



## Legislation Outcomes

This year's legislative session considered many health bills. Only a few of our priorities were successful. However, issues such as prior authorizations, recruitment and retention of a vibrant healthcare workforce, and economic incentives to attract and retain physicians in New Mexico were major topics of conversation in committee rooms, hallways, and legislative offices at the Roundhouse. We expect these issues to be seriously considered in future legislative sessions.

## Legislation Related to NMAFP Priorities

### Recruit and Retain Physicians:

#### **HB 393: Recruit and Retain Health Providers (Rep. Tara Lujan)**

**Outcome:** Died in Health Appropriations and Finance Committee

This bill would appropriate \$5 million for the next two years to NMDOH's Health Service Corps to support the recruitment and retention of health care providers who treat rural or underserved populations or patients of Federally Qualified Health Centers. Click [here](#) to see the bill's FIR.

#### **HB 15: Healthcare Strategic Recruitment Program (Rep. Marianna Anaya)**

**Outcome:** Died on the Senate Floor

This bill would appropriate \$2 million to the Workforce Solutions Department to create a healthcare strategic recruitment program designed to recruit persons who have graduated within the last 10 years with a degree or certificate in a healthcare profession from a post-secondary institution in New Mexico but are not currently working in healthcare in New Mexico. Click [here](#) to see the bill's Fiscal Impact Report.

#### **SB 380: Physician Graduate Medical Education Trust Fund (Sen. Pete Campos)**

**Outcome:** Died in Senate Finance Committee

This bill would establish the Physician Graduate Medical Education Trust Fund and the Physician Graduate Medical Education Program Fund to support residency programs in rural and underserved areas. Click [here](#) to see the bill's FIR.

**HB 243: Interstate Medical Licensure Compact (Rep. Marian Mathews)**

**Outcome:** Died on Senate Floor

According to the bill's [HB243 FIR](#), this bill "enacts the Interstate Medical Licensure Compact in New Mexico, allowing physicians to apply for an expedited medical license in multiple states that are members of the compact."

**SB 172: Immigrant Healthcare Workforce Development (Sen. Linda Trujillo)**

**Outcome:** Died in Senate Health and Public Affairs Committee

This bill would create the Immigrant Healthcare Workforce Development Act with the task to create an accelerated immigrant primary care physician readiness pathway. Click [here](#) to see the bill's FIR

**SB 46: Interstate Medical Licensure Compact (Sen. Linda Trujillo)**

**Outcome:** Died in Senate Judiciary Committee

According to the bill's Fiscal Impact Report ([SB46 FIR](#)) "Senate Bill 46 enables New Mexico to join an interstate medical licensing compact, adopting its rules and bylaws. This would increase allopathic or osteopathic physicians' ability to achieve an expedited license to practice in New Mexico if they already held a license in another compact state."

**HB 512: Medical Residency Loan Repayment Act (Rep. Gail Armstrong)**

**Outcome:** Died in House Education Committee

This bill would appropriate \$3 million to create the Medical Residency Loan Repayment Fund. Awards would be made to certain medical residents and fellows.

**HB 562: Independent Health Provider Reimbursement (Rep. Luis Terrazas)**

**Outcome:** Died in House Appropriations and Finance Committee

This bill would appropriate \$3 million to increase Medicaid reimbursement rates for independent rural healthcare providers.

**Medical Malpractice Reform:**

**SB 176: Medical Malpractice Changes (Sen. Martin Hickey)**

**Outcome:** Died in Senate Health and Public Affairs Committee

This bill would make changes to the Medical Malpractice Act. The proposed changes are to: (Click [here](#) to see the bill's FIR)

- Require payments from the Patient's Compensation Fund to be made as expenses are incurred,
- Require 75% of the punitive damages awarded in a medical malpractice claim to be awarded to the State,
- Limit attorney fees in malpractice claims,

- Create a Patient Safety Improvement Fund

**SB 224: Superintendent of Insurance and Medical Malpractice (Sen. Linda Trujillo)**

**Outcome:** Died in Senate Health and Public Affairs Committee

This bill would allow the Superintendent of Insurance to intervene in mediation and court proceedings that involve the Medical Malpractice Act. Click [here](#) to see the bill's FIR.

**SB 444: Medical Malpractice Damage Determination (Sen. Pat Woods)**

**Outcome:** Died in Senate Health and Public Affairs Committee

This bill would amend the Medical Malpractice Act allowing a Judge to determine the amount of punitive damages awarded in a medical malpractice case.

**SB 449: Medical Malpractice Changes (Sen. Larry Scott)**

**Outcome:** Died in Senate Health and Public Affairs Committee

This bill would make the following changes to the Medical Malpractice Act:

- Revise where medical malpractice suits may be filed,
- How damages and future medical expenses are paid from the Patient's Compensation Fund,
- Caps attorney fees,
- Directs a majority of punitive damages to the state for patient safety improvements,
- Excludes hospital-related claims to be paid from the Patient Compensation Fund for injuries occurring after 2026.

