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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/18/2008

SPONSOR Komadina LAST UPDATED 1/30/2008 HB \_\_\_\_\_

SHORT TITLE Waiver Licensure Fees For Medical Doctors SB 127/aSFC

ANALYST Moser

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY08	FY09	FY10		
	(\$80.0)	(\$80.0)	Recurring	Medical Board fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Medical Board (NMMB)

### SUMMARY

#### Synopsis of Senate Finance Committee Amendment

Senate Finance Committee Amendment removes the appropriation of \$80 thousand.

#### Synopsis of Original Bill

Senate Bill 127 appropriates \$80 thousand dollars from the general fund to the NM Medical Board for the purpose of assisting in the recruitment and retention of medical doctors to the state by waiving licensure fees for those medical doctors who apply to New Mexico as their first state of licensure.

Senate bill 127 also extends the Sunset date for the medical board from 2009 to 2015 pursuant to the Sunset Act.

### **FISCAL IMPLICATIONS**

The Medical Board reports that it is supportive of the SFC amendment and is able to fund the initiative from existing resources.

The appropriation of \$80 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY09 shall not revert to the general fund.

In waiving the \$400 application fee for medical doctors who apply to New Mexico as their first state of licensure there will be loss of revenue to the NM Medical Board which is entirely self-funded. The medical board reports that the goal is to recruit at least 200 residents to choose New Mexico as the first state of licensure. This would result in a potential loss of \$80 thousand in revenue to the medical board fund.

### **SIGNIFICANT ISSUES**

Physicians who are completing their residency and fellowship programs, and preparing to go into independent practice for the first time, require a medical license from the state in which they will practice. The medical board indicates that SB 127 would eliminate the initial expense for a physician applying to practice in New Mexico under their first post-training medical license.

Analysis indicates that the medical board typically receives 51 applications a year for medical doctors that would qualify for this waiver.

### **ADMINISTRATIVE IMPLICATIONS**

The medical board indicates that licensing staff will need to monitor applications closely to ensure that NM is the applicant's first state of licensure.

### **OTHER SUBSTANTIVE ISSUES**

The New Mexico Medical Board indicates that it is supportive of this bill.

### **POSSIBLE QUESTIONS**

Is it realistic to assume that a physician would make the decision to come to New Mexico based upon the ability to receive a \$400 fee waiver?

GM/mt