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FISCAL IMPACT REPORT

SPONSOR Jones/Thomson LAST UPDATED _____
ORIGINAL DATE 2/12/2025
BILL
SHORT TITLE Supervision of Physician Assistants NUMBER House Bill 266
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
NMMB	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal		Recurring	Board Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bill 267

Sources of Information

LFC Files

Agency Analysis Received From
New Mexico Medical Board (NMMB)

SUMMARY

Synopsis of House Bill 266

House Bill 266 (HB266) amends Chapter 61 Article 6 NMSA 1978 (the Physician Assistant Act) to expand the scope of practice for physician assistants (PAs) by eliminating a requirement that to practice medicine or prescribe, administer, dispense, or distribute dangerous drugs, a physician assistant must have established a supervising or collaborating relationship with a licensed physician.

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

There are no fiscal impacts from this bill.

SIGNIFICANT ISSUES

In New Mexico, a PA works under either a supervisory or collaborative model, while under the direction of a licensed physician. The New Mexico Medical Board (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 to practice primary care fairly independently. Although they may prescribe, that authority is still contingent on their agreement with a physician.

NMMB notes that PAs are not titled as “Independent Providers” in New Mexico, and this creates issues with reimbursement with payors such as Medicaid. Also, if a community loses a physician that is supervising a PA, the employer has to replace the physician and then re-credential the PA. New Mexico Medicaid will pay for PA services, if a procedure requires an assistant, for instance, and if a procedure is within their scope of practice, but payment for services go to the supervising provider.

NMMB provides the following background:

PAs have been licensed in New Mexico for over 40 years but had physician supervisory requirements until 2017. At that time, a law was passed granting a select group of PAs (3 years in practice) a “Collaborative license,” which removed all physician supervisory aspects. Since 2017, about 100 PAs have obtained this license. To date, there have been no significant issues with the Collaborative PAs.

The six states that allow PAs to independently practice with either minimal to no supervisory requirement include Iowa, Montana, New Hampshire, North Dakota, Utah and Wyoming.

ADMINISTRATIVE IMPLICATIONS

NMMB is of the opinion that oversight of newly graduated PAs should occur for a period of time, which can be determined with the promulgation of rules by NMMB.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill relates to House Bill 267, which also amends the Physician Assistant Act and allows certain experienced physician assistants to supervise newly licensed physician assistants.

OTHER SUBSTANTIVE ISSUES

As NMMB explains, only “Collaborative PAs” carry private malpractice insurance. Allowing all PAs to practice independently should come with a requirement to carry malpractice insurance.

ALTERNATIVES

NMMB recommends that new PA graduates obtain experience in a clinical setting with supervisors before independent practice. NMMB also recommends that PAs with specialties obtain CAQ-certification (certificate of added qualification), if one exists for their area of expertise.