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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/21/08  
 LAST UPDATED 2/1/08      HB 89/aHCPAC

SPONSOR Cote

SHORT TITLE Physician Assistant Requirements      SB \_\_\_\_\_

ANALYST Moser

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

NM Medical Board (NMMB)  
 NM Health Policy Commission (HPC)  
 Department of Health (DOH)  
 Human Services Department (HSD)

### SUMMARY

#### Synopsis of HCPAC Amendment

The House Consumer and Public Affairs Committee Amendment to House Bill 89 made the recommended change to the Provider Discrimination portion of the Bill (See Technical Issues below).

#### Synopsis of Original Bill

House Bill 89 amends existing laws to include physician assistants within the definitions and provisions of health care providers. The Physician Assistant Requirements bill proposes amendments to the “Umbilical Cord Blood Banking Act” by adding physician assistants into the definition of “health care provider.”

The bill amends technical terms and phrases in the definitions of the New Mexico Drug, Device and Cosmetic Act in addition to adding physician assistants to the list of providers authorized to direct the use of a prescription device.

The bill amends Chapter 45, Article 5, “Protection of Persons Under Disability and Their Property” by including physician assistants to the list of qualified health care professionals whose training and expertise aid in the assessment of functional impairment.

The bill also proposes amending Chapter 59A, Article 22, Section 32 “Freedom of Choice of Hospital and Practitioner” by again including physician assistants on the list of practitioners that an individual may select for treatment of an illness or injury within the terms and limits of the individual’s insurance coverage plan and by adding physician assistant to the statement on - Provider Discrimination Prohibited - as follows:

“All individual and group subscriber contracts delivered or issued for delivery in New Mexico that, on a prepaid, service or indemnity basis, or all of them, provide for treatment of persons for the prevention, cure or correction of an illness or physical or mental condition shall include coverage for the services of a physician assistant and a certified nurse practitioner. Deductibles, limits of coverage or other terms and conditions of coverage for certified nurse practitioners shall not differ substantially from coverage for the same or similar services provided by other practitioners. Nothing in this section shall restrict a health care plan from including in the terms of its coverage any benefit differences based on differences in the scope of practice of health care practitioners.”

### **FISCAL IMPLICATIONS**

No Fiscal impact.

### **SIGNIFICANT ISSUES**

Physician assistants (PAs) practice medicine under the supervision of physicians and surgeons. PAs are formally trained to provide diagnostic, therapeutic, and preventive health care services, as delegated by a physician. Working as members of a health care team, they take medical histories, examine and treat patients, order and interpret laboratory tests and x rays, and make diagnoses. They also treat minor injuries, by suturing, splinting, and casting. PAs record progress notes, instruct and counsel patients, and order or carry out therapy. In 48 States and the District of Columbia, physician assistants may prescribe some medications. Physician assistants work under the supervision of a physician. However, PAs may be the principal care providers in rural or inner city clinics where a physician is present for only one or two days each week. In such cases, the PA confers with the supervising physician and other medical professionals as needed and as required by law. PAs also may make house calls or go to hospitals and nursing care facilities to check on patients, after which they report back to the physician.

Many PAs work in primary care specialties, such as general internal medicine, pediatrics, and family medicine. Other specialty areas include general and thoracic surgery, emergency medicine, orthopedics, and geriatrics. PAs specializing in surgery provide preoperative and postoperative care and may work as first or second assistants during major surgery.

Employment is expected to grow much faster than the average as health care establishments increasingly use physician assistants to contain costs. Job opportunities for PAs should be good, particularly in rural and inner city clinics, as these settings typically have difficulty attracting physicians. Employment of physician assistants is expected to grow 27 percent from 2006 to 2016, much faster than the average for all occupations. Projected rapid job growth reflects the

expansion of health care industries and an emphasis on cost containment, which results in increasing use of PAs by health care establishments. Physicians and institutions are expected to employ more PAs to provide primary care and to assist with medical and surgical procedures because PAs are cost-effective and productive members of the health care team. Physician assistants can relieve physicians of routine duties and procedures. Telemedicine—using technology to facilitate interactive consultations between physicians and physician assistants—also will expand the use of physician assistants.

### **TECHNICAL ISSUES**

The HPC recommends the following amendment regarding the statement on - Provider Discrimination Prohibited (See bold print for recommended revision in statement).

“Deductibles, limits of coverage or other terms and conditions of coverage **for physician assistants** and certified nurse practitioners shall not differ substantially from coverage for the same or similar services provided by other practitioners.”

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

New Mexico may continue to experience a shortage of health professionals (e.g. physicians, nurses, etc.) practicing in the state based on current projections of available workforce. A shortage in the health professional workforce will have negative impacts for New Mexico residents in terms of access to health care and overall health status.

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