**Pharmaceutical Cost Containment:**

**HB 78: Prohibit Discrimination Against 340B Entities (Rep. Elizabeth Thompson)**

**Outcome:** Signed by the Governor on April 8<sup>th</sup>.

House Bill 78 will change the insurance code to prevent restrictions of Federally Qualified Health Centers from receiving discounted medications from qualified entities of the federal 340B program. Click [HB78 FIR](#) to see the bill's FIR.

**Medicaid Reimbursement**

**HB 2: The General Appropriations Act of 2025**

**Outcome:** Signed by the Governor on April 11<sup>th</sup>. The \$10.8 billion budget contains \$8,823,000 to continue the provider rate increase adjustments for Medicaid services. (Page 93, Lines 12-15) Click [here](#) to see the Governor's line-item veto message for HB2.

## **Gross Receipts Tax Changes Related to Healthcare**

### **SB 249: Healthcare Provider Gross Receipts (Sen. Craig Brandt)**

**Outcome:** Signed by the Governor on April 8<sup>th</sup>.

This bill mandates that healthcare providers receiving Medicaid reimbursements in New Mexico must also be reimbursed for any gross receipts taxes they are required to pay. Click [here](#) to see the bill's FIR.

### **HB 14: Earned Income Tax Credit (Rep. Derrick Lente)**

**Outcome:** Vetoed by the Governor. Click [here](#) to see the Governor's Veto message.

*See highlighted sections of [HB14](#)*

### **HB 344: Healthcare Equipment Gross Receipts (Rep. Dayan Hochman-Vigil) Outcome:**

See HB14

This bill "provides gross receipts tax deductions for the sale of medical equipment, supplies, and drugs and for most healthcare services, excluding those for Medicaid patients, for nonhospital healthcare practitioners. The bill also removes the sunset date for deductions on co-payments or deductibles paid by insured individuals to healthcare practitioners and extends deductions to payments from patients for services not contracted through managed care organizations or insurers. Additionally, it mandates that healthcare providers receiving Medicaid reimbursement be reimbursed for all applicable gross receipts taxes through their contracts with MCOs".

### **SB 455: Health Practitioner Coinsurance GRT (Sen. Craig Brandt)**

**Outcome:** See HB14

This bill would provide a tax deduction income received from qualified healthcare services. Click [here](#) to see the bill's FIR.

### **SB 296: Physician Income Tax (Sen. Nicole Tobiassen)**

**Outcome:** Died in Senate Tax, Business and Transportation Committee

This bill would create a \$50 thousand refundable tax credit for physicians with medical school or dental school debt. The taxpayer can receive the tax credit for 5 consecutive years. Click [here](#) to see the bill's FIR.

### **SB 298: 10-Year Exempt Health Practitioners from Tax (Sen. Nicole Tobiassen)**

**Outcome:** Died in Senate Tax, Business and Transportation Committee

This bill would provide a 10-year exemption from income tax for certain health care practitioners for income from providing health care in New Mexico within the scope of the practitioner's practice. Click [here](#) to see the bill's FIR.

## Other Health-Related Legislation

### BEHAVIORAL HEALTH

#### **SB 1: Behavioral Health Trust Fund (Sen. George Munoz)**

**Action:** Signed by the Governor on February 27<sup>th</sup>.

This bill creates the Behavioral Health Trust Fund. (Amount of initial contribution is unknown at the time of this update) The program fund will be administered by Health Care Authority (HCA), subject to appropriation by the Legislature, to provide money for services and programs related to behavioral health. Click [here](#) to see the bill's FIR.

#### **SB 2: Public Health and Safety Initiatives (Sen. Benny Shendo)**

**Outcome:** Final appropriation amount is unknown at this time.

According to the bill's FIR, SB 2 "appropriates \$140 million from the general fund to the Administrative Office of the Courts, the Health Care Authority, the Corrections Department, the Department of Public Safety, the University of New Mexico, the Department of Health, and the Department of Finance and Administration for the purpose of providing appropriations linked to the activities in the propose Behavioral Health Reform and Investment Act (Senate Bill 3)." Click [here](#) to see SB2 FIR

#### **SB 3: Behavioral Health Reform & Investment Act (Sens. Peter Wirth/Mimi Stewart)**

**Action:** Signed by the Governor on February 27<sup>th</sup>.

This bill directs the Administrative Office of the Courts (AOC) to designate behavioral health regions, coordinate regional meetings, complete sequential intercept resource mapping detailing how individuals come into contact and move through the criminal justice system, and coordinate the development of regional behavioral health plans.

