



# NEW MEXICO ACADEMY of FAMILY PHYSICIANS

Legislative Update February 25, 2026

Steve Lucero, NMAFP Lobbyist

Special thanks to the Doctor of the Day Volunteers for last week:

Dr. Rebekah McCann

Dr. Erin Bouquin

## Legislation Signed by the Governor

### **SB 1: Interstate Medical Licensure Compact Act (Sen. Linda Trujillo and Sen. Nicole Tobiasson)**

**Action:** Signed into law by the Governor on February 5<sup>th</sup>.

This bill would enact the Interstate Medical Licensure Compact; Providing for the appointment of New Mexico Compact Commissioners; requiring the public posting of Interstate Commission bylaws, rules, documents, and minutes; enacting new sections of the Medical Practice Act; providing for a contingent repeal of the Interstate Medical Licensure Compact.

## Legislation Passed both Chambers

The Governor has until March 11, 2026 to act on passed legislation.

### **HB 99: Medical Malpractice Changes (Rep. Christine Chandler)**

**Action:** Passed

**Current Location:** Governor's Desk

This bill amends the Medical Malpractice Act by placing caps on punitive damages, at various amounts for doctors, local hospitals, and corporate-owned hospitals; changing the point at which a claim for punitive damages can be filed; raises the level of evidence to prove punitive damages to "clear and convincing" that the acts of the health care provider were malicious, willful, wonton, reckless, fraudulent, or in bad faith; amends the definition of a medical mal practice "occurrence"; prohibits lump sum payments for the estimated costs of a plaintiff's future medical care and instead requires that payments are made by the PCF for expenses incurred.

### **HB 66: Healthcare Professional Loan Fund Changes (Rep. Christine Chandler)**

**Action:** Passed

**Current Location:** Governor's Desk

This bill appropriates \$25 million to and amends the Healthcare Professional Loan Fund by updating definitions of a "Healthcare Professional", restructuring management of the fund to a Health Professions Advisory Committee, and outlining amounts, standards, and limits for the disbursement of funds.

**SB 12/SB 151: Physician Tax Credit (Sen. Duhigg and Sen. Nava)**

**Action:** Passed

SB 12 is rolled into SB 151 Corporate Income Tax Changes as part of the larger Senate Tax bill. The amount of tax credit is set at \$10,000 as part of SB 151.

**Current Location:** Governor's Desk

This bill creates a \$10,000 income tax credit for qualified physicians

**HB 156: Repeal Special Session Vaccination Laws (Rep Dayan Hochman-Vigil)**

**Action:** Passed

**Current Location:** Governor's Desk

This bill would not require the NM Department of Health to follow the vaccine schedule set by the Centers for Disease Control. It would also require that the NM Department of Health work with the Health Care Authority and the Office of Superintendent of Insurance to decide which immunizations are covered by Medicaid and other insurance plans.

**HB 4: Healthcare Affordability Fund Distributions (Rep Reena Szczepanski)**

**Action:** Passed

**Current Location:** Governor's Desk

This bill increases the distributions from the health insurance premium surtax to the Healthcare Affordability Fund to 100% by FY29 (with 5% going to the behavioral health program fund. This supports New Mexicans' ability to continue to afford health insurance through premium subsidies for those who use our state insurance exchange.

**SB 20: Prior Authorization and Prescription Drugs (Sen Elizabeth Stefanics)**

**Action:** Passed

**Current Location:** Governor's Desk

This bill mandates prior authorizations for a period of three years for a "chronic maintenance drug" including behavioral health drugs.

**SB 101: Healthcare Delivery and Access Act Repeal (Sen Elizabeth Stefanics)**

**Action:** Passed

**Current Location:** Governor's Desk

Currently, the HDAA hospital assessments are used to secure a Federal Medicaid match designed to support hospitals. Pursuant to changes in Federal HR1, states are prohibited from creating any new provider assessments or related payment programs as of enactment (July 4, 2025). If New Mexico's existing HDAA program sunsets in state law, then New Mexico will be unable to replace it without a change in federal law.

## Healthcare-Related Appropriations

### **HB 24: Professional Recruitment and Retention Act (Rep. Kathleen Cates)**

**Action:** Sponsor stated there is \$1 million in the HB 2 General Appropriations Act

This bill would provide loans for down payment or closing costs associated with the purchase of a home in New Mexico in exchange for the qualified professional practicing in the state for ten years at no less than three-fourths of full-time employment.

### **HB 68: Healthcare Recruitment Funding Program (Rep. Marianna Anaya)**

**Action:** Sponsor stated there is \$2 million in HB 2 General Appropriations Act

This bill would appropriate \$2 million to the workforce solutions department for expenditure in fiscal year 2027 for a health care recruitment program.

### **SB 6: New School of Medicine Facility (Sen. George Munoz)**

**Action:** Governor stated that there is \$546 million in HB 2 General Appropriations Act

This bill appropriates \$546.6 million from the general fund to the University of New Mexico (UNM) for expenditures in fiscal years 2027 through 2030 to construct, equip, and furnish a new School of Medicine.

### **SB 7: Increase Clinician Faculty Pay (Sen. Cindy Nava)**

**Action:** HB 2 General Appropriations Act Contains \$20.5 million for increased clinician and faculty pay at UNM Health Sciences Center.

This bill appropriates \$20 million from the general fund to the University of New Mexico for the purpose of increasing clinician faculty pay at the Health Sciences Center.

