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## FISCAL IMPACT REPORT

SPONSOR Stefanics ORIGINAL DATE 1/22/21  
LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_  
SHORT TITLE “Health Care Practitioner” Definition SB 123/ec  
ANALYST Chilton

### **ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	NFI	NFI	NFI	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### **SOURCES OF INFORMATION**

LFC Files

#### Responses Received From

Medical Board (MB)

Regulation and Licensing Department (RLD)

### **SUMMARY**

#### Synopsis of Bill

Senate Bill 123 adds physician assistants and pharmacists to a list of health care providers who are given protection against enforcement of non-compete clauses. The last addition to the list, in 2017, was of nurse practitioners and certified nurse-midwives. (Section 24-11-1 NMSA 1978). This would bring physician assistants and pharmacists into parity with these groups, as well as with osteopathic and allopathic physician, podiatrists, and certified registered nurse anesthetists.

A non-compete clause, or provision, in a contract is defined in Section 24-11-2 as one that restricts the ability of one of the named professionals to provide care in New Mexico, usually to “compete” with a previous employer.

This bill contains an emergency clause and would become effective immediately upon signature by the governor.

### **FISCAL IMPLICATIONS**

There is no appropriation in the bill. There are no anticipated financial consequences of passage of the bill.

**SIGNIFICANT ISSUES**

As stated by the Medical Board, “SB123 corrects an omission of both physician assistants and pharmacists from a list of health care practitioners to whom non-compete clauses are voided. Non-compete clauses have been voided to certain health care practitioners in New Mexico as they could restrict the practitioners from working in different venues in New Mexico thereby negatively impacting availability to health care in New Mexico. SB123 attempts to correct this omission by including two important professions within the health care team from non-compete clauses.”

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

As noted by the Medical Board, “Pharmacist and Physician Assistants will be treated differently in NM because they can be prohibited from working in other venues by non-compete clauses.”

LAC/rl