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FISCAL IMPACT REPORT



SPONSOR: Marquardt DATE TYPED: 02/07/02 HB HJM 61

SHORT TITLE: Standardized Health Care Provider Licensing SB _____

ANALYST: Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
		\$0.1	Indeterminate		

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 308

SOURCES OF INFORMATION

Responses Received From

Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Joint Memorial 61 requests that the New Mexico Health Policy Commission (HPC), acting as lead agency, in conjunction with the Department of Health (DOH), the Regulation and Licensing Department and other affected agencies, and members of the public and the health care industry, conduct a study and provide recommendations to streamline and standardize the licensing and credentialing of health care providers.

The HJM 61 study would include an inventory of all health provider licensing and credentialing requirements, identifying areas of duplication and overlap and the feasibility and desirability of coordination, multi-state licensing and reciprocity and reducing duplication among state agencies through the establishment of uniform credentialing requirements. HJM 61 would require the HPC to report its findings and recommendations to an appropriate legislative interim committee by October 1, 2002.

Significant Issues

The Healthcare Workforce Conference held in June 2001, identified the difficulties with licensing and credentialing as a key workforce issue. The final *Report of Healthcare Workforce Conference* makes several recommendations to streamline and coordinate credentialing (Payer, Licensor, Employer) licensing and credentialing of health professionals including:

- Facilitate development of collaborative health professional credentialing efforts.
- Streamline/standardize State credentialing requirements.
- Conduct study of state licensing processes.
- Examine possibilities for multi-state licensing.
- Review potential for new/expanded health professional practice.
- Create a competency-based licensing/certification process.

FISCAL IMPLICATIONS

HPC states the budget reductions in HAFC CS/HB 2 will somewhat limit the scope of the HPC's participation, particularly in the Agency's ability to contract work in support of this Memorial.

ADMINISTRATIVE IMPLICATIONS

HJM 61 will require substantive time to collect, organize, and review relevant regulations and make recommendations required by the study. DOH participation in the study would be through use of current resources.

RELATIONSHIP

HJM 61 relates to HB 308, which would create a scope of practice review process for licensed health related professions and would establish licensing board and New Mexico Health Policy Commission responsibilities

TECHNICAL ISSUES

DOH points out that the issues to be studied need clarification. The Memorial does not include a definition of "health care provider". Also, the Memorial speaks to "licensing" which implies licensing of health care practitioners through a State Board appropriate to the discipline of the individual seeking licensure (example: State Board of Medical Examiners, State Board of Nursing, etc.). The Memorial speaks to "credentialing" which is the process of authorizing an individual to practice within an organization and provide specific care and treatment within defined limits. The Memorial also speaks to "licensing and certification" (in the fifth paragraph), which is the process through which the DOH Division of Health Improvement, Licensing and Certification program evaluates a healthcare facility to determine eligibility for new or continued licensing or certification by the State of New Mexico.

OTHER SUBSTANTIVE ISSUES

The New Mexico Health Policy Commission supports the provisions of HJM 61 in the interest of streamlining licensing and credentialing to "save state monies by assuring economies of scale.

In August of 2001, the Health Policy Commission, DOH and the NM Board of Dental Health were directed by the Legislative Finance Council (LFC) to assemble an advisory committee to develop solutions to unresolved issues concerning dental hygienists collaborative practice, licensing by credential, and retention and recruitment. The committee presented its findings and recommendations to LFC in November 2001 and was directed to follow up with the recommendation following the Legislative Session in 2002 with another report to LFC in the fall of 2002.

According to the New Mexico Health Policy Commission's Quick Facts 2001 Report, the 4% population growth in the State from 1999 to 2000 did not impact the number of health care professionals per 100,000, substantiating that New Mexico's population growth has not had a positive impact on the number of health care professionals for the State. One criterion for the designation of a New Mexico Health Professional Shortage area is that the population physician ratio is at least 3,500:1. Current licensing and credentialing application and administrative processes further impacts recruitment of primary care physicians to these areas.

Many states now recognize multi-state licensing to ease the burden placed on health care professionals that either wish to practice in border states or for those that wish to move their practice to another state. HJM 61 would provide an avenue to study this concept, as well as the opportunity to streamline duplicative application, reporting and database systems. In addition, the composition of existing boards, their duties and responsibilities would be examined.

AMENDMENTS

The sponsor may wish to address some of the "technical issues" noted above.

The HPC suggests amending Page 2, lines 7 thru 9, clarify the meaning and applicability of "electronic health care access points" with regard to licensing and credentialing of health care providers.

An additional amendment recommended by HPC is to include "Board of Medical Examiners" and "Board of Nursing" on Page 2, lines 12-14.

BD/sb