### MERGERS AND ACQUISITIONS

Very late in the session, HB 586, listed below, was introduced to address the mergers and acquisitions issues set out in SB14.

#### **HB 586: Review of Certain Healthcare Transactions (Rep. Reena Szczepanski)**

**Outcome:** Signed by the Governor on April 7<sup>th</sup>.

This bill will create a process that allows the secretary of the Health Care Authority to review proposed transactions that materially change the control of a New Mexico healthcare entity and could negatively impact the availability, accessibility, affordability, and quality of care for New Mexicans. Click [here](#) to see the bill's FIR.

#### **SB 14: Healthcare Consolidation and Transparency Act (Sen. Katy Duhigg)**

**Outcome:** Died in Senate Judiciary Committee

According to the bill's FIR, "Senate Bill 14 ([SB14 FIR](#)) creates a process that allows the Office of Superintendent of Insurance (OSI) to review proposed transactions (e.g., acquisitions, mergers) that materially change the control of a New Mexico healthcare entity and could negatively impact the availability, accessibility, affordability, and quality of care for New Mexicans."

**SB 389: Extend Health Care Consolidation Act Repeal (Sen. Martin Hickey)**

**Outcome:** Died in Senate Health and Public Affairs Committee

This bill would extend the repeal date of the Health Care Consolidation Oversight Act from July 1, 2025 to July 1, 2026. The Health Care Consolidation Oversight Act was established by passage of Senate Bill 15 in the 2024 Legislative Session.

HEALTH SECURITY FOR NEW MEXICANS

The following two bills both died in committee; however, according to Mary Feldblum, there is \$1.4 million within the Legislative Council Services budget to continue analysis of key healthcare cost drivers.

**HB 349: Healthcare Expenditure Database (Rep. Eleanor Chavez)**

**Outcome:** Died in House Health and Human Services Committee

This bill would appropriate \$500 thousand to the Department of Health for development of a Total Healthcare Expenditure Database. Click [here](#) to see the bill's FIR.

**HB 350: Healthcare Cost Driver Analysis (Rep. Eleanor Chavez)**

**Outcome:** Died in House Health and Human Services Committee

This bill would appropriate \$1 million to the Legislative Health and Human Services Interim Committee to continue to analyze and develop solutions to address key health care cost drivers. Click [here](#) to see the bill's FIR.

PRIOR AUTHORIZATIONS

**HB 461: Prior Authorizations Process Exemptions (Rep. Doreen Gallegos)**

**Outcome:** Died on the House Floor

This bill would allow healthcare providers to request an exemption from prior authorizations. According to the bill's FIR, "If a healthcare provider, in the past six-month evaluation period, has had ninety percent of prior authorizations approved for a service, the provider may request an exemption from prior authorization." Click [here](#) to see the bill's FIR.

## MEDICATIONS FOR OPIOID USE DISORDER

### **HB 152: Medically Assisted Treatment for Juveniles (Rep. Eleanore Chavez)**

**Outcome:** Died in House Appropriations and Finance Committee

This bill would require “that by the end of fiscal year 2026, the Department of Health (DOH), the Health Care Authority (HCA), and the Children, Youth and Families Department (CYFD) do not operate or contract with any facilities that restrict the use of medication-assisted treatment (MAT) for the treatment of substance use disorder in minor patients. Additionally, as of July 1, 2026, any facility that restricts the use of MAT will not be eligible for reimbursement from the state’s Medicaid program for services rendered to minors.” Click [here](#) to see the bill’s FIR

## MEDICAID

### **SB 88: Medicaid Trust Fund & State Supported Fund (Sen. George Munoz)**

**Outcome:** Signed by the Governor on April 8<sup>th</sup>.

This bill appropriates roughly \$300 million to create a new Medicaid trust fund. Click [here](#) to see the bill’s FIR.

## SCOPE OF PRACTICE

### **HB 189: Chiropractic Licensing Changes (Rep. Dayan Hochman-Vigil)**

**Outcome:** Withdrawn by sponsor

This bill would amend the Chiropractic Physician Practice Act to allow, after additional education requirements, level one and level two advanced practice chiropractic physicians to prescribe, administer, or dispense dangerous drugs, including Schedule II through V controlled substances. Click [here](#) to see HB 189 FIR

### **HB 266: Supervision of Physician Assistants (Rep. Jenifer Jones)**

**Outcome:** Withdrawn by sponsor

This bill would eliminate the requirement that to practice medicine in New Mexico, a physician assistant must have established a supervising or collaborating relationship with a licensed physician.

### **HB 267: Physician Assistants Supervising Others (Rep. Jenifer Jones)**

**Outcome:** Withdrawn by sponsor

This bill would allow certain physician assistants to supervise other physician assistants in the absence of a supervising physician.