

LFC Requester:

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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov*(Analysis must be uploaded as a PDF)***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

Date Prepared: February 6, 2026 Check all that apply:
Bill Number: SB 222 Original Correction
 Amendment Substitute

Sponsor: Sen. Soules **Agency Name and Code** University of New Mexico-952
Short Title: PHYSICIAN RESIDENCY PROGRAMS **Number:** _____
Person Writing Kelly O'Donnell
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
	\$20,000	non	SGF

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

SB 222 appropriates \$20M from the general fund to Health Care Authority for expenditure in fiscal years 2027 through 2029 to “create new physician residency programs and positions.”

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

Many parts of New Mexico have a severe shortage of physicians. Lack of providers, which is particularly acute in rural New Mexico, limits access to care and contributes to poor health outcomes.

Over half of physicians practice medicine in the state where they completed their residency training.¹ Thus, increasing residency programs and positions has the potential to reduce New Mexico’s physician shortage by attracting and retaining more physicians.

Residencies are post-medical school programs that may or may not be affiliated with a medical school. The UNM is the state’s only academic medical center and serves as the state’s primary graduate medical education (GME) sponsoring institution. Approximately 800 of the roughly 850 resident physicians training in New Mexico are affiliated with UNM, but there are other GME programs at teaching hospitals, teaching health centers and rural training tracks throughout the state.

GME expansion requires considerable coordination and planning. New programs typically require 2-5 years for development and existing programs require 1-3 years for expansion. There is currently no dedicated funding mechanism for these activities.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

¹ New Mexico Human Services Department (2022, January) Graduate Medical Education Expansion in New Mexico Five Year Strategic Plan. Retrieved from: <https://api.realfile.rtsclients.com/PublicFiles/6c91aefc960e463485b3474662fd7fd2/559d9767-951e-4240-a21a-6a462e3c8096/2022%20NM%20GME%20Expansion%20Strategic%20Plan>

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