



single- or small-group proprietors or providers in rural and frontier areas.

The Secretary of DOH is required to invite other entities to assist in development of the plan. Some of these include:

- The Human Services Department
- The Office of the Superintendent of Insurance
- The Interagency Benefits Advisory Committee
- The New Mexico Medical Society
- The New Mexico Hospital Association

## **FISCAL IMPLICATIONS**

It is likely that funding such a system would be significant, and that federal support could be available for the creation and operation of such a data exchange system. Recent DOH grant funding may support the initiative.

In December 2014, DOH received a CMS State Innovation Model design grant for the health system, which includes the development of innovative health information technology (HIT) solutions to interoperability. This work is being accomplished in collaboration with the Human Services Department and the Department of Information Technology, among many stakeholders statewide.

There is no appropriation related to DOH's responsibilities as outlined in SB 309/SCORCS; therefore, all costs associated to SB 309/SCORCS implementation would be supported by existing resources.

## **SIGNIFICANT ISSUES**

The federal Affordable Care Act requires that states address issues around interoperability of electronic health records. As pointed out by DOH, the American Reinvestment & Recovery Act (ARRA) was enacted on February 17, 2009. ARRA includes many measures to modernize our nation's infrastructure, one of which is the "Health Information Technology for Economic and Clinical Health (HITECH) Act." The HITECH Act supports the concept of electronic health records meaningful use, an effort led by Centers for Medicare & Medicaid Services (CMS) and the Office of the National Coordinator for Health IT (ONC). HITECH proposes the meaningful use of interoperable electronic health records throughout the United States health care delivery system as a critical national goal.

## **ADMINISTRATIVE IMPLICATIONS**

SB 309/SCORCS addressed concerns raised by DOH pertaining to time limits in SB 309.

## **OTHER SUBSTANTIVE ISSUES**

A state sponsored health records system, whether electronic health record data held for access or to provide an electronic transmission process for electronic health records exchange would result in potential exposure for the state due to the hazard of unauthorized disclosure. Federal law

provides for monetary penalties for unauthorized use or disclosure of patients health care data. There currently exists, as noted by DOH, in state law numerous provisions making health care data confidential and imposing penalties for inappropriate disclosure of confidential data.

BD/je/bb