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FISCAL IMPACT REPORT

SPONSOR <u>Trujillo</u>	LAST UPDATED <u>02/23/2025</u>
	ORIGINAL DATE <u>01/27/2025</u>
SHORT TITLE <u>Interstate Medical Licensure Compact</u>	BILL NUMBER <u>Senate Bill 46/aSHPAC</u>
	ANALYST <u>Chilton</u>

REVENUE* (dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
RLD licensure	\$50.0-\$70.0	\$50.0-\$70.0	\$50.0-\$70.0	\$50.0-\$70.0	\$50.0-\$70.0	Recurring	General Fund

Parentheses () indicate revenue decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
 New Mexico Medical Board (NMMB)
 Department of Health (DOH)

Agency Analysis was Solicited but Not Received From
 Public Regulation Commission (PRC)

Agency Declined to Respond
 Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of SHPAC Amendment to Senate Bill 46

The Senate Health and Public Affairs Committee amendment to Senate Bill 46 makes the following changes:

- In the section dealing with revocation of a multi-state license, a subsection is added stating, if performance of reproductive health services or gender-affirming care is the reason for another state revoking a practitioner’s license, that revocation will not cause the reciprocal New Mexico license to be revoked.
- The amendment strikes section 14-D of the original bill, which provided for immunity from suit or liability for official acts of members of the interstate commission.

Synopsis of Senate Bill 46

Senate Bill 46 enables New Mexico to join an interstate medical licensing compact, adopting its rules and bylaws. This would increase allopathic or osteopathic physicians’ ability to achieve an

expedited license to practice in New Mexico if they already held a license in another compact state.

SB46 would commit New Mexico to join with other states in the compact. It uses standard compact language used by each of the states that are party to the compact. The compact allows a second pathway to licensure alongside, but not replacing, the current New Mexico licensing methodology. In this second pathway, the locus of medical care being delivered is defined as the physician's location and, thus, under the control of the home state's medical board, although New Mexico's board could also discipline physicians independently.

The bill defines physician (to be licensed) as having passed required tests, being of allopathic or osteopathic training, having completed an approved residency, being licensed by a state board among the compact states, and having no convictions or state licensing-board- or controlled substances-license-related disciplinary actions for any offense.

SB46 mandates use of a common data system to identify public actions or complaints for access by compact states in which the physician is licensed and for identification of nonpublic complaints or actions at another compact's request. It allows for joint investigations of any allegations against a compact member-state physician and clarifies that findings of these investigations will subject a disciplined physician to actions by other compact states. If the state of primary licensure removes the licensure in that state, other states' licenses will be removed without other necessary actions; if a state other than the state of primary licensure disciplines a physician, other compact states may impose the same or lesser consequences on the physician or pursue a separate action.

Under SB46, an Interstate Medical Licensure Compact Commission would administer the compact overall—two members would be appointed from each compact state, one an allopathic and one an osteopathic physician. It would meet at least once per year, either in person or electronically and give public notice of meetings (open to the public except for personnel matters and those relating to investigations of individuals). The duties of the commission would include:

- Overseeing compact administration,
- Promulgating rules for the compact,
- Issuing advisory opinions to member states regarding the compact,
- Enforcing compact rules,
- Paying expenses, purchasing insurance and bonds, establishing a budget,
- Opening an office,
- Employing an executive director,
- Establishing personnel policies, a seal and bylaws; maintaining records,
- Accepting donations and grants,
- Leasing or purchasing needed property or selling property,
- Reporting annually to each legislature, including audit results,
- Coordinating education and training regarding the compact;
- Seeking patents, trademarks, and copyrights.

The bill provides procedures for dealing with a state that has defaulted on its obligations, with remedies including terminating the participation in the compact.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the

Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

There is no appropriation in Senate Bill 46 and no anticipated costs other than the need to process more licensure applications. NMMB estimates that additional physicians would apply to be licensed in New Mexico under this simplified procedure, resulting in a \$50 thousand to \$70 thousand increase in its annual revenue.

Each physician applying to be covered by the compact is assessed a \$700 fee, paid not by the state but by that physician, and it is that fee that sustains the compact's finances.

SIGNIFICANT ISSUES

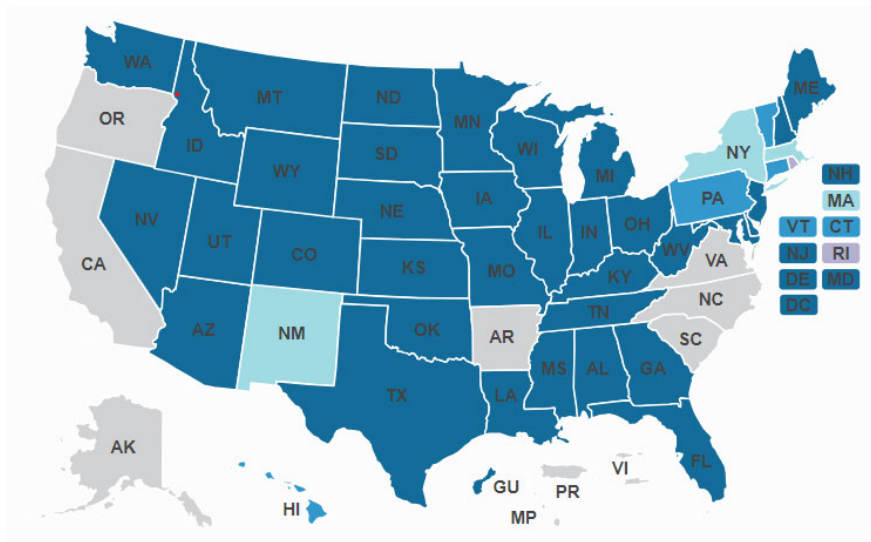
The Medical Board (NMMB) points out, “States that participate in the compact see a significant increase in physician licensure in their state, which we anticipate would occur in New Mexico.”

The interstate medical license compact will make it simpler for physicians to enter into practice in New Mexico, to provide telehealth services to New Mexico patients, or to practice part-time in New Mexico, alleviating the shortage of all types of physicians within the state. DOH, which points out tribal members are especially likely to encounter healthcare provider shortages, notes the well-publicized shortage of health professionals in New Mexico:

Data shows an increase in the number of employed physicians, increasing from 41.8 percent of licensed physicians being employed in 2012 to 77.6 percent in 2024. However, the increase in employed physicians still falls short of meeting the needs of our communities. During this timeframe we also saw a decrease of 25 percent in the number of physicians who work in a private practice, as most are associated with larger medical groups which are better equipped to handle administrative, economic, and regulatory issues.

Available data indicates that Interstate Medical Licensure Compacts increase the number of physicians by reducing the time and administrative burden in obtaining a license in a new location. ... There are now 40 states, one territory, and the District of Columbia participating the Interstate Medical Licensure Compact.

The Interstate Medical License Compact currently covers more than 37 states, with several more in the process of joining it, as shown in the map below.



- = Compact Legislation Introduced
- = IMLC Member State serving as SPL processing applications and issuing licenses*
- = IMLC Member State non-SPL issuing licenses*
- = IMLC Passed; Implementation In Process or Delayed*

* Questions regarding the current status and extent of these states' and boards' participation in the IMLC should be directed to the [respective state boards](#).

NMMB supports joining the Interstate Medical Licensure Compact:

The member states of Interstate Medical Licensure Compact have allied in common purpose to develop a comprehensive process that complements the existing licensing and regulatory authority of state medical boards and provides a streamlined process that allows both allopathic and osteopathic physicians to become licensed in multiple states, thereby enhancing the portability of a medical license and ensuring the safety of patients.

LC/hj/hg