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FISCAL IMPACT REPORT

SPONSOR SJCS ORIGINAL DATE 03/14/21
LAST UPDATED _____ HB _____
SHORT TITLE Osteopathic Medicine Changes SB 279/SJCS
ANALYST Hanika-Ortiz

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY21	FY22	FY23		
	\$190.3	\$190.3	Recurring	NMMB Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From (to original bill)
Taxation and Revenue Department (TRD)
New Mexico Medical Board (NMMB)
Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of Bill

SB279/SJCS proposes to repeal the Osteopathic Medicine Act and amend the Medical Practice Act to authorize the NMMB to license and regulate the practice of osteopathic medicine.

SB279/SJCS also amends Section 7-9-77.1 NMSA 1978 for certain deductions from gross receipts for these practitioners, along with other areas of law to reflect the new licensing and regulatory oversight; increases NMMB by two physicians to 10 physicians, two that must be medical physicians and two osteopathic physicians appointed by the governor from a list of five names submitted by the Osteopathic Medical Association or similar body; and increases regulatory fees used by the NMMB to carry out its duties and powers, which include establishing penalties for licensees who fail to comply with continuing medical education requirements.

Finally, SB279/SJCS enacts a temporary provision to transfer all money, appropriations, records, property, and statutory references from the Board of Osteopathic Medicine to NMMB.

There is no effective date of this bill. It is assumed the effective date is 90 days following adjournment of the Legislature.

FISCAL IMPLICATIONS

According to RLD, the Osteopathic Board's revenue for FY20 was \$190.3 thousand, operating budget for FY21 is \$196.3 thousand, and fund balance as of June 30, 2020, was \$388.9 thousand.

The bill also increases fees for these practitioners by \$50 to \$100; however, it also increases fees from \$400 to \$900 for telemedicine, which could serve as a disincentive to use this format.

TRD noted no revenue impacts from the amendment to the gross receipts tax deduction section.

SIGNIFICANT ISSUES

Osteopathic physicians (DOs) and their physician assistants are currently licensed under the Osteopathic Medicine Act. SB279/SJCS places those licensees under the Medical Practice Act.

RLD reported it supports the transfer of licensing responsibilities from the Board of Osteopathic Medicine, administratively attached to RLD, to NMMB. RLD also explained the department and the medical board would negotiate the transfer of all funds, FTE, and resources.

PERFORMANCE IMPLICATIONS

The bill eliminates the sunset requirements for the Osteopathic Medicine Board and the Osteopathic Medicine Act.

ADMINISTRATIVE IMPLICATIONS

NMMB would have to change its rules to correspond with the updated statute.

OTHER SUBSTANTIVE ISSUES

As of 2021, there were a total of 1,025 licensees licensed pursuant to the Osteopathic Medicine Act: 997 doctors of osteopathic medicine and 28 osteopathic physician assistants.

According to RLD, with the establishment of the Burrell College of Osteopathic Medicine, the practice of osteopathic medicine will continue to grow, and combining these professions will bring parity to the practice of medicine and ensure a standard level of public health and safety.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Conflicts with SB45 which extends the Board of Osteopathic Medicine sunset to July 1, 2027.

AHO/rl/al