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FISCAL IMPACT REPORT

SPONSOR <u>Jones</u>	LAST UPDATED _____
	ORIGINAL DATE <u>3/11/2025</u>
SHORT TITLE <u>NM Resident Physician Recruitment Program</u>	BILL NUMBER <u>House Bill 579</u>
	ANALYST <u>Jorgensen</u>

APPROPRIATION* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
	\$1,200.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
 University of New Mexico (UNM)

SUMMARY

Synopsis of House Bill 579

House Bill 579 (HB579) requires the University of New Mexico (UNM) to create the Resident Physician Recruitment Program within the Graduate Medical Education Office. The program would pay costs of creating supervised resident rotations of up to two weeks per year at hospitals other than UNM-Hospital. The bill appropriates \$1.2 million from the general fund to UNM to fund these clinical rotations.

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

The appropriation of \$1.2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY26 shall revert to the general fund.

SIGNIFICANT ISSUES

UNM notes current rural residency rotation programs are typically four weeks. It is unclear if HB579 would pay for half of the typical rotation cost or if it envisions an entirely different rotation program. Additionally, UNM receives federal funds through the Centers for Medicare & Medicaid Services (CMS) to cover graduate medical education. UNM notes that providing additional state funding for a currently federally funded program is “essentially supplanting federal funds”.

CJ/SL2