

## Department of Planning and Budget 2005 Fiscal Impact Statement

**1. Bill Number** HB2430H1

<b>House of Origin</b>	<input type="checkbox"/> Introduced	<input checked="" type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron:** Hamilton, P.

**3. Committee:** Health, Welfare, and Institutions.

**4. Title:** Health Care Provider Data Services.

**5. Summary/Purpose:** This bill requires the Commissioner of Health to contract with a nonprofit organization (Virginia Health Information) for compiling, storing, and making available to consumers data collected on physicians about safety and quality of health care. It requires the nonprofit organization to assist the Board of Health in developing a quality of care performance set for physicians and a mechanism to measure patient satisfaction. A centralized electronic clearinghouse shall be developed for distributing quality of care, safety, and patient satisfaction information on health care providers to customers.

**6. Fiscal Impact Estimates are:** Indeterminable at this time.

**7. Budget amendment necessary:** Yes – Item #319 – Regulation of Public Facilities and Services (56100).

**8. Fiscal implications:** The Virginia Department of Health currently contracts with a nonprofit organization, Virginia Health Information (VHI), for data services as specified in the Code of Virginia 32.1-276.4. The expenses associated with additional reporting requirements will cause the general fund component of the contract payments to increase.

An estimate of this expenditure impact is not available from Virginia Health Information (VHI). VHI staff indicates that its costs associated with this proposed legislation cannot be determined until after a study and/or determination of the types and amount of information to be collected and made available is completed.

The substitute version of the bill also directs an assessment of the costs for physicians to comply with the reporting requirements and to identify a source of funding to address those costs. Since a great number of physicians do not currently have an electronic means of tracking and reporting on their patients' medical records, this requirement is considered the most significant fiscal impact of the legislation as written. As is the case with the fiscal impact on VHI's operation, a definitive estimate of the costs to physicians cannot be determined at this time.

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

**10. Technical amendment necessary:** None.

**11. Other comments:** None.

**Date:** 02/14/05 / reh

**Document:** G:\Fis\2005\Hb2430h1.Doc rachaelharrell

cc: Secretary of Health and Human Resources