



HOUSE COMMITTEE ON APPROPRIATIONS
2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 2106

PRINTER'S NO: 3957

PRIME SPONSOR: R. Taylor

FISCAL IMPACT SUMMARY	FY 2010/11	FY 2011/12
General Fund	See Analysis	See Analysis

OVERVIEW:

House Bill 2106, the Health Information Technology Act, establishes the Pennsylvania Health Information Exchange (PHIX) Authority and the Health Information Technology Fund. This bill also provides for grants and loans for health information technology to be administered by the Department of Community and Economic Development (DCED).

This bill would take effect in 60 days.

ANALYSIS:

The powers and duties of the Health Information Exchange Authority shall be vested in a board of directors consisting of 17 members appointed by the Governor and General Assembly leaders. In addition to planning and developing the PHIX system, the board shall adopt bylaws; employ staff; execute contracts; apply for, receive, administer and spend allowable funds; participate with DCED in applying for and distributing grants and loans; accept federal grants; and impose subscription or transaction fees for users of the health information exchange which shall be used to pay for the exchange's operation.

This bill also establishes the Loans or Grants for Information Networks (LOGIN) program to be administered by DCED. The administration of the program also requires DCED to audit loans; provide ongoing assessment of the benefits and costs of health information technology systems; develop a public information program to inform the public of the efficiency and safety advantage of health information technology; and produce an annual report.

According to the Governor's Administration, it is assumed that the Authority will be completely funded with federal funds, which it is authorized to apply for and receive. There are currently no state appropriations available for the requirements of this bill. The Department of Community and Economic Development estimates that additional staff will be required to implement the requirements of this bill. The estimated annualized cost to DCED is \$275,233 for the hiring of a Director, two Administrative Officers, a Clerk Typist, and the purchase of four computers. It is assumed that the hiring of additional personnel will occur once federal funds are available to be used for the administrative costs associated with this bill. In addition, the Authority shall impose a subscription or transaction fee for users of the exchange once it is established.

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General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*