



NEW MEXICO ACADEMY of FAMILY PHYSICIANS

Legislative Update March 24, 2026
Steve Lucero, NMAFP Lobbyist

Legislation Signed by the Governor

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

Action: Signed February 5, 2026.

This bill enacts 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.

Note: *A source from the NM Medical Board anticipates that rules for implementation will be promulgated in the Fall of 2026.*

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

Action: Signed March 6, 2026.

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 malpractice “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: Signed March 6, 2026

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 151/SB151 FIR (Sec. 6): Physician Tax Credit (Sen. Peter Wirth)

Action: Signed March 11, 2026

As part of a larger tax bill, a \$10,000 income tax credit for qualified physicians is included. According to the bill's FIR, this credit can be used with the rural healthcare practitioner tax credit.

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

Action: Signed March 6, 2026

This bill repeals the sunset provision on the law that was passed in special session that allows DOH to provide payment for immunizations as recommended by professional organizations such as AAP, AAFP, etc., not limited to CDC and ACIP.

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

Action: Signed March 6, 2026

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: Signed March 6, 2026

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: Signed March 6, 2026

Currently, the Healthcare Delivery and Access Act (HDAA) is set to repeal on July 1, 2030. This bill removes that repeal date. Hospital assessments allowed under the HDAA 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. In the bill’s Fiscal Impact Report, the NM Health Care Authority stated “without a repeal of the HDAA sunset provision, New Mexico’s HDAA will end permanently in 2030. While HR1 allows for a graduated decrease in provider assessments over the next 10 years, the repeal currently in state law would prematurely terminate this funding for New Mexico’s hospitals.”

Healthcare-Related Appropriations

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

Action: The 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 \$21.5 million for increased clinician and faculty pay at UNM Health Sciences Center.

This bill appropriates \$21.5 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: Although this bill died in Senate Finance Committee, HB 2 General Appropriations Act contains \$2 million from the general fund to the UNM Health Sciences Center to provide compensation increases for graduate medical education 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: Although this bill died in Senate Finance Committee, HB 2 General Appropriations Act contains \$24 million to expand rural residency programs.

Funding 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.

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

Action: This appropriation was removed in Senate Finance Committee and is not part of the final version of 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: This appropriation was removed in Senate Finance Committee and is not part of the final version of 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.