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FISCAL IMPACT REPORT



SPONSOR: Hamilton DATE TYPED: 02/07/02 HB 415

SHORT TITLE: Naprapathic Practice Act SB _____

ANALYST: J. Sandoval

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
			\$50.0	Recurring	OSF

(Parenthesis () Indicate Expenditure Decreases)_

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY02	FY03			
	\$5.0	\$15.0	Recurring	OSF

(Parenthesis () Indicate Revenue Decreases)

Duplicates SB 384

SOURCES OF INFORMATION

LFC files

Responses Received From
 Department of Health
 Health Policy Commission
 Regulation and Licensing Department

SUMMARY

Synopsis of Bill

House Bill 415 enacts the Naprapathic Practice Act and describes exceptions to licensure, the practice of naprapathy, education and professional qualifications, application procedures, designation as a naprapath, and license display. Created is the Naprapathic Practice Board, to be comprised of five members, all residents of New Mexico, of which three would be Naprapaths licensed in New Mexico or another state. Board members would be appointed by the Governor for four-year terms and would report to the superintendent of the Regulation and Licensing Department. A naprapathy fund is created in the state treasury through licensure fees collected that shall not exceed one thousand dollars (\$1,000) per individual. Any unexpended or unencumbered balance at the end of each fiscal year would not revert to the general fund. Finally, this bill describes administrative hearings, offenses and criminal penalties for those who practice naprapathy without a license, and civil penalties for anyone who intentionally violates the provisions of the Naprapathic Practice Act.

Significant Issues

There is no sunset review date established for the Naprapathic Practice Act.

According to the Advocate Healthcare's website, "Naprapathy is considered to be alternative medicine like chiropractic, acupuncture, and massage therapy. It uses therapeutic and rehabilitative exercise, postural counseling, nutritional counseling, and the use of the effective properties of physical measures of heat, cold, light, water, radiant energy, electricity, sound and air, and assistive devices for the purpose of preventing, correcting, or alleviating a physical."

FISCAL IMPLICATIONS

According to the Regulation and Licensing Department, the naprapathy fund "...is unlikely to cover the cost of establishing and operating a regulatory board for naprapathy. It is estimated that the cost of setting up a naprapathy board, drafting regulations, conducting hearings, and attending to the various tasks necessary to set up a viable regulation program would cost about \$50K in the first year and slightly less on a recurring basis. This includes ½ an Admin III FTE, four boards meetings/hearings, and the overhead associated with setting up a new capability. Revenues would be something like \$5K in the first year, assuming ten licensees at \$500 per license, and grow to three or four times that within two to three years. Because revenues in the foreseeable future will not cover the majority of the cost of regulating naprapathy, this unfunded requirement will have to be covered from limited RLD resources, which are particularly tight..."

ADMINISTRATIVE IMPLICATIONS

According to the Regulation and Licensing Department (RLD), "During the first year of operations for a new regulatory board, a great deal of time is spent sorting through candidates and nominating people to serve on the board, conducting board meetings to lay out what the board will do and how it will operate, drafting regulations and conducting hearings to secure public input, arranging testing for applicants, and a myriad of other details. No resources are provided to accomplish any of these tasks. If RLD must undertake this labor-intensive startup process by diverting FTE and funding

from other tasks performed in support of existing Boards & Commissions (B&Cs), performance measures and our relationship with existing B&Cs will deteriorate appreciably.”

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

House Bill 415 duplicates Senate Bill 384.

OTHER SUBSTANTIVE ISSUES

According to the Regulation and Licensing Department, “In the course of evaluating the naprapathy sunrise application, one of our board chairmen brought up the possibility of creating a natural medicine “umbrella” board to consolidate regulation of natural medicine-type (non-medical degree) professions with similar treatment philosophies and methodologies. Such a board would prove especially helpful in evaluating new applicants with natural medicine approaches. They would be charged with the responsibility of establishing criteria for inclusion, formulating procedures for the evaluation process, and considering best regulatory practices in other states/countries. Canada has employed such an approach to good effect.”

Two states have licensed Naprapathic practices: Illinois and Ohio. “Certification for naprapathy as a limited branch of medicine by the State Medical Board in Ohio was discontinued after March 2, 1992, but naprapaths certified before that date may continue to practice under rules promulgated by the Board” (<http://www.healthy.net/public/legal-ig/regulations>).

POSSIBLE QUESTIONS

1. Is naprapathy sufficiently different from other regulated natural medicine professions to warrant separate licensure?
2. Is the public health, safety, and welfare significantly improved by undertaking the formal regulation of naprapathy?
3. What are some examples of naprapathy?

JFS/njw