

## Department of Planning and Budget 2023 Fiscal Impact Statement

1. **Bill Number:** HB2345

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

2. **Patron:** Head

3. **Committee:** Education and Health.

4. **Title:** smartCHaRt network Program.

5. **Summary:** Renames the Emergency Department Care Coordination Program as the Smartchart Network Program and expands the Program to allow participation by all health care providers, insurance carriers, and other organizations with a treatment, payment, or operations relationship with a patient in the Commonwealth to facilitate real-time communication and collaboration. Under current law, participation is limited to hospital emergency departments. The bill makes several other modifications to the Program, including adding a requirement that the Program allow health care providers, health care entities, and insurance carriers to access information necessary to evaluate and monitor the care and treatment of a patient in accordance with applicable patient privacy and security requirements and adding a requirement that such entities continue to improve care coordination in hospital emergency departments in order to reduce the frequency of visits by high-volume emergency department utilizers. The bill also directs the State Health Commissioner to convene a work group to study and establish a plan to develop and implement a system to share information regarding a patient's prescription history and medication reconciliation. The bill requires the Commissioner and the Director to report their findings and recommendations to the Chairmen of the Joint Commission on Health Care, Senate Committee on Education and Health, and House Committee on Health, Welfare and Institutions by October 1, 2023. The provisions of the bill other than creation of the work group have a delayed effective date of January 1, 2024.

6. **Budget Amendment Necessary:** Yes, item 292.

7. **Fiscal Impact Estimates:** See item 8.

8. **Fiscal Implications:** The provisions of this legislation, as amended, would have a fiscal impact on the Virginia Department of Health and Virginia Health Information (VHI), the nonprofit organization with which the Commissioner of Health has entered into a related contract with. Costs for VHI to develop a system, data collection, project management staffing fees, administrative costs, and other technical cost to implement the provisions of the bill are estimated to be \$100,000. After the implementation phase, which is expected to last

two to three years, technology costs associated with the provisions of the bill will be reduced, however the reduction in expenditures cannot be determined at this time.

**9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Health and Virginia Health Information.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.