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FISCAL IMPACT REPORT

SPONSOR Muñoz ORIGINAL DATE 02/06/14
LAST UPDATED 02/14/14 HB _____

SHORT TITLE Out-of-State Physician Licensure SB 167/aSPAC

ANALYST Martinez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Medical Board (MB)

Board of Nursing (BN)

Department of Health (DOH)

SUMMARY

Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment to Senate Bill 167 further amends the “Licensure By Endorsement” section of the Medical Practice Act by inserting the language, “whose competency to practice has been proven as determined by the board,” creating another mechanism in which licensure without examination can occur for any out-of-state physicians.

Synopsis of Original Bill

Senate Bill 167 amends the “Licensure By Endorsement” section of the Medical Practice Act to allow licensure without examination for any physicians licensed in any territory of the United States without three years of prior year experience within the US or Canada.

FISCAL IMPLICATIONS

No Fiscal Impact

SIGNIFICANT ISSUES

Senate Bill 167 aims to address the states continued difficulty in recruiting and retaining physicians, especially in rural areas, by broadening the Medical Practice Act section “Licensure by Endorsement” for physician applicants outside the United States or Canada. The states Medical Board and Nursing Board have concerns over the amendment.

The Medical board writes:

- SB 167 expands licensure-by-endorsement by removing the current competency-driven provision which requires physicians to have practiced medicine in the US or Canada in the three years immediately preceding the application for endorsement. This change would remove the Medical Board’s ability to assure clinical competency. Completion and passage of the National Licensing Examinations and current Specialty Board Certification are the criteria for assuring adequacy of medical knowledge. The requirement for the three years of successful, immediately preceding practice in the US or Canada is the criterion that assures that the physician’s clinical application of knowledge is competent and current. These criteria are fundamental and critical to the safety of the patient.
- If SB 167 were to become law, any physician who had been licensed to practice medicine, but had not actually been practicing medicine for any length of time could become licensed by endorsement without needing to prove current competency to practice medicine.
- Although SB 167 maintains the requirement for Specialty Board Certification, that, in itself, only attests to current medical knowledge, but does not assure clinical competency. Successful, unrestricted medical practice (not including post-graduate training) in the prior three years meets that requirement for clinical competency in application for licensure by endorsement.
- Graduates from non-US or non-Canadian medical schools must also have met the requirement for two years of post-graduate clinical training in an ACGME-approved (Accreditation Council for Graduate Medical Education) program, and successful passage of a board-approved examination series such as the USMLE (United States Medical Licensing Examination).

The Medical Board notes that a new physician with no or little work experience can absolutely qualify for licensure in New Mexico. In fact, in most cases, these applicants will get the license for free and will be licensed within a couple days at the most. However, one of the criteria is successful passage of each step of the USMLE (the National Exam) within six attempts.

The Board of Nursing supports the opposition of the Medical Board:

The Board of Nursing agrees that passage of SB 167 would seriously limit the Medical Board’s ability to assure safe medical practice by removing the important criteria in use for proving, and thus assuring current clinical competence. Ensuring clinical competency by requiring years of work experience is to ensure public protection.

PERFORMANCE IMPLICATIONS

As noted in the narrative above, the purpose of the provision in this bill to repeal the criteria requiring clinical work experience goes to the heart of the mission and performance of the New Mexico Medical Board. The Board was established by the State Legislature "in the interest of the public health, safety and welfare and to protect the public from the improper, unprofessional, incompetent and unlawful practice of medicine." To meet that mission, each of the criteria for licensure both by examination and by endorsement were and continue to be carefully scrutinized by the medical community nationally, and locally, and are standard across the country with varying details. The Board is often faced with evidence that questions a practitioner's competency. When that physician is an applicant for licensure, the Board (as is the Nursing Board as well as all other Boards) is bound by law, obligated to the citizens of the state, and by ethics to require proof of competency before granting a license.

CONFLICT

The title of SB 167 is misleading: "Out of State Physician Licensure" is not what this Bill is about. It is about not requiring prior medical practice experience for licensure by endorsement.

RM/ds:svb