### **SB 4: Medical Resident & Fellow Salaries (Sen. Carrie Hamblen)**

**Action:** HB 2 General Appropriations Act contains \$2 million for salary increases for medical residents and fellows.

This bill appropriates \$2 million from the general fund to the Health Care Authority for the purpose of providing additional funding for Medicaid-directed payments to the Board of Regents of University of New Mexico to increase salaries for medical residents and fellows.

### **SB 5: Expand Certain Physician Residencies (Sen. Angel Charlie)**

**Action:** HB 2 General Appropriations Act contains \$24 million

For rural residencies and residency rotations to administer a program that provides payments to federally qualified health centers, rural health clinics, independent psychiatric facilities and critical access hospitals to offset direct and indirect costs for medical residents associated with graduate medical education not otherwise reimbursed.

## Unsuccessful Healthcare Legislation

### **HB 15: Medical Injury Collaborative Restoration Act (Rep. Marianna Anaya)**

**Action:** Died in House Judiciary Committee

This bill would enact the Medical Injury Collaborative Resolution Act to provide for conferences between patients and healthcare providers after the occurrence of adverse healthcare outcomes.

### **HB 107: Medical Malpractice Claims Changes (Rep. Jennifer Jones)**

**Action:** Died in House Rules and Order of Business Committee

This bill would limit damages, including punitive damages, in medical malpractice cases and require payments from the Patient Compensation Fund to be made as expenses are incurred; as well as limit attorney fees.

### **HB 143: Healthcare Changes (Rep. Jennifer Jones)**

**Action:** Died in House Rules and Order of Business Committee

This bill would create tax credits for healthcare providers, amend portions of the Medical Malpractice Act, as well as many other changes to healthcare policy.

### **HB 127: Medical Board Expedited Licensure (Rep. Reena Szczepanski)**

**Action:** Died on the Senate Floor

This bill would require the New Mexico Medical Board to grant expedited medical licenses to qualified applicants and to establish a registry for out-of-state telehealth providers.

### **SB 13: Healthcare Gross Receipts Deduction (Sen. Steinborn)**

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

This bill would extend the sunset date June 30, 2028 to June 30, 2031 for a gross receipts tax deduction for healthcare practitioners and expand the deduction to include co-insurance.

### **HB 142: Rural Healthcare Tax Credit Changes (Rep. Sarah Silva)**

**Action:** Died in House Taxation and Revenue Committee

This bill would extend the tax credit to providers practicing in urban underserved areas and increase the amount that can be claimed by rural providers.

### **HB 85: Medical Provider Loan for Service Programs (Rep. Joseph Sanchez)**

**Action:** Died in House Rules and Order of Business Committee

This bill would create the “Medical Provider Recruitment Trust Fund” to act a “steward” of medical provider loan for service funds and make distributions to the various programs.

### **SB 14: Health Professional Advisory Committee (Sen. Martin Hickey)**

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

This bill would appropriate \$25 million from the general fund to health professional loan repayment fund for the purpose of the health professional loan repayment program.

**HB 90: Healthcare Preceptor Income Tax Credit (Rep. Anita Gonzales)**

**Action:** Died in House Taxation and Revenue Committee

This bill would create a \$1,000 personal income tax credit to healthcare preceptors (mentors) employed by or who volunteer for an accredited New Mexico higher education institution for performing a preceptorship of at least four weeks in New Mexico.

**HB 213: Expand Optometry Act (Rep. Dayan Hochman-Vigil)**

**Action:** Died in Senate Judiciary Committee

This bill would provide licensed optometrists with the power to legally conduct surgeries involving laser application to the lens capsule in the treatment of capsular clouding or other defects, and laser application to structures within the ocular anterior segment for the prevention or treatment of glaucoma. It also requires the Optometry Board to develop and administer credentialing requirements for optometrists who perform surgeries requiring a laser.

**SB 9: Medicaid Trust Fund (Sen. Elizabeth Stefanics)**

**Action:** Died in Senate Finance Committee

This bill transfers \$1 billion from the general fund to the Medicaid trust fund in FY27.

**SB 10: Health Training Corps (Sen. Heather Berghmans)**

**Action:** Died in Senate Committees Committee

This bill would create the Health Training Corps Act, administered by the Department of Health (DOH), to pay physicians, nurse practitioners, physician assistants, nurse midwives, or social worker preceptors (mentors) for students or residents. The pay would be \$100 an hour up to \$10 thousand a year. The bill applies to underserved health care areas, and residents and students would receive training at sites that provide behavioral healthcare, primary healthcare and obstetrics and gynecological healthcare. The bill creates the health training corps fund and appropriates \$3 million from the general fund in FY27.

**SB 81: Primary Care Capital Funding Act (Sen. Michael Padilla)**

**Action:** Died in Senate Finance Committee

This bill appropriates \$25 million from the general fund to the Department of Finance and Administration (DFA) for expenditure in fiscal year 2027 and future fiscal years for the New Mexico Finance Authority (NMFA) to carry out the purposes of the Primary Care Capital Funding Act.

**HB 277: Scope of Practice Advisory Committee (Rep Nicole Chavez)**

**Action:** Died in House Health and Human Services Committee. Stakeholder groups will work on this bill over the interim.

This bill appropriates \$200K to create a "Scope of Practice Advisory Committee to review proposed scope of practice changes. The process would include public hearings and input from licensing boards.