

HOUSE HEALTH AND HUMAN SERVICES COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 370

**57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

AN ACT

RELATING TO HOSPITAL STAFFING; PROHIBITING HOSPITALS FROM  
DENYING CREDENTIALING OR CLINICAL PRIVILEGES TO HEALTH CARE  
PROFESSIONALS BASED ON ECONOMIC FACTORS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. [NEW MATERIAL] HOSPITAL CREDENTIALING  
REQUIREMENTS.--

A. The credentialing authority of a hospital  
receiving local, state or federal funds shall not deny medical  
staff membership or clinical privileges for reasons other than  
a physician's individual qualifications as determined,  
uniformly applied to all medical staff applicants and members.  
When implementing credentialing criteria, the credentialing  
authority of a hospital shall formulate and apply reasonable,  
nondiscriminatory standards for the evaluation of an

.231238.1

underscored material = new  
[bracketed material] = delete

1 applicant's credentials. The credentialing authority of a  
2 hospital may require applicants to agree to comply with bylaws,  
3 rules and regulations established by the credentialing  
4 authority as a condition of approval. The credentialing  
5 authority of a hospital shall make an effort in good faith to  
6 ensure that decisions made by the credentialing authority on  
7 clinical privileges and staff membership are based on an  
8 objective evaluation of an applicant's credentials, free of  
9 anticompetitive intent or purpose. Whenever possible, the  
10 staff who evaluate and determine the qualifications of  
11 applicants for clinical privileges and staff membership shall  
12 include members of the applicant's profession.

13 B. The credentialing authority of a hospital shall  
14 not consider the following factors when evaluating the  
15 qualifications for staff membership or clinical privileges:

16 (1) an applicant's membership or lack of  
17 membership in a professional society or association that is not  
18 a competence certification organization;

19 (2) an applicant's decision to advertise,  
20 lower fees or engage in competitive acts intended to solicit  
21 business;

22 (3) an applicant's participation in prepaid  
23 group health plans;

24 (4) an applicant's support for, training of or  
25 participation in a private group practice with members of a

1 particular class of health professional;

2 (5) an applicant's practices with respect to  
3 testifying in malpractice lawsuits, disciplinary actions or any  
4 other type of legal proceeding;

5 (6) an applicant's willingness to send a  
6 certain number of patients to the hospital for services;  
7 provided that nothing in this paragraph shall be construed to  
8 prohibit the credentialing authority of a hospital from  
9 requiring an applicant to have performed a minimum number of  
10 patient encounters in a certain time frame to ensure the  
11 applicant's proficiency;

12 (7) whether an applicant is providing medical  
13 or health care services at a different hospital, hospital  
14 system, outpatient facility or other licensed health care  
15 facility; or

16 (8) economic criteria that are unrelated to  
17 quality of care or professional competence.

18 C. Nothing in this section shall relieve any health  
19 care provider from the obligation to comply with bylaws, rules  
20 and regulations established by a hospital's credentialing  
21 authority.

22 D. For the purposes of this section, "hospital"  
23 does not include a health care facility owned and operated by  
24 the university of New Mexico health system.