth act and expand the types of providers and sites for telehealth services. HB 428/SB 538 also would amend the New Mexico Telehealth Act.

GG/nt