

LFC Requestor: MONTANO, Noah

2025 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS

Section I: General

Chamber: House

Category: Bill

Number: 413

Type: Introduced

Date (of THIS analysis): 02/13/2025

Sponsor(s): Gail Armstrong, Harlan Vincent, Jennifer Jones

Short Title: Physician Assistant Interstate compact

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 25	FY 26		
\$ 0.00	\$ 0.00	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 25	FY 26	FY 27		
\$ 0.00	\$ 0.00	\$ 0.00	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 25	FY 26	FY 27	3 Year Total Cost	Recurring or Non-recurring	Fund Affected
Total	\$ 0	\$ 0	\$ 0	\$ 0	N/A	N/A

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: SB46 Interstate Medical Licensure Compact, SB12 Out-of-State Telehealth Providers Act

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

House Bill 413 (HB413) proposes to enter the state of New Mexico into the Physician Assistant (PA) Licensure Interstate Compact.

- Section 1 (page 1): Defines HB413's short title at the "Physician Assistant Licensure Interstate Compact."
- Section 2 (pages 1-2): Outlines the purpose of the legislation and the purpose of the PA Compact.
- Section 3 (pages 2-6): Defines key terms in the legislation
- Section 4 (pages 6-7): Outlines rules for the state to participate in the PA Compact
- Section 5 (pages 7-10): Outlines rules for licensees to be eligible to for a license through the PA compact
- Section 6 (page 10): Requires the State to identify and seek consent to know PA Compact licensees' state of residence.
- Section 7 (pages 11-13): Establishes the exclusive authority of the State to licensed shall have exclusive power to impose adverse action against the qualifying license issued by that participating state.
- Section 8 (pages 13-27): Outlines the requirement for the PA Compact to establish a joint government agency and national administrative body known as "the physician assistant licensure compact commission."
- The commission is an instrumentality of the participating states acting jointly and not an instrumentality of any one state.
- Section 9 (pages 27-29): Establishes protocol for collecting and maintaining data related to the PA Compact.
- Section 10 (pages 29-34): Authorizes the commission established in section 8 to promulgate rules to implement and administer this compact and achieve the compact's purposes.

- Section 11 (pages 34-39): Establishes the authority of enforcing the rules of the PA Compact to the executive and judicial branches of the state of New Mexico.
- Section 12 (pages 39-42): Describes the effective date for the PA Compact and processes for a state within the PA Compact to exit the PA Compact.
- Section 13 (pages 42-43): Establishes that the PA Compact shall have severability in the case that State of New Mexico finds the PA Compact unconstitutional.
- Section 14 (page 43): Binding effect of the PA Compact.

The effective date of the proposed provisions shall come into effect on the date on which this compact statute is enacted into law in the seventh participating state (page 39, lines 5-7).

Is this an amendment or substitution? Yes No

Is there an emergency clause? Yes No

b) Significant Issues

In a [report to the Legislative Finance Interim Committee](#) in July of 2024, the University of New Mexico reported that New Mexico’s demand for primary care services outweighs the available supply. Additionally the 2024 New Mexico Health Care Workforce Committee report noted New Mexico was short 284 physician assistants (PA) short of national benchmarks ([New Mexico Health Care Workforce Committee 2024 Annual Report](#))

Currently, PAs will often hold licenses in several states, so they may continue to provide care to patients who may no longer live in the state the PA resides in ([Stateline](#), 2024). The primary purpose of the PA compact is to strengthen access to medical services in New Mexico. If PAs licensed via the Compact choose not to move to New Mexico, they can still deliver care in New Mexico via telehealth.

Given the brief history of the PA Compact, evaluation on the impact of the PA Compact is limited. It is not yet known if the intention to increase access to care is a reality in states that have entered the PA Compact. Furthermore, the implementation process of joining the PA Compact appears to be slow ([Stateline](#), 2024). As of April 2024, the American Academy of Physician Assistants (AAPA) estimated 18-24 months before the PA Compact would be fully operational ([AAPA](#), 2024).

While data related to the PA compact has yet to show an impact, available data demonstrates Interstate Medical Licensure Compacts increase the number of medical providers by reducing barriers and cost of getting a license in a new location when they are implemented. (<https://imlcc.com/wp-content/uploads/2023/11/Access-to-Care-and-Physician-Practice-Growth-Dr-Deyo-Ghosh-and-Plemmons-11-2023.pdf>)

There are several proposals during the current legislative session to reverse this trend, including HB413. If enacted, HB413 would make New Mexico the 14th state to join the current PA Compact including neighboring Colorado, Delaware, Utah, Washington, Wisconsin, West Virginia, Nebraska, Virginia, Oklahoma, Maine, Minnesota, Tennessee, and Ohio

2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?

Yes No

If yes, describe how.

- Is this proposal related to the NMDOH Strategic Plan? Yes No

Goal 1: We expand equitable access to services for all New Mexicans

Goal 2: We ensure safety in New Mexico healthcare environments

Goal 3: We improve health status for all New Mexicans

Goal 4: We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?
 Yes No N/A
- If there is an appropriation, is it included in the LFC Budget Request?
 Yes No N/A
- Does this bill have a fiscal impact on NMDOH? Yes No

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? Yes No

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

- HB413 relates to HB46 which legislation related to interstate compact for medical licensure
- HB413 would relate to SB12 Out-of-State Telehealth Providers Act, which would permit physician assistants to provide consultations for services a patient would receive if they traveled to the state in which the physician assistant is currently licensed.

6. TECHNICAL ISSUES

Are there technical issues with the bill? Yes No

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? Yes No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? Yes No
- Does this bill conflict with federal grant requirements or associated regulations?
 Yes No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? Yes No

8. DISPARITIES ISSUES

There are considerations for providing healthcare in rural communities throughout the country, but especially in the West, including aging populations, closure and/or downsizing of hospitals (<https://pubmed.ncbi.nlm.nih.gov/33011448/>), aging out of local health providers (<https://pubmed.ncbi.nlm.nih.gov/36205415/>) and loss of younger people and changes in local economies away from extractive and agricultural economies.

Rural and frontier residents in New Mexico often face more barriers when seeking primary health care compared to urban residents. This is due to the lack of safe and reliable transportation or a lack of options to go to for care. Telehealth (phone calls or video calls) visits may be a way to lessen this disparity and increase access to care. Physician assistants licensed through an interstate compact may be part of the solution to the problem of primary care access as they frequently use telehealth services ([Stateline, 2024](#)).

Rural and frontier communities face additional challenges related to transportation and isolation from services frequently found in sub-urban and urban locations. Primary contributors which add to the unique challenges include:

1. Geographic isolation: Many rural areas in New Mexico are remote and sparsely populated, making it difficult for residents to access healthcare facilities. The distances between communities and medical centers can be substantial, resulting in limited access to timely and emergency care. (<https://pubmed.ncbi.nlm.nih.gov/37196993/>)
2. Socioeconomic factors: Rural communities in New Mexico often have higher rates of poverty, lower levels of education, and limited health insurance coverage. These socioeconomic factors contribute to poorer health outcomes and difficulties in accessing and affording healthcare services. (<https://pubmed.ncbi.nlm.nih.gov/21768583/>)
3. Health workforce shortages: Rural areas struggle with a shortage of healthcare professionals, including doctors, nurses, and specialists. Attracting and retaining healthcare providers in rural communities can be challenging due to factors such as limited career opportunities, lower reimbursement rates, and a lack of infrastructure. (<https://pubmed.ncbi.nlm.nih.gov/35760437/>) The labor force participation rate shows a more robust effect on healthcare spending, morbidity, and mortality than the unemployment rate. (<https://pubmed.ncbi.nlm.nih.gov/24652416/>)
4. Financial constraints: Rural communities have limited financial resources, making it challenging to invest in healthcare infrastructure, recruit healthcare professionals, and offer affordable healthcare services to residents.

9. HEALTH IMPACT(S)

[According to a systemic review in 2021](#), PAs provide same or better health outcomes for their patients as physicians with the same or less cost of care. This may indicate the PA model could be expanded upon in New Mexico, a state with comparatively low insurance reimbursement, with the expectation that population health would improve.

Having access to a primary care provider who is available within one to two days allows individuals to address routine medical concerns promptly, reducing reliance on emergency departments for non-urgent care. Additionally, primary care providers play a key role in managing chronic conditions through regular check-ups and ongoing treatment, helping to prevent complications that might otherwise require emergency intervention. ([Pathways to reduced emergency department and urgent care center use: Lessons from the comprehensive primary care initiative - PubMed](#)). The interstate compact would open a pathway to allow more providers to be licensed to practice in New Mexico increasing the number of providers available for residents. This increase in primary care providers could also reduce the number of emergency department visits.

There is also the possibility that if New Mexico enters the PA Compact that PAs living and working in New Mexico would be drawn to live and practice in other states that pay better wages. In that case, population health may decline as the workforce shortage worsens.

10. ALTERNATIVES

None

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If HB413 is not enacted, then New Mexico will not enter the Physician Assistant Licensure Compact.

12. AMENDMENTS

None