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FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/19
SPONSOR O'Neill **LAST UPDATED** _____ **HB** _____

SHORT TITLE Interstate Medical Licensure Act **SB** 97

ANALYST Chilton

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
	Indeterminate, likely minimal to moderate	Indeterminate, likely minimal to moderate	Recurring	New Mexico Medical Board Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Indeterminate, likely minimal to moderate	Indeterminate, likely minimal to moderate	Indeterminate, likely minimal to moderate	Recurring	New Mexico Medical Board Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

New Mexico Medical Board (MB)

University of New Mexico Health Sciences Center (UNM HSC)

SUMMARY

Synopsis of Bill

Senate Bill 97 would establish a new section in state law entering New Mexico into an Interstate Medical Licensure Compact, which currently includes 24 states and Puerto Rico and the District of Columbia. The purpose of the organization is the expedition of a physician's licensure in

multiple states, something especially important in an age of telemedicine. The International Medical Licensure Compact Commission (IMLCC) maintains contact with each member state's physician licensing boards (both allopathic [MD] and osteopathic [DO]) and works with them to avoid duplicative, time-consuming steps in approving a physician licensed in another of the compacting jurisdictions.

Physicians applying through the IMLCC would be required to establish a principal state of licensure, pay the usual licensing fee for that state (in New Mexico, \$400 either for the Medical Board or the Board of Osteopathic Medicine), and then would pay a fee of \$700 to the IMLCC to obtain that organization's services in expediting further licenses in other compact states. The principal state of licensure would receive \$300 of that \$700 fee. Physicians using the service would still be required to pay the usual fees for licensure in each state where they wished to be licensed (these fees in compact states range from \$75 in Alabama through \$700 in Maine).

FISCAL IMPLICATIONS

Although the New Mexico Medical Board states that it "would not be affected by fiscal implications if this bill passed," there might be two ways in which its revenue might be augmented through New Mexico's joining this compact:

- 1) For each physician wishing to avail himself/herself of IMLCC's services and designating New Mexico as her/his principal state of licensure, the state would receive \$300.
- 2) If the ease of this procedure increased the number of physicians applying for licensure, the state would not only reap the benefit of having more licensed physicians, but also the fees from their license applications.

On the other hand, as noted by DOH, there would be personnel costs to the Medical Board for administering its portion of the compact's procedures.

SIGNIFICANT ISSUES

The stated purpose of the IMLCC (from its website, imlcc.org) is:

Pursuant to the terms of the Interstate Medical Licensure Compact , (the "Compact"), the Interstate Medical Licensure Compact Commission (the "Commission") is established as a body corporate to fulfill the objectives of the Compact, through a means of joint cooperative action among the Member States: to develop a comprehensive process that complements the existing licensing and regulatory authority of state medical boards, provides a streamlined process that allows physicians to become licensed in multiple states, thereby enhancing the portability of a medical license and ensuring the safety of patients.

The UNM HSC brings forth additional issues regarding this bill:

An expedited path to licensure could shorten the hiring process at the School of Medicine for faculty. It might also make coming to New Mexico to work at the university more attractive. It could also assist in addressing workforce issues statewide. It is important to note, however, that what the state needs to address its workforce issues is physicians

committed to working in rural New Mexico for long periods of time. An expedited process could attract more locums type physicians or others with a more short-term mentality. Entering this compact will have some associated cost, however, which is not accounted for. The Bill does permit the levying of fees related to these licenses; those fees would need to be sufficient to cover administrative costs. The elimination of primary source verification for some swath of physicians, however, might significantly reduce medical board costs overall. Some physicians in the community might not like opening an easier path to licensing for out of state physicians, given shortages in the state however, this type of protectionism is likely unwarranted.

There could be significant implications for telemedicine by increasing ease of licensure. Increasingly, all types of care are being provided through telemedicine technologies; especially for scarce specialties or services or difficult to support or recruit specialties. This would be a huge benefit to non-metropolitan providers and patients, and would circumvent many of the difficulties those rural areas have recruiting and retaining for scarce services. Fiscally, this would reduce recruitment costs for those communities, and would reduce costs associated with patient travel for those services. Border communities in particular would also benefit by increasing the pool of available onsite providers from neighboring states by easing the ability for providers from those adjoining states and communities to circuit-ride across state lines to provide services.

RELATED to: Senate Bill 141; UNM HSC that “the 2018 New Mexico Health Care Workforce Report recommends joining the PSYPACT Interstate Licensing compact which provides for psychologists to provide behavioral health care across state lines via telehealth. The medical interstate licensing compact is not one of the recommendations. Joining the he PSYPACT might be an important and complementary companion to this legislation and assist with significant behavioral health needs in rural areas.”

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

New Mexico physicians would not have the advantage of the compact’s help in expediting their applications to other compact states’ medical licensing boards. Physicians whose principal state of licensure was in another compact state, including those who might perform locum tenens assignments in New Mexico or perform telemedicine services for patients in New Mexico might forgo the opportunity if it were not expedited.

LAC/gb