

Department of Planning and Budget 2005 Fiscal Impact Statement

1. Bill Number HB 2236

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: O'Bannon, J.

3. Committee: Health, Welfare, and Institutions.

4. Title: Patient records; protection of health data by hospitals.

5. Summary/Purpose: This bill requires the Board of Health to implement regulations that require hospitals to have interoperability and sharing of patient health data through common data reporting formats and standardized methods of transmission while maintaining protections for the privacy of personal health information.

6. Fiscal Impact Estimates are: Tentative

Expenditure Impact:

<i>Fiscal Year</i>	<i>GF</i>	<i>Dollars</i>	<i>NGF</i>	<i>Positions</i>
2004-05				
2005-06		\$5,000		
2006-07				
2007-08				
2008-09				
2009-10				

7. Budget amendment necessary: None.

- 8. Fiscal implications:** The Virginia Department of Health would provide staff support to the Board of Health in the development of new regulations requiring hospitals to establish means of sharing patient health data electronically. Hospitals would be required to standardize the format for an unspecified set of patient health information and the method of transmitting the information to other hospitals without violating the provisions of the Health Insurance Portability and Privacy Act (HIPPA) of 1996.

The legislation does not require the Board, Virginia Department of Health, or other entity to collect and maintain an electronic data warehouse of the collective hospital data and there is no penalty established for a hospital's non-compliance with the requirements.

This impact statement reflects the one-time cost of developing the regulations and issuing them to the hospital community.

- 9. Specific agency or political subdivisions affected:** Virginia Department of Health.

- 10. Technical amendment necessary:** None.

- 11. Other comments:** The significant impact of requiring patient health data sharing would be on hospitals. Once the set of required data and method of electronic transmission are established, hospitals would need to re-engineer each facility's information technology systems and ensure that the data would be maintained in a secure network environment.

Date: 01/20/05 / reh

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cc: Secretary of Health and Human Resources