

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

## FISCAL IMPACT REPORT

**LAST UPDATED** \_\_\_\_\_

**SPONSOR** Matthews **ORIGINAL DATE** 2/13/25

**BILL**

**SHORT TITLE** Interstate Medical Licensure Compact **NUMBER** House Bill 243

**ANALYST** Montano

### REVENUE\*

(dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
Fee	No fiscal impact	\$50.0 to \$70.0	\$50.0 to \$70.0	\$50.0 to \$70.0	\$50.0 to \$70.0	Recurring	New Mexico Medical Board Fund

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

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
NMMD	No fiscal impact	No fiscal impact	No fiscal impact		Recurring	Other state funds

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

Duplicates Senate Bill 46

### Sources of Information

LFC Files

Agency Analysis Received From  
 Regulation and Licensing Department (RLD)  
 Department of Health (DOH)  
 New Mexico Medical Board (NMMB)  
 New Mexico Attorney General (NMAG)

## SUMMARY

### Synopsis of House Bill 243

House Bill 243 (HB243) enacts the Interstate Medical Licensure Compact in New Mexico, allowing physicians to apply for an expedited medical license in multiple states that are members of the compact. This bill streamlines the licensing process for physicians by providing a centralized and standardized application process, enhancing healthcare accessibility across state lines.

The compact maintains state medical board authority while allowing qualified physicians to

obtain licenses in participating states more efficiently. The bill also establishes the New Mexico Compact Commissioners, who will oversee the state's participation in the agreement and ensure compliance with its regulations. Additionally, it requires that the compact's bylaws and rules be filed with the State Records Administrator.

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**

The New Mexico Medical Board (NMMB) projects that HB243 would increase the total number of physician license applications by 10 to 15 percent, in line with the average rate of increase experienced by other states who have joined the compact. This would translate to a revenue of \$50 to \$70 thousand.

## **SIGNIFICANT ISSUES**

NMMB notes:

Physicians licensed in New Mexico through the compact will have to obtain NM medical licenses and be subject to the NM Medical Practice Act. New Mexico will not surrender any authority to issue and regulate licensed physicians. The goal of joining the compact is to expand access to care by streamlining the licensing process for physicians and facilitate multi-state practice and telemedicine which would benefit both physicians and patients in New Mexico. 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 compact would not supersede New Mexico's autonomy and control over the practice of medicine. New Mexico would maintain control through a coordinated legislative and administrative process. The practice of medicine is defined in the compact as where the patient is located, not where the physician is located. As such, all initial disciplinary actions will be handled by the board of the state where the patient is located, which is the same as being handled by NMMB currently.

The Department of Health (DOH) adds:

According to the 2024 report published by the New Mexico Health Care workforce Committee, New Mexico continues to fall below acceptable benchmarks for the number of primary care physicians necessary to meet the needs of its residents. The data used in the report for physicians shows that in 2021 New Mexico would have needed 334 physicians to meet the needs of residents. While the number of providers has slightly improved since

2019, we continue to see a shortage of medical providers in New Mexico. As our population continues to age, we can anticipate the need for more primary care and specialty providers to meet the needs of the population.

The New Mexico Attorney General (NMAG) notes that HB243 may interact with existing state law:

HB243 will create a new pathway for licensure, and...does not change a member state's medical practice act or any applicable laws. However, pursuant to NMSA 1978, Section 61-6-13 (2023), New Mexico already has a physician expedited licensure framework.

Section 61-6-1(A) states that upon receipt of a completed application, fees, and verification of licensure where the applicant actively holds a license to practice medicine, the New Mexico Medical Board may issue an expedited license as soon as practicable but no later than thirty (30) days. If HB243 is enacted, the Section 61-6-1(A) framework may only be applicable to physicians who do not hold a principal license in a compact states or physicians who do not want to utilize the compact. As such, it is unclear how Section 61-6-1 and HB24 will interact.

## **ADMINISTRATIVE IMPLICATIONS**

NMMB would have to alter their rules to incorporate the Interstate Medical Licensure Compact-required language.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

This bill is a duplicate of House Bill 243.

## **TECHNICAL ISSUES**

NMAG notes:

HB243 does not include an effective date. If signed into law, the legislation would go into effect 90 days after the Legislature adjourns. However, according to Section 2, Article 20, the bill proposes that the IMLC shall become effective and binding upon legislative enactment. Consider amending to include a matching clause.

## **OTHER SUBSTANTIVE ISSUES**

DOH adds:

The Interstate Medical Licensure Compact will reduce the administrative burden and the time required to become licensed in New Mexico, which could increase available physicians. An increase in primary care providers could also reduce the number of emergency department visits. By having access to a primary care provider who can see a person within a day or two reduces the number of people seeking more routine medical care in emergency departments. In addition, by providing routine care and follow-up on chronic conditions, primary care providers reduce the need to seek emergency treatment for diseases that can be controlled through routine care.