

LFC Requestor: Emily Hilla

**2026 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS**

Section I: General

Chamber: House

Category: Bill

Number: 45

Type: Introduced

Date (of THIS analysis): 01/20/2026

Sponsor(s): Rep. Gail Armstrong

Short Title: PHYSICIAN ASSISTANT LICENSURE COMPACT

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 26	FY 27		
\$ 0.00	\$ 0.00	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 26	FY 27	FY 28		
\$ 0.00	\$ 0.00	\$ 0.00	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 26	FY 27	FY 28	3 Year Total Cost	Recurring or Non- recurring	Fund Affected
Total	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	N/A	N/A

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: None

Duplicates/Relates to an Appropriation in the General Appropriation Act: N/A

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

House Bill 45 (HB45) proposes to enter the state of New Mexico into the Physician Assistant (PA) Licensure Interstate Compact. The effective date of the proposed provisions shall come into effect on the date on which this compact statute is enacted into law in the seventh participating state (page 39, lines 5-7).

Is this an amendment or substitution? ☐ Yes ☒ No

Is there an emergency clause? ☐ Yes ☒ No

b) Significant Issues

In a report to the Legislative Finance Interim Committee in July of 2024, ([UNM Health System](#)) the University of New Mexico reported that New Mexico's demand for primary care services outweighs the available supply. Additionally, the 2025 New Mexico Health Care Workforce Committee report noted New Mexico was short 284 physician assistants (PA) short of national benchmarks based on data from 2021 (https://digitalrepository.unm.edu/cgi/viewcontent.cgi?article=1013&context=nmhc_workforce).

Currently, PAs will often hold licenses in several states, so they may continue to provide care to patients who may no longer live in the state the PA resides in ([States are making it easier for physician assistants to work across state lines • Stateline](#)). The primary purpose of the PA compact is to strengthen access to medical services in New Mexico. If PAs licensed via the Compact choose not to move to New Mexico, they can still deliver care in New Mexico via telehealth.

While data related to the PA compact has yet to show an impact, as the compact only met its activations threshold in 2024, available data demonstrates Interstate Medical

Licensure Compacts increase the number of medical providers by reducing barriers and cost of getting a license in a new location when they are implemented ([Access-to-Care-and-Physician-Practice-Growth-Dr-Deyo-Ghosh-and-Plemmons-11-2023.pdf](#)). It is likely New Mexico would see a similar if not greater impact if New Mexico were to join the PA compact.

If enacted, HB45 would make New Mexico the 20th state to join the current PA Compact including Arkansas, Colorado, Connecticut, Delaware, Iowa, Kansas, Maine, Minnesota, Montana, Nebraska, North Carolina, Ohio, Oklahoma, Tennessee, Utah, Virginia, Washington, West Virginia, Wisconsin. ([PA Licensure Compact - AAPA](#))

2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?
☐ Yes ☒ No
If yes, describe how.
- Is this proposal related to the NMDOH Strategic Plan? ☒ Yes ☐ No

The PA compact will help NMDOH in our ability to link individuals to health care by increasing the number of providers. There also may be a positive impact to NMDOH's ability to recruit additional medical providers if the compact were to be enacted.

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?
☐ Yes ☐ No ☒ N/A
- If there is an appropriation, is it included in the LFC Budget Request?
☐ Yes ☐ No ☒ N/A
- Does this bill have a fiscal impact on NMDOH? ☐ Yes ☒ No

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? ☐ Yes ☒ No

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

None

6. TECHNICAL ISSUES

Are there technical issues with the bill? ☐ Yes ☒ No

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? ☐ Yes ☒ No

- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? ☐ Yes ☒ No
- Does this bill conflict with federal grant requirements or associated regulations? ☐ Yes ☒ No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? ☐ Yes ☒ No

8. DISPARITIES ISSUES

There are considerations for providing healthcare in rural communities throughout the country, but especially in the West, including aging populations, closure and/or downsizing of hospitals ([Impact of Rural Hospital Closures on Health-Care Access - PubMed](#)), aging out of local health providers ([Managing an ageing healthcare workforce: a systematic literature review - PubMed](#)), and loss of younger people and changes in local economies away from extractive and agricultural economies.

Rural and frontier residents in New Mexico often face more barriers when seeking primary health care compared to urban residents. This is due to the lack of safe and reliable transportation or a lack of options to go to for care. Telehealth (phone calls or video calls) visits may be a way to lessen this disparity and increase access to care. Physician assistants licensed through an interstate compact may be part of the solution to the problem of primary care access as they frequently use telehealth services ([States are making it easier for physician assistants to work across state lines • Stateline](#)).

Rural and frontier communities face additional challenges related to transportation and isolation from services frequently found in sub-urban and urban locations. Primary contributors which add to the unique challenges include:

1. Geographic isolation: Many rural areas in New Mexico are remote and sparsely populated, making it difficult for residents to access healthcare facilities. The distances between communities and medical centers can be substantial, resulting in limited access to timely and emergency care. ([Barriers to rural health care from the provider perspective - PubMed](#))
2. Socioeconomic factors: Rural communities in New Mexico often have higher rates of poverty, lower levels of education, and limited health insurance coverage. These socioeconomic factors contribute to poorer health outcomes and difficulties in accessing and affording healthcare services. ([Low health literacy and health outcomes: an updated systematic review - PubMed](#))
3. Health workforce shortages: Rural areas struggle with a shortage of healthcare professionals, including doctors, nurses, and specialists. Attracting and retaining healthcare providers in rural communities can be challenging due to factors such as limited career opportunities, lower reimbursement rates, and a lack of infrastructure. ([The global health workforce stock and distribution in 2020 and 2030: a threat to equity and 'universal' health coverage? - PubMed](#)) The labor force participation rate shows a more robust effect on healthcare spending, morbidity, and mortality than the unemployment rate. ([The US healthcare workforce and the labor market effect on healthcare spending and health outcomes - PubMed](#))
4. Financial constraints: Rural communities have limited financial resources, making it challenging to invest in healthcare infrastructure, recruit healthcare professionals, and offer affordable healthcare services to residents.

8. HEALTH IMPACT(S)

PAs provide same or better health outcomes for their patients as physicians with the same or less cost of care ([The cost-effectiveness of physician assistants/associates: A systematic review of international evidence | PLOS One](#)). This may indicate the PA model could be expanded upon in New Mexico, a state with comparatively lower rates of private insurance, with the expectation that population health would improve.

Having access to a primary care provider who is available within one to two days allows individuals to address routine medical concerns promptly, reducing reliance on emergency departments for non-urgent care. Additionally, primary care providers play a key role in managing chronic conditions through regular check-ups and ongoing treatment, helping to prevent complications that might otherwise require emergency interventions. ([Pathways to reduced emergency department and urgent care center use: Lessons from the comprehensive primary care initiative - PubMed](#)). The interstate compact would open a pathway to allow more providers to be licensed to practice in New Mexico increasing the number of providers available for residents. This increase in primary care providers could also reduce the number of emergency department visits.

10. ALTERNATIVES

None

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If HB 50 is not enacted, then New Mexico will not enter the Physician Assistant Licensure Compact limiting the number of medical professionals available to provide service.

12. AMENDMENTS

None