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FISCAL IMPACT REPORT

SPONSOR Jennings DATE TYPED 02/05/04 HB _____
 SHORT TITLE Medical Board Time Requirement Adoption SB 465
 ANALYST Geisler

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	2.0	2.0	Recurring	Other State Funds

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

Medical Board

SUMMARY

Synopsis of Bill

SB 465 makes a minor amendment to the Medical Practice Act which allows the Medical Board to adopt a rule to allow exceptions to the requirement that all three steps parts of the medical licensing examination be passed within 7 years of the date the first part was passed.

Significant Issues

The Medical Board provides that the current law prohibits the board from licensing any applicant who did not pass the three steps of the USMLE (US Medical Licensing Exam) within 7 years. The USMLE is a single examination with three “steps.” Each step is complementary to the others and no step can stand alone in the assessment of qualification for medical licensure. Step 1 assesses the understanding of basic sciences and is generally taken after the second year of medical education. Step 2 assesses the applicant’s knowledge and understanding of those clinical sciences considered essential for the provision of patient care under supervision. This step is generally taken at the end of the fourth year of education prior to their internship. Step 3 assesses whether the physician can apply the medical knowledge considered essential for the unsupervised practice of medicine and is generally taken after 1-2 years of postgraduate (residency) training.

FISCAL IMPLICATIONS

By adopting a rule to provide for an exception to the existing 7 year limit, the Medical Board expects the board will license between 5 and 15 additional applicants each year. This will increase revenue slightly and this revenue will be recurring if these physicians maintain licensure in NM and as new physicians continue to apply under the new provisions.

OTHER SUBSTANTIVE ISSUES

The Medical Board states that over the years the Board has had to reject qualified applicants who did not take Step 3 within the 7 years allowed. These have been qualified applicants who have gotten involved in their residency programs and, generally through an oversight, do not take the exam or do not realize there is a time limit. This is an issue nationally and at recent conferences the discussion has been that the 7 years is quite arbitrary. It is probably more important to restrict the number of attempts (which is done by rule, to 6 attempts at each part of the exam). Several states do not use the 7-year rule, while many others can make exceptions. The Board does have specific exemption authority in Section 61-6-13,C of the Act, but it is very restrictive and requires that the applicant hold a license in another state. It is anticipated the rule will be written very similar to the current exception in the law, but allow the Board to issue an initial license to a physician who is just completing an extended residency program and does not hold a license in another state.

ALTERNATIVES

Per the Medical Board, an alternative is to revise the reference in the existing law to the 7-year rule. However, a change of this magnitude requires additional study and should be postponed until further research is completed. New Mexico needs to be careful that the law is not written so that unqualified applicants are eligible for licensure.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

The Medical Board states that without this amendment to the Medical Practice Act qualified applicants will move to states such as California because they are unable to qualify for licensure in New Mexico.

GGG/dm