



**Senate Fiscal Agency**  
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House Bill 5136 (Substitute H-1 as passed by the House)

Sponsor: Representative Matt Lori

House Committee: Health Policy

Senate Committee: Health Policy

Date Completed: 3-18-14

## **CONTENT**

**The bill would amend the Mental Health Code to do the following:**

- **Require the Department of Community Health (DCH) to develop a standard release form for exchanging confidential mental health and substance use disorder information, by January 1, 2015.**
- **Require all public and private agencies, departments, corporations, or individuals involved with treatment to honor and accept the form.**
- **Require the DCH to create a workgroup to implement the bill's requirements.**

Specifically, on or before January 1, 2015, the DCH would have to develop a standard release form for exchanging confidential mental health and substance use disorder information for use by all public and private agencies, departments, corporations, or individuals involved with treatment of an individual experiencing serious mental illness, serious emotional disturbance, developmental disability, or substance use disorder. All of these parties would have to honor and accept the standard form for the purpose for which it was created, unless a party were subject to a Federal law or regulation that provided more stringent requirements, as defined under Federal regulations, for the protection of individually identifiable health information.

Beginning on the bill's effective date, the DCH would have to create a workgroup to implement the bill's provisions. The workgroup would have to meet at least once a year and periodically as the DCH considered necessary.

In developing the standard release form, the DCH would have to comply with all Federal and State laws related to the protection of individually identifiable health information. The Department also would have to consider all of the following:

- Existing and potential technologies that could be used to transmit a standard release form securely.
- The national standards pertaining to electronic release of confidential information, including protecting a patient's identity and privacy in accordance with the Health Insurance Portability and Accountability Act.
- Any prior release forms and methodologies used in Michigan or developed by Federal agencies.

The release form would have to be available in both electronic and paper form. Any transmission of a standard release form via electronic media could be accepted as an original by the receiving party.

Proposed MCL 330.1141a

Legislative Analyst: Julie Cassidy

## **FISCAL IMPACT**

The bill would have a short-term indeterminate negative fiscal impact on State government and no fiscal impact on local government. By requiring the creation of a standardized form for use in the exchange of confidential mental health and substance use disorder information, the bill could increase the administrative cost of the Department of Community Health. This increased cost should be temporary until the new form was completed. In the longrun, if this standardized form facilitated the sharing of information between health entities, it could result in a decrease in administrative cost; in that case, the bill would have an indeterminate positive fiscal impact on State government.

Fiscal Analyst: Ellyn Ackerman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.