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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

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(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION {Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill} Date Prepared 1/29/25 *Check all that apply:* SB0172 Bill Number: Original x Correction Amendment Substitute **Agency Name** Linda Trujillo, Cindy Nava, and Code Dept. of Workforce Solutions-631 D.Wonda Johnson, Janelle Number: **Sponsor:** Anyanonu **Short Person Writing** Sarita Nair Immigrant Health Care Phone: 505-263-3187 Email Evan.Sanchez@dws.nm.gov Title: Workforce Development Act

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring	Fund	
FY26	FY27	or Nonrecurring	Affected	
0	0			

⁽Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

	Recurring	Fund		
FY26	FY27	FY28	or Nonrecurring	Affected
0	0	0		

⁽Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	See narrative.	0	0			

Duplicates/Conflicts with/Companion to/Relates to: Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

<u>Synopsis</u>: Senate Bill 172 (SB 172) establishes pathways and support systems for foreign-trained healthcare professionals to practice in New Mexico in alignment with their full prior licensure level. The bill creates multiple levels of engagement with internationally trained and immigrant healthcare professionals.

- Establishes an immigrant healthcare professional acceleration program through the Department of Workforce Solutions to identify and support immigrant healthcare workers by providing financial support, career counseling, and training to pursue licensure as physicians, nurses, physician assistants, etc. dependent on their prior career experience.
- Within the acceleration program, creates an immigrant primary care physician readiness pathway for foreign-trained physicians, providing them with hands-on clinical experience and testing preparation support needed to enter an accredited primary care residency program.
- Enables DWS to offer grants for new, non-duplicative residency slots at an accredited New Mexico residency program for graduates from the acceleration program and physician readiness pathway.
- Creates a dedicated fund for the activities contemplated by the bill.
- Establishes an advisory council including professional associations, state agencies and internationally trained healthcare professionals.
- Establishes a new licensure pathway for foreign-trained physicians who have not completed postgraduate medical training in the U.S. or Canada.

Background. Currently, foreign-trained healthcare professionals including physicians and nurses have limited pathways for licensure transferal in New Mexico. Section 61-6-11, NMSA 1978, of the Medical Act does not offer a clear or targeted licensure pathway for international medical graduates who have not completed at least two years of graduate medical education in the United States or Canada. Additionally, immigrants with prior foreign healthcare experience living in New Mexico often work well below their prior licensure level because of barriers including access to medical English training, confusion about licensure processes, high cost of medical exams and more.

Acceleration Program. SB 172 creates an acceleration program that would allow the Department of Workforce Solutions to provide career counseling and fund support services to help eligible individuals navigate the licensure process appropriate for their background. That includes job search, interview preparation, resume review, medical English courses, examination preparation, educational support, training, peer support, and stipends if appropriate and necessary.

Physician Readiness Pathway. Within the acceleration program, the bill enables DWS to work with experts to create a physician readiness pathway for qualified immigrant international medical

graduates seeking to become licensed primary care physicians in New Mexico.

Residency Grant. SB 172 is also designed to fund a clinical evaluation program for out-of-practice international medical graduates, as well as non-duplicative dedicated primary care physician residency slots for program participants. Participants would be required to work in a medically underserved community for a period of up to three years.

Fund. SB 172 creates a non-reverting special fund for the activities contemplated by the bill. This will enable DWS to seek other sources of funding, including private, federal, and local sources.

Advisory Committee. SB 172 creates an advisory committee on foreign-trained healthcare workers to engage key stakeholders on addressing additional licensure and integration barriers for foreign-trained healthcare workers.

Provisional Licensure. SB 172 would create a two-step licensure pathway for foreign-trained physicians who completed a residency program in their country of practice and worked as licensed physicians in that country for at least two years. Applicants for a provisional license would need to meet requirements including passing grades on standardized medical education examinations and would need proof of an offer of employment from a New Mexico medical care facility that provides an assessment and evaluation program. After up to two years practicing under a provisional license, physicians would be eligible to apply for a two-year restricted license. If the physician has no disciplinary actions or pending investigation, the physician would then be eligible for fully, unrestricted licensure in New Mexico.

SB 172 is well aligned with Goal 4 of the Workforce Innovation and Opportunity Act (WIOA) Statewide Plan for 2024-2027, which is to "attract out-of-state workers to New Mexico and improve retention of New Mexicans within the State, particularly in rural communities." Between 2010 and 2022, New Mexico had a net negative migration to the tune of -30,085 individuals. Since 2010, nearly 20,000 more workers left New Mexico than arrived. Within the state, we see a similar dynamic as the rural areas lose population to the urban centers. Not only did the state lose these individuals, but as they aged and raised families in other states, New Mexico lost a new generation of workers. Given the national paucity of programs for immigrant healthcare workers, particularly physicians, living in the U.S. to regain licensure, this program is likely to act as a recruitment tool for workers to the state.

This initiative may also draw people to our state. In meetings with the team implementing a similar program in Minnesota, staff reported receiving inquiries from across the country from people willing to move to Minnesota to pursue these opportunities.

The Program also fits within healthcare, one of the high priority sectors of the WIOA State Plan, and DWS participates in the New Mexico Health Care Workforce Committee. The need to prioritize this sector are well documented and include the following:

- Estimates forecast a national primary care physician shortage of more than 37,500 by 2034 and the need for more than 3 million new registered nurses between 2016 and 2030.
- In New Mexico, there is an average of 5.04 primary care physicians per 10,000 population, meaning for each primary care physician, there are about 2,000 people to serve.

- According to the national 2021 Public Health Workforce Interest and Needs Survey, 16% of employees leaving the workforce departed due to COVID.
- 12% of the State's current nursing workforce is comprised of traveler nurses whose perhour costs have more than doubled when compared to pre-COVID wages.
- Employment in the health care practitioners and technical occupational group in New Mexico are projected to add about 5,590 jobs (10.9% increase) from 2018 to 2028.
- About 1,240 total job openings for registered nurses will exist every year in New Mexico. More than 80% of those openings will be to replace workers who retired or left the occupation.

The healthcare field nationally and in New Mexico relies upon internationally-trained providers, in particular for primary care positions and nursing:

- As of 2023, 20% of active physicians in New Mexico completed their medical education outside the U.S. or Canada, including 29% of internal medicine physicians and 19% of family medicine physicians, according to the Association of American Medical Colleges.
- Nearly 10% of registered nurses (RNs) in New Mexico are immigrants, according to the American Immigration Council.
- In 2024, 24% of all medical school graduates who matched into a residency program in New Mexico completed their medical education abroad, including 28.9% of residents matching into primary care specialties.

FISCAL IMPLICATIONS

Passage of the bill would enable DWS to undertake these activities as funding becomes available. DWS projects a de minimis cost for establishing and staffing the advisory council and working on the provisional licensure pathway. With additional funds for staffing and operations estimated at \$150,000 recurring, DWS can begin to implement the acceleration program's career counseling and peer support functions. Additional funding would be necessary to cover training and stipends. At full capacity, DWS estimates that \$1.5 million would provide four years of full operations. Additional funding would be necessary to finance the dedicated residencies.

SIGNIFICANT ISSUES

None.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

None in addition to the administrative actions described above.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 15, the Health Care Strategic Recruitment Program, is related to this bill, in that it will enable DWS to undertake similar efforts with respect to health professionals who received education in New Mexico but are not working in the healthcare field in New Mexico. If both bills pass, DWS will be able to maximize the use of efforts like the gathering of information on health care incentives, training programs, credentialing, and job openings.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Trained healthcare professionals in New Mexico will continue practicing below their full potential licensure level or working outside of healthcare entirely, and the healthcare industry will continue to experience grave shortages.

AMENDMENTS