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## FISCAL IMPACT REPORT

SPONSOR Thomson/Jones LAST UPDATED \_\_\_\_\_  
ORIGINAL DATE 2/13/2025  
BILL  
SHORT TITLE Physician Assistants Supervising Others NUMBER House Bill 267  
ANALYST Hanika-Ortiz

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\* (dollars in thousands)

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

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

Relates to House Bill 266

### Sources of Information

LFC Files

Agency Analysis Received From  
New Mexico Medical Board (NMMB)

## SUMMARY

### Synopsis of House Bill 267

House Bill 267 (HB267) amends Section 61-6C-2 NMSA 1978 (Physician Assistant Act) in the definitions section to remove the requirement that a “licensed physician” be a medical or osteopathic physician and adds the term “supervising physician assistant” which means a physician assistant (PA) who is licensed to practice medicine, has completed three years of clinical practice as a PA, and is approved by the New Mexico Medical Board (NMMB) to supervise a newly licensed PA.

Under the Act, the bill amends Section 61-6C-6 to allow a PA to meet their supervision requirements with a supervising PA; amends Section 61-6C-7 to allow a supervising PA to temporarily delegate that responsibility and establishes an approval process for supervising new PAs. The bill also amends Section 61-6C-8 to hold a supervising PA liable for any malpractice performed by the PA being supervised and allows a PA with a subspecialty to meet their supervision requirements with a supervising PA. Further, the bill specifies that collaboration between a PA and a licensed physician shall be governed by the rules adopted by the NMMB.

This bill is for the Legislative Health and Human Services Committee.

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**

It is not clear how allowing a supervising PA as an alternative to a licensed physician supervisor would affect payments for healthcare services by New Mexico Medicaid or other payors.

## **SIGNIFICANT ISSUES**

As NMMB explained, the bill allows a qualified PA to supervise a PA as they enter practice, which would increase potential training sites. Additionally, the lack of availability of physician supervision for a newly graduated PA (as in current law) can make it difficult for communities to recruit providers.

The NMMB would establish rules for an approval process to allow a supervising PA to supervise a newly licensed PA, as an alternative to the existing requirement for that person to be a licensed physician. The supervising PA would have the same responsibility as a licensed physician in supervising the newly licensed PA and would be held individually responsible and liable for performance of acts and omissions delegated to the physician assistant who is being supervised.

NMMB expressed concern that by removing the clear definition of a licensed physician as a medical (MD) or osteopathic physician (DO), a podiatrist or naprapath could qualify as a supervisor.

## **PERFORMANCE IMPLICATIONS**

The NMMB would continue to regulate and document supervision of newly licensed PAs.

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

This bill relates to HB266, which removes terminology related to “supervising physician” for PAs under the Medical Practice Act. However, this bill conflicts with HB266 in terms of defining supervision. NMMB notes that if HB266 passes, PAs will no longer have any explicit supervision requirements once licensed.

## **OTHER SUBSTANTIVE ISSUES**

In New Mexico, a PA works under either a supervisory or collaborative model, while under the direction of a licensed physician. The NMMB licenses and regulates PAs, including their prescriptive authority. While PAs have a high degree of independence in New Mexico, especially in primary care, their practice still requires meeting certain professional standards and regulatory criteria. Since 2018, experienced PAs have been allowed significant latitude to practice independently. Although they may prescribe, that authority is still contingent on their agreements with physicians.

## ALTERNATIVES

The NMMB said MD and DO licensed physicians are best qualified to supervise PAs. Also, amendments are needed to clarify training and supervision, including for specialty PAs.

AHO/hj/SR