

SENATE HEALTH COMMITTEE

STATEMENT TO

SENATE, No. 43

with committee amendments

STATE OF NEW JERSEY

DATED: FEBRUARY 22, 1996

The Senate Health Committee reports favorably Senate Bill No. 43 with committee amendments.

As amended by committee, this bill requires the Commissioner of Health, in conjunction with the Commissioners of Human Services, Insurance, Commerce and Economic Development, and Labor, and the Health Information Electronic Data Interchange Policy Council in the Department of Health (which would be established under Senate Bill No. 50 or Assembly Bill No.1476 of 1996, currently pending before the Legislature), to present an annual report to the Governor and the Legislature on Statewide health care expenditures based upon a survey of health care facilities and providers, health insurers, insurers writing automobile insurance and workers' compensation coverage, business and organized labor.

The bill further requires the Commissioner of Health to include in the annual report detailed financial information about administrative cost savings achieved by acute care hospitals as a result of increased utilization of electronic data interchange technology. The commissioner is to determine the specific information to be included in the report in consultation with the Health Information Electronic Data Interchange Policy Council. The commissioner shall solicit and be entitled to receive this information from each acute care hospital as part of the survey conducted for the report.

This bill is part of a legislative package designed to effectuate the recommendations of the Healthcare Information Networks and Technologies (HINT) report to the Legislature under the joint auspices of Thomas Edison State College and the New Jersey Institute of Technology. The bill is intended to ensure a regular and formal follow-up by State government to the Statewide health care automation and cost survey conducted for the HINT report which will enable State policymakers to be apprised of the latest developments with respect to Statewide health care expenditures and possible means to achieve cost savings.

The committee amended the bill to include insurers writing automobile insurance and workers compensation coverage as entities that shall be included in the department's survey, in order to gain a more complete picture of health care costs in the State.