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FISCAL IMPACT REPORT

SPONSOR: Wilson-Beffort DATE TYPED: 2/21/03 HB _____

SHORT TITLE: Nurse Licensure Compact SB 186/aSPAC/aSFC/aSFI#1

ANALYST: Geisler

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
		NFI	8.0	Non-Rec	OSF

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
		Indeterminate	Recurring	OSF

(Parenthesis () Indicate Revenue Decreases)

Relates to: HB 376, Nursing Excellence Program

SOURCES OF INFORMATION

Board of Nursing (BN)
 Health Policy Commission (HPC)
 Department of Health (DOH)

SUMMARY

Synopsis of SFI Amendments

Senate Floor Amendment #1 amended bill to add a requirement for nurses licensed under the compact to notify the board in writing when they cease practicing in the state. It also made a number of technical adjustments, including striking Senate Finance Committee amendment #2.

Synopsis of SFC Amendments

- 1) On page 18, line 1, strike “shall” and insert in lieu thereof “may be required by the board to”.
- 2) On page 18, line 3, strike “the” and insert in lieu thereof”, if a registration” and after “fee” insert “is required by the board, it shall be.”

Synopsis of SPAC Amendment

- 1) On page 17, line 14, strike “prior to practicing” and insert in lieu thereof “within thirty days after beginning to practice’.

Synopsis of Original Bill

By adding a new section to the Nursing Practice Act, SB 186 enters New Mexico into the inter-state compact for nursing licensure for registered nurses and practical nurses. This provides for the nurse whose primary state of residence is a compact state to issue a license. By virtue of the compact, the nurse is granted a multistate privilege to practice in other compact states. The nurse is subject to each state’s practice laws and discipline. Practice is permitted across state lines unless the nurse is under discipline or a monitoring agreement that restricts practice across state lines.

New Mexico continues to have complete authority in determining licensure requirements and disciplinary actions on a nurse’s license according to the New Mexico Nursing Practice Act. The nurse is held accountable for the nursing practice laws and regulations in New Mexico, when practicing in the state. This accountability is similar to the motor vehicle driver who must obey the driving laws in the state where driving.

SB 186 also amends the Nursing Practice Act to identify and define the duties of the compact administrator, requires registration and a registration fee, amends the definitions of licensed practical nursing and registered nursing to include the multistate practice privilege and give the Board authority for hearings and discipline of the nurse holding a multistate practice privilege.

The compact addresses new and changing needs of our healthcare system such as:

1. The growing need for nursing practice to occur across state lines.
2. The variety of settings of work and technologies that may cross state lines.
3. The expectation and desire by consumers to have access to qualified nurse regardless of state lines.
4. The need for more expedient and efficient authorization to practice.

Significant Issues

1. The Compact would become effective January 1, 2004, which gives the Board time to implement the compact.
2. Substantive additions and or deletions to the compact would prohibit New Mexico’s participation in the compact.
3. SB 186 requires a registration application and fee prior to practice which is contradictory to the intent and purpose of the compact. (See Other Substantive Issues)

The Board of Nursing has conducted statewide meetings related to the compact and the response has generally been positive. A task force of the Board which included representation from the Department of Health, New Mexico Health Resources, the Hospital and Health Systems Association, New Mexico Organization of Nurse Executives, New Mexico Home Care Association, New Mexico Nurses Association and AARP recommended that the compact be adopted.

FISCAL IMPLICATIONS

There will be costs for the Board of Nursing in the areas of training of staff, education of nurses and employers, computer programming costs, mailing costs, advisory committee costs, rules hearing and associated costs. These costs are stated at \$8.0.

The 14 states that have entered the compact have not experienced a decrease in revenues. This may change as more states join the compact. There may be savings in the endorsement process, because less endorsement licenses will be issued.

ADMINISTRATIVE IMPLICATIONS

The Board of nursing will need to review and amend the administrative rules. Staff workload and distribution of that workload will need to be revised. Forms and applications will need to be updated, and staff will need to educate nurses and employers statewide. This will require preparation and copying of materials and travel expenses.

RELATIONSHIP

HB 376 amends the Nursing Practice Act to create a nursing excellence program, funded by a surcharge on the nursing license. HB 376 also clarifies the powers and duties of the board to adopt rules for Certified Registered Nurse Anesthetists (CRNAs) in the area of prescriptive authority, makes the operation of training programs that are delinquent in payment or contract a violation of the Act, allows individuals who have been educated as RNs to take the LPN examination, removes the work requirement for licensure, updates outdated language related to examinations, and allows nurses who are licensed in other states to travel through New Mexico to provide care to patients without the need for NM licensure in temporary situations.

OTHER SUBSTANTIVE ISSUES

Substantive additions and or deletions to the compact would prohibit New Mexico's participation in the compact.

A new section requires the Board of Nursing to develop an application and collect a registration fee from nurses who will practice in New Mexico with a multi-state license. The nurse would also be required to renew the registration. The process of registration and renewal of registration prior to practice is contradictory to the intent and purpose of the compact. It is intended that the nurse be allowed to practice immediately upon employment in the state of New Mexico.

According to the National Council of State Boards of Nursing, no other state which has adopted the compact requires a nurse to do this. If the bill passes as proposed and the nurse begins practice without registration, both the nurse and employer may be subject to legal action. This would set up a parallel process for the Board of Nursing registration and renewal for the Board to im-

plement, with the concomitant costs associated with applications, staff time, computer costs etc. It may also deter nurses from coming to New Mexico under the compact when they may practice in other compact states without submitting an application and fee. It is unclear of what benefit entering into the compact would be for New Mexico citizens, nurses and employers if a registration and renewal of that registration is required.

The compact becomes effective January 1, 2004 and will provide time to get the systems in place to successfully implement the compact. Other states who have adopted the compact recommend at least a 6 month period for implementation prior to the effective date.

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