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## New Mexico Medical Board

### Combined 2005 and 2006 Annual Report

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The New Mexico Medical Board is pleased to present its Combined Annual Report for fiscal years 2005 and 2006. These two years were a time of vigorous growth and change for the agency, including ever-increasing numbers of applications, licensees and disciplinary actions, a move to expanded and improved offices, new members and leadership for the Board, the creation of a Medical Director position, and a change in Executive Directors. Through all of that change, the Board and staff of the agency have remained focused on our primary mission of protecting the health and well-being of all New Mexicans.

#### OVERVIEW OF AGENCY

The New Mexico Medical Board (NMMB) is the state agency responsible for the regulation and licensing of physicians (MDs), physician assistants and anesthesiologist assistants. It is an executive agency supported solely by self-generated fees. It is one of five independent professional licensing agencies that exist outside the Regulation and Licensing Department.

The mission of the agency is to promote excellence in the practice of medicine through licensing, discipline, and rehabilitation. Our vision is “quality physicians and physician assistants in every needed area of the State,” working to ensure competent and ethical medical care to consumers.

The Medical Practice Act (Section 61-6-1 NMSA 1978) specifically defines the purpose of the Board:

**“In the interest of the public health, safety and welfare and to protect the public from the improper, unprofessional, incompetent and unlawful practice of medicine, it is necessary to provide laws and regulations controlling the granting and use of the privilege to practice medicine and to establish a Medical Board to implement and enforce those laws and regulations.**

**The primary duties and obligations of the Medical Board are to issue licenses to qualified physicians, physician assistants, and anesthesiologist assistants, to discipline incompetent or unprofessional physicians, physician assistants or anesthesiologist assistants, and to aid in the rehabilitation of impaired physicians, physician assistants, and anesthesiologist assistants for the purpose of protecting the public.”**

Our key customers are applicants for licenses, current license holders, patients, insurance companies, hospitals, clinics, attorneys, and other Boards and agencies.

Agency values focus on the following three areas:

- **Employees.** We value our employees and support them. We trust them to do their jobs to the best of their ability, and to give high quality service to our customers. We all share a common purpose and we support each other as a team.
- **Customers.** We value our customers. It is the job of each employee to serve our customers with integrity and respect. We will do everything we can to serve our customers and to make the licensing or complaint process as efficient and effective as possible. Our aim is to exceed all expectations.
- **Honesty.** We will be honest in our dealings with each other and our customers. We will foster an environment where accurate information is shared willingly and openly. Our interactions with customers will always be based on the statute and rules that govern the practice of medicine in New Mexico.

## BOARD

The Medical Board has nine governor-appointed members, six physicians, two public members and one physician assistant. Board members dedicate many hours each year to reviewing licensing issues and complaints, hearing cases, and developing policy for the agency.

There were several changes to Board membership during FY05 and FY06. Long-time Board Chair Dr. John Romine resigned after many years of dedicated service to the Board – his leadership and wisdom will be missed by all. Ms Maureen Boshier, one of the Board’s public members, also resigned, moving to Virginia with her husband to pursue new opportunities and challenges. Ms. Boshier was known for her keen intellect and hard work, and she will also be missed. Dr. Grant La Farge resigned but the Board continues to benefit from his years of experience: Dr. La Farge became the Medical Board’s first Medical Director, where he continues his many duties, including the demanding task of reviewing all licensure applications.

Governor Richardson appointed three new members of the Board to fill these vacancies. Dr. Alfredo Vigil was appointed to fill the position vacated by Dr. Romine, Dr. Allan Haynes was appointed to fill the position vacated by Dr. La Farge, and Ms. Rebecca Cochran was appointed to fill the position vacated by Ms. Boshier. After Dr. Romine’s resignation, Dr. Kovnat was elected Chair, Dr Ranka was elected Vice-Chair, and Dr Weiner was elected Secretary.

### *Board Leadership*

**John S. Romine, M.D.** (Farmington) Dr. Romine is an orthopaedic surgeon. A graduate of Northwestern University and a Viet Nam veteran, Dr. Romine led the Board from 1999 until his resignation in 2005. Dr. Romine has also served as President & Treasurer of the NM Orthopaedic Association, Chairman of NEMPAC, and as Chairman of the Medical Advisory Committee for Carrie Tingley Hospital. He has a strong vision of an efficient licensing agency with streamlined processes that optimize the use of available technology. In May 2005, Dr. Romine resigned from the Board, with the warmest appreciation for his many hours dedicated to the Medical Board.

**Paul J. Kovnat, M.D.** (Santa Fe) Dr. Kovnat served as Vice-Chair of the Board until May 2005, when he was elected Chair. Dr. Kovnat is board certified in internal medicine and nephrology, practicing in Santa Fe since 1975. A graduate of the University of Pennsylvania

Medical School, Dr. Kovnat was the 2002 American College of Physicians Laureate, and has taught at the Medical College of Pennsylvania and at the UNM. He was the organizing Medical Director of Centro Campesino de Salud, now Health Centers of Northern New Mexico.

**Prakash Ranka, M.D.** (Hobbs) Dr. Ranka was elected Board Vice-Chair in May 2005. Dr. Ranka is board certified in obstetrics and gynecology and has been in private practice in Hobbs since 1987. A graduate of the Seth G.S. Medical College in Bombay, India, he specializes in high-risk obstetrics and infertility and has delivered over 5,000 New Mexicans. Dr Ranka is a member of the American Medical Association, the American Board of Obstetrics and Gynecology, and the American Fertility Society, among other organizations, and is a past President of the Lea County Medical Society. He is also on the Boards of the Palmer Drug Abuse Program and the Lea County Prenatal Society.

**Grant La Farge, M.D.** (Santa Fe) Dr. La Farge served as the Board's Secretary-Treasurer from 1998 through his resignation from the Board in April 2005. As Secretary, and now as the Board's first Medical Director, Dr. La Farge spends approximately 30 hours per week in the Board office, primarily reviewing applications and interviewing applicants. He also serves as the Board liaison with the UNM School of Medicine and the NM Medical Review Association, and is the Board's representative on the Joint Committee on Psychologist Prescribing. A graduate of Yale Medical School, Dr. La Farge spent 22 years as a professor at Harvard Medical School and at MIT, and has practiced cardiology in Santa Fe since 1985.

**Steve Weiner, M.D.** (Santa Fe) Dr. Weiner was elected Board Secretary in May 2005. Dr Weiner is a board certified orthopaedic surgeon who has been in private practice in Santa Fe since 1978. A graduate of Northwestern University, Dr. Weiner is President of Santa Fe Orthopaedic Associates and is also on staff at St. Vincent's Hospital. He has had fellowships with the American Academy of Orthopaedic Surgeons and the American College of Surgeons, and is a member of the Arthroscopy Association of North America and the New Mexico Orthopaedic Association, among other organizations.

### *Board Members*

**Maureen Boshier** holds graduate degrees in nursing and in business administration, and is currently the President and CEO of the New Mexico Hospitals and Health Systems Association. From 1988-1994, she served as surgical services and senior nursing administrator for the University of New Mexico Hospital. Some of Ms. Boshier's past affiliations and awards include the 1997 Governor's award for Outstanding New Mexico Woman and Diplomat status of the American College of Health Care Executives. Ms. Boshier resigned from the Board in January 2005 to pursue new opportunities in Virginia; she demonstrated her commitment to the Board by continuing to serve until replaced in April 2005.

**Rebecca Cochran** (Farmington) Ms Cochran is currently the Medical Staff Services Manager for San Juan Regional Medical Center, where she is responsible for credentialing the medical staff and for educating the Board of Directors on credentialing and case law. Ms. Cochran served on the National Association Medical Staff Services (NAMSS) Education Council, has just has been elected as NAMSS Central Regional Representative, and she will sit on the NAMSS board for three years, 2006-2009. Ms. Cochran has also just received NAMSS's prestigious Icon award, given in recognition for being the first in her profession to be appointed to a state medical board.

**Reza Ghadimi, PA-C.** (Albuquerque) Mr. Ghadimi was appointed in November 2003 as the first Physician Assistant to serve on the Medical Board; he was also one of the very first Physician Assistants licensed in New Mexico. While working for the New Mexico State Health Agency in the 1970's, he traveled the state providing healthcare to many children in the rural areas of New Mexico. Mr. Ghadimi was actively involved in establishing several of the Northern New Mexico clinics, including the clinic in Embudo and others. He also participated in initiating the PA program at UNM.

**Vivian Giudice, M.D.** (Albuquerque) Dr Giudice is board certified in family practice and has been practicing in Albuquerque since 1990. A graduate of the University of Health Sciences/Chicago Medical School, Dr. Giudice has 25 years of experience in community, academic and military medicine. She has been a Fellow with the American Academy of Family Physicians, a Diplomat with the National Board of Medical Examiners and is a member of the Greater Albuquerque Medical Association and the Wilderness Medical Society, among other organizations.

**Allan Haynes, M.D.** (Clovis) Dr. Haynes was appointed to the Board in April 2005, to fill the position vacated by Dr. La Farge. Dr. Haynes is a board-certified adult and pediatric urologist practicing in Clovis. He is a returning member of the Medical Board, first appointed in 1992 and serving as President from 1993—1994. A graduate of the University of New Mexico, Dr. Haynes has been very active in a wide variety of roles within the Albuquerque and Clovis communities, including serving as President of the NM Medical Society and the Clovis/Curry County Chamber of Commerce.

**Richard Heim** (Albuquerque) Mr. Heim has spent the past 35 years or so primarily working in the field of health care policy and administration. Mr. Heim is now retired, after a long career in public service. He arrived in New Mexico in 1949, assigned to the Special Weapons Project at Sandia, and since that time has held many public sector positions, such as Secretary of the NM Human Services Department and Assistant Commissioner of the NM State Land Office. He was also the National Medicaid Director with the Health Care Financing Administration. Mr. Heim's private sector work includes 10 years as a health policy consultant in both state and national arenas.

**Alfredo Vigil, MD.** (Taos) Dr. Vigil has been a family physician since 1980, working in many rural clinics throughout New Mexico as well as his private practice in Taos. He has volunteered on many nonprofit boards and commissions. Particular interests of his include reproductive health, emergency medical services, teaching of healthcare students, and bioethics. The NM Medical Society has been a special focus over the years with his work on the Medical Legal Panel, the Liaison Committee with the UNM School of Medicine, and his service as the Society's representative on the EMS Licensing Commission. He is currently the CEO of Health Centers of Northern New Mexico and a Clinical Associate Professor at the UNM School of Medicine.

<b>Member Name</b>	<b>First Appointed</b>	<b>Re-appointed</b>	<b>Term Expires</b>
John S. Romine, MD, Chair Farmington, Orthopaedic Surgeon	11/30/95	3/13/00 4/2/03	<i>Resigned</i> 5/05/05
Paul J. Kovnat, MD, Vice-Chair/Chair Santa Fe, Nephrology	4/2/03		12/31/08
Grant La Farge, MD, Secretary Santa Fe, Cardiology	3/16/98	2/19/02 4/15/03	<i>Resigned</i> 4/01/05
Steven Weiner, M.D., Secretary Santa Fe, Orthopaedic Surgery	4/2/03	1/01/05	12/31/09
Prakash Ranka, M.D., Vice-Chair Hobbs, Obstetrics / Gynecology	4/2/03	1/01/05	12/31/09
Vivian Giudice, M.D. Albuquerque, Family Practice	4/2/03		12/31/08
Reza Ghadimi, P.A. Albuquerque, Physician Assistant	11/06/03	12/31/05	12/31/09
Dick Heim, Public Member Albuquerque, Retired	4/2/03		12/31/08
Maureen Boshier, Public Member Albuquerque, Executive Director, NM Hospital A	4/2/03		<i>Resigned</i> 4/01/05
Rebecca Cochran, Public Member Farmington, Medical Staff Services Manager, San Juan Regional Medical Center	4/01/05		12/31/08
Allan Haynes, MD Clovis, Urology	4/01/05		12/31/08
Alfredo Vigil, MD Taos, Family Practice	7/08/05		12/31/08

### *Board Meetings*

In fiscal year 2005, the Board held regular quarterly meetings in August and November of 2004 and February and May of 2005. In fiscal year 2006, the Board held regular quarterly meetings in August and November of 2005, and February and May of 2006.

To meet the licensing and disciplinary deadlines established in the Medical Practice Act and the Uniform Licensing Act, the Medical Board occasionally needs to hold Special meetings. There were Special meetings in July and October of 2004, and January and February of 2005. There was also an Emergency meeting in June of 2006, held specifically to meet the Governor's deadline for Medical Board review of proposed changes to the rules governing psychologist prescribing authority.

Due to the increasing workload of the agency, the Board also began to make regular use of Interim meetings scheduled between quarterly meetings. There were interim meetings in March, June and September of 2005, and January, March and June of 2006. Meeting minutes are available on the Board website where they can be reviewed or printed.

**STAFF**

### *Board Staff*

In March 2006, Governor Richardson appointed Lynn Standley Hart to serve as the new Executive Director of the Medical Board. Ms. Hart came to the Board with a strong background in government relations and legislative, regulatory and business development — all within different elements of the health care industry. She was most recently Executive Vice President of Public Affairs for Caremark, Rx, Inc., one of the country's largest pharmaceutical services companies. Ms. Hart has also worked for Tenet HealthSystems, the Federation of American Health Systems, and the American Hospital Association. She was born and raised in Santa Fe, where she graduated from St. Michael's High School. Ms. Hart holds a Masters degree in Political Science from George Washington University, and began her career by working in the Washington, DC office of the late Senator Joseph Montoya.

Outgoing Executive Director Charlotte Kinney retired from State government in November 2005, after a long and successful career. Ms. Kinney was appointed to her position with the Medical Board in August of 2000, and during her time with the Board initiated major changes and improvements, among them a new and more efficient database, the statewide application, on-line renewals, and our move to new offices.

### **Executive Director**

**Lynn Hart**

### **Administrative Staff**

Lynn Tipton, Administrator

Deborah Brandle, Financial Administrator (FY05)

Geraldine Mascareñas, Financial Administrator (FY06)

Nina Gonzales, Human Resource Administrator (FY06)

Jutka Szabo, Financial Clerk

Jenny Felmley, Public Information Officer

### **Licensing Staff**

Barbara Mohler, Licensing Manager

Julie Martinez, Physician renewals, physician assistant licensing, license reinstatement

Amanda Quintana, Physician licensing and quality assurance (FY05)

Jessica Bransford, Resident licensing and verifications (FY05)

David Padilla, Resident licensing and verifications (FY06)

### **Investigative Staff**

Lynne Schmolke, Investigator III (FY05)

Carol Tyrrell, Nurse Investigator

Amanda Quintana, Investigator (FY06)

### *Legal Staff*

G.T.S. Khalsa, Board Administrative Prosecutor

Corliss Thalley, Assistant Attorney General

LICENSING

A majority of Board resources go into the initial licensing and license renewal of physicians and physician assistants.

<i>Category</i>	<i>FY04</i>	<i>FY05</i>	<i>FY06</i>
# of MD licensees (incl. Telemedicine & Public Service)	6540	6953	7350
# of MD licensees identified as practicing in NM (incl. PS)	4069	4176	4,308
# of MD applications received	700	894	971
# of MD applicants using Credential Verification Org.	413	409	296
# of new MD licenses issued	618	837	893
# of MD licenses renewed	1845	1950	2117
# of resident licenses	497	457	489
# of physician assistant licenses	395	393	454
# of new physician assistant licenses	63	59	61
# of anesthesiologist assistant licenses	10	13	1

### *Application Process for Physicians and Physician Assistants*

The number of licenses issued by the Board continued to grow throughout FY05 and FY06. There was an interesting shift in method of application, however. Applicants for licensure in NM may select from three options: they may have one of two credentials verification organizations gather the necessary documentation for their license application (the Federation Credentials Verification Service (FCVS) or the Hospital Services Corporation (HSC)). Alternatively, they may work directly with Board staff to compile their application. In FY05, approximately 50% more applicants chose to work with HSC than either FCVS or the Board. By FY06, however, that proportion had shifted to 50% more applicants electing to work with Board staff.

The shift may be partly explained by licensing times. The Board routinely tracks the average number of days from receipt of an application to issuance of a license. In FY05, the average number of days was 74; but the average time for applicants who worked with Board staff was only 65 days. In FY06, the overall average was 85 days, but despite the increased work load Board staff averaged 73 days. The Board is always sensitive to the time concerns of applicants and the health care organizations that may be recruiting them, and staff continuously strives to process applications as carefully and quickly as possible.

An important aspect of the licensing process that often effects the time to licensure is the amount of time it takes to gather all the necessary documentation. For example, during FY06 the average time from application to licensure was, as noted, 85 days, but the average time from completion of the application to issuance of the license was less than nine days.

### *Verification of Licensure*

An important service that all medical boards perform is the verification of license status. Verifications are requested by other state boards, hospitals and health plans, consumers and other

interested parties, and are the primary method for ensuring that a physician's license is in good standing. Some sources accept the website as verification; others still require that the Board provide written and notarized verifications.

The majority of all license verification information is currently provided through the Board's website, with over 2,600 "hits" per day in FY05 rising to over 3,900 "hits" per day in FY06. In 2005, approximately 1,160 requests for written verification were received and processed; in FY06 that number dropped to 616 as utilization of the website increased.

A fee is charged for processing and mailing written verification requests. The Board continues to provide phone verifications as a courtesy to other state agencies, other state medical boards, and concerned citizens at no charge.

## ENFORCEMENT

Quality enforcement is a critical component of any state medical board. Through our enforcement program, the Board responds to consumers who initiate complaints against licensed physicians and physician assistants. In addition to complaints from consumers, the Board's investigators handle cases of alleged misrepresentation on licensure applications and renewals, reports of actions taken against licensees by other state boards, and reports of adverse actions taken by hospitals or other health care facilities. During FY05, the Investigations division was without an Administrative Prosecutor for three months, which slowed disciplinary actions somewhat; but we also added a new Nurse Investigator to the staff, leading to a significant increase in the number of cases resolved.

### *Complaints*

The Board uses four complaint committees, each made up of two Board members, to review consumer complaints against physicians. The complaint committees meet prior to quarterly Board meetings, carefully reviewing the records and evidence.

After a thorough review, the complaint committee makes a recommendation to the full Board for further action or closure. All complaints are confidential, except to members of the complaint committee, and referred to only by number unless, or until, action is taken in an open meeting of the Board. When action is taken by the full Board, the members of the recommending complaint committee are recused, and do not vote on the issue.

### *Investigations and Compliance*

In FY05 and FY06, after several years of working with less than full staff, the investigations division handled an increased workload with improved efficiency. In FY05, the Board received 125 complaints for investigation; in FY06, that number rose by over 50% to 190 new complaints received. This increase is at least in part the result of the Board's policy change that expanded consumer access by allowing complaints to be submitted without notarization.

In FY05, 103 cases (some from 2004) were closed with a determination that there was no violation of the Medical Practice Act, and 33 cases resulted in Board action of some type. Seventy percent of cases were resolved in less than 8 months.

In FY06, 156 cases (some from 2005) were closed with a determination that there was no violation of the statute, and 25 cases resulted in Board action. Fifty-four percent of cases were resolved in

less than 6 months.

One of the most common formal actions that the Board takes is to issue a stipulated license. This is an agreement between the Board and the licensee that places certain stipulations or limitations on the continued practice of the licensee. The stipulated license allows the licensee to continue providing needed health care to New Mexicans, but under limitations placed by the Board to ensure that the licensee is safe to practice. Frequent stipulations include monitoring and treatment for substance abuse issues, or limitations on the practice environment. During FY05, the Board negotiated and agreed to 14 stipulated licenses, a 100% increase from FY04.

### *Disciplinary Actions*

All Board disciplinary actions are scanned and posted on the Board's website, where they are easily available to concerned consumers. Actions are also reported to the National Practitioner Data Bank and the Health Integrity Protection Data Bank. A comparison of actions in FY04, FY05 and FY06 is provided below:

<b>Physicians:</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>
Notice of Contemplated Action Issued	13	5	17
Hearings	3	3	7
Summary suspensions	1	1	0
Licenses revoked	1	1	2
License suspended	3	2	0
License stipulated	7	14	7
Licenses surrendered or applications withdrawn in lieu of action	3	7*	5
Applications/reinstatements denied	3	4	3
Other disciplinary actions	2	3	6
Public Letter of Reprimand	3	2	0
Referrals to examining committees under Impaired Physician Act	6	3	2
Voluntary surrender of license under Impaired Health Care Provider Act	1	3	2
<b><i>Total Licensing Actions</i></b>	<b><i>46</i></b>	<b><i>48</i></b>	<b><i>51</i></b>
Reduction of stipulated terms	5	8	1
Completed terms of probation and unrestricted license restored	8	9	5

**Physician Assistants** – During FY05, one physician assistant voluntarily surrendered his license in lieu of pending disciplinary action, and one physician assistant withdrew his application for licensure rather than accept a stipulated license. These two actions are included in the totals above. There were no disciplinary actions taken against a physician assistant in FY06.

### *Impaired Health Care Provider Act*

The Impaired Health Care Provider Act, §61-7-1 to 61-7-5, NMSA 1978, gives the Board authority to restrict, suspend or revoke a license if the practitioner is unable to practice with reasonable skill or safety because of mental illness, physical illness, or habitual or excessive use or abuse of drugs or

alcohol. Physicians can request voluntary restriction of their license, or the Board may, through the use of an examining committee, make the determination the physician is impaired. In both FY05 and FY06, the Board referred three physicians for evaluation by a special examining committee. Other licensees were referred directly to the Monitored Treatment Program or to other physician evaluation services.

The Impaired Health Care Provider Act also gives the Board authority to contract with a program of care and rehabilitation services to provide for the detection, intervention and monitoring of impaired providers. The Board has a current contractual agreement with the New Mexico Monitored Treatment Program (MTP) to provide these services. In FY05, a total of 41 physicians and physician assistants participated in MTP; 16 of these were mandated by the Board. Although 6% of MTP participants experienced some level of relapse during 2005, another 12% successfully completed the average of 5 years of monitored sobriety. In FY06, MTP had a total of 44 physician and physician assistant participants, 22 of whom were mandated by the Board. The relapse rate dropped to 3.5%, while 14% of participants successfully completed monitoring.

### *National Ranking*

A 2005 report issued by the Public Citizen's Health Research Group ranked all state medical boards based on the average of their disciplinary rates for 2003, 2004 and 2005. The New Mexico Medical Board was ranked as #29 in the number of serious disciplinary actions taken against doctors, with 3.17 serious actions per 1,000 physicians practicing in the state. Kentucky ranked #1 with 9.08 actions per 1,000 physicians. For comparison, Mississippi ranked last with 1.62 actions taken per physician. The 2006 report is not yet available.

## INFORMATION & EDUCATION

### *Consumer Information*

The Board provides interested consumers with a brochure containing information on how to submit a complaint against a physician or a physician assistant. This brochure is sent on request to individuals who have called the Board office with questions about filing a complaint against a licensed practitioner. It is also available through the New Mexico Medical Society and has been sent to hospitals statewide to be available to patients on request. This brochure contains information on how to file a complaint, the Board's statutory jurisdiction, and information on other avenues that a patient may pursue if the complaint falls outside of the Board's jurisdiction.

A second brochure is provided to physicians, physician assistants and anesthesiologist assistants who are named in a complaint. This brochure provides information about the complaint process, the respondent's responsibilities, and possible outcomes of an investigation.

### *Website*

Since April 2001 the Board's website ([www.nmmb.state.nm.us](http://www.nmmb.state.nm.us)) has contained basic demographic and license information as part of the "Physician Locator." Hosted by Administrators in Medicine (AIM), an organization of Medical Board Executive Directors, information about licensing in twenty-three states is available at the one site: [www.docBoard.org](http://www.docBoard.org). Information on physicians and physician assistants is updated at least two times per week to accurately reflect updated information.

Additional information on the website of interest to consumers includes information on filing a complaint against a physician or physician assistant, a copy of the most recent roster of licensees,

links to other agencies, meeting minutes and newsletters, and a Board meeting schedule. Other information, including applications, fee information, policy statements and a copy of the current rules and statute are generally of more interest to applicants and licensees.

### *Physician Directory*

The Official List of active physicians and physician assistants continues to be published annually and mailed to those licensees who have requested a copy, as well as the State Library. A hard copy is available for other individuals or facilities that pay a nominal fee of \$20 to cover the cost of printing and mailing. The information is also available in pdf format on the website.

### *Newsletter*

The Board publishes two newsletters each year, in April/May, and again in October/November. All disciplinary actions taken by the Board are listed in the newsletter. Any proposed statutory or rule changes receive prominent placement in the newsletter, so that the Board can receive as much public input as possible. Newsletters are also available on the Board's website and at the State Library to allow public access to the information.

## BUDGET

The approved operating budget for FY05 was \$1,214.7 with expenditures totaling \$1,107.1, including encumbrances. For FY06, the approved operating budget was \$1,235.5, with expenditures totaling \$1,244.1.

### *Revenues*

The operation of the Board is funded entirely through self-generated fees, primarily through initial licensing and license renewal. The Board maintains a fund balance that totaled \$1,395,700 at the end of FY05, and \$1,403,000 at the end of FY06. The fund balance consists of revenue from past years that exceeded Board expenses. It is used for capital investments or unanticipated expenses that could result from legal actions.

### *Revenue, by category*

	<i><b>FY05 (actual)</b></i>	<i><b>FY06 (actual)</b></i>	<i><b>FY07 (projected)</b></i>
Licensing Fees, initial licenses:	\$194.2	\$259.5	\$214.8
License Renewal fees	\$638.3	\$688.5	\$696.0
Other Registration Fees (Impaired Program)	\$216.8	\$225.1	\$232.1
Other Misc. Fees (License verification, etc.)	\$50.6	\$47.7	\$50.6
Late Fees and Penalties	\$7.9	\$16.1	\$7.9
Misc. Revenue	\$0	\$3.1	\$0
<b><i>Total Revenue:</i></b>	<b><i>\$1,107.8</i></b>	<b><i>\$1,240.0</i></b>	<b><i>\$1,201.4</i></b>

*Expenses, by category (includes valid encumbrances)*

		<b><i>FY05 (actual)</i></b>	<b><i>FY06 (actual)</i></b>	<b><i>FY07 (projected)</i></b>
200	Personal Services/Employee Expenses	\$617.5	\$695.0	\$815.1
300	Contractual Services	\$227.0	\$223.1	\$282.2
400	Other Costs, incl. Operating Transfers	\$262.6	\$286.0	\$273.1
500	Other Financing Uses (Transfer to RLD)	\$0	\$40.0	\$40.0
<b><i>Total Expenditures</i></b>		<b><i>\$1,107.1</i></b>	<b><i>\$1,244.10</i></b>	<b><i>\$1,410.4</i></b>

*Audit*

The annual audit of the agency has been completed for June 30, 2005, submitted, and approved by the State Auditor with one (1) adverse finding, No. 05-5 Asset Disposition. The agency did not timely notify the Office of the Auditor of the disposition of \$39,810 of assets. Section 13-6-1 NMSA 1978 states that written notification is to be given to the Office of the State Auditor 30 days prior to the disposal of items. The FY06 annual audit will be completed by the end of the year.

*Performance Based Budgeting*

The New Mexico Medical Board began using performance based budgeting in 2002. Through the agency's participation in Quality New Mexico and work with the Performance Based Budget requirements, staff members have gained a new perspective and appreciation for the planning process. We have spent many hours evaluating and reviewing how we operate and how we want to operate more strategically, and developing work processes and performance measures for each aspect of the agency's primary functions.

The application of new technology in licensing and enforcement will continue to put pressure on regulatory agencies to improve responsiveness to customer needs while keeping costs low. This technology includes e-commerce, expanded automation of licensing and enforcement activities, total integration of licensing and enforcement activities into a single system, increased security over all records, remote access, integrated document management and electronic exchange of information.

**ACCOMPLISHMENTS**

For licensees, the most significant accomplishment during FY05 and FY06 was the continued improvement of online license renewals. Physicians who held a license that was expiring on June 30, 2005 and June 30, 2006 were mailed a password to be used to access the online system. Nearly 80% of physicians renewing both years took advantage of the opportunity for a paperless renewal. Continuing medical education audits are mailed out each July to a random 10% of the renewed physicians to assure compliance with Board rules. The online renewal process prevents the

submission of incomplete information and saves Board staff innumerable hours of processing time.

In October of 2004 the New Mexico Medical Board relocated to South Park Plaza on South Pacheco Street in Santa Fe. This new office space was designed to meet the needs of the agency and easily accommodates the computers used for electronic meetings. The conference room is equipped with state of the art audio-visual equipment that makes it easy for Board members and other meeting attendees to track the discussion. Microphones make it easier for everyone to hear the discussion and the meeting record is now recorded on a CD which facilitates storage and retention.

Board staff worked to expand the scope of documents scanned and saved within the licensing software. Renewal applications from several past years were scanned into the system, and disciplinary actions were indexed from a separate electronic file into the L2000 system. The centralization of these scanned documents allows staff to respond to public records requests in a more timely and efficient manner.

Other accomplishments include comprehensive review and revision of several Board rules. For example, in July 2006 the Board adopted a new rule on the management of medical records, an issue that is of constant concern to consumers and physicians alike. In addition, the Board put into place rules requiring criminal background checks on all new and renewing licensees; these rules are currently being implemented, and will provide an additional measure of confidence to the licensing process.

The Medical Board continued to work and collaborate with other state agencies and organizations during FY05 and FY06. The Board's representative participated in the Governor's Pain Management Advisory Council, and the Board worked with a group including the Health Policy Commission, New Mexico Medical Review Association, New Mexico Health Resources, and the NM Department of Health (among others) to develop the 2006 Physician Survey. This survey, last conducted in 2004, will gather information about practice settings, patient loads, reimbursement rates and other data important to establishing viable health policy for the state. In future years, the survey questions will be part of the on-line license renewal process, which will ensure reliable longitudinal data and will substantially reduce the cost of conducting the survey.

The Medical Board has also continued the first-in-the-nation collaboration with the Board of Psychologist Examiners on the on-going implementation of the rules governing prescribing authority for psychologists. In FY06, this collaboration expanded to include the leadership of the Regulation and Licensing Department and representatives of the Governor's Office.

## A LOOK AHEAD

Access to medical care continues to be an issue in New Mexico. The Board is continually assessing the existing processes and identifying and pursuing any changes required in the regulatory system to facilitate the entry of qualified physicians and physician assistants into the state. For example, physicians who applied for licensure by endorsement, a more streamlined licensing process available to physicians with a current, undisciplined license in another state, generally benefited from a shorter application processing time. The Board's new criminal background check rule allows the overall licensing process to proceed while the background check is conducted, to avoid creating an unwieldy regulatory barrier.

The Board has been working for the last couple of years to create an on-line initial application process; no other state medical board using the same licensing system currently has this capability, and we are not aware of any board using a different on-line software system. Initial applications for licensure are much more complex to process than license renewals, of course, due to the number and variety of original source documents that must be gathered to confirm training and experience. We anticipate that initial applications will go on-line by the end of 2006 or early 2007, which will finally allow applicants access to on-line information about the status of their application – any missing documents, for example. Board staff anticipates that this feature alone will significantly speed licensure, both because applicants will be able to follow up on missing items and because licensing staff will be able to spend