

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

SB 427 appropriates \$60 million to the Health Care Authority for expenditure in fiscal years 2026 through 2028 for the creation of new physician residency programs and positions.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

Many parts of New Mexico have a severe shortage of physicians. Lack of providers, which is particularly acute in rural New Mexico, limits access to care and contributes to poor health outcomes.

Over half of physicians practice medicine in the state where they completed their residency training.¹ Thus, increasing residency programs and positions has the potential to reduce New Mexico's physician shortage by attracting and retaining more physicians.

Residencies are post-medical school programs that may or may not be affiliated with a medical school. The UNM School of Medicine is the State's Academic Medical Center and serves as the state's primary Graduate Medical Education (GME) Sponsoring Institution, but there are other GME programs at Teaching Hospitals, Teaching Health Centers and Rural Training Tracks throughout the state.

Established GME residency programs, like those at UNM, are funded through CMS. However, GME expansion requires considerable coordination and planning; new programs typically require 2-5 years for development and existing programs require 1-3 years for expansion. There is currently no dedicated funding mechanism for these activities.

In 2019, House Bill 480 (Graduate Medical Education Expansion Program Act) directed the Human Services Department (now the HCA) to create a funding program for expanding GME programs in Family Medicine, General Pediatrics, General Internal Medicine, and General Psychiatry. It also established a governing body to oversee the program and recommend funding decisions to the HCA Secretary. A 5-year strategic plan was developed and updated by the GME Expansion Review Board and Advisory Group. The plan prioritizes developing new residency positions in primary care and psychiatry, especially in rural and underserved areas.

<https://www.hca.nm.gov/gme-expansion-2/>

PERFORMANCE IMPLICATIONS

¹ New Mexico Human Services Department (2022, January) Graduate Medical Education Expansion in New Mexico Five Year Strategic Plan. Retrieved from:
<https://api.realfile.rtsclients.com/PublicFiles/6c91aefc960e463485b3474662fd7fd2/559d9767-951e-4240-a21a-6a462e3c8096/2022%20NM%20GME%20Expansion%20Strategic%20Plan>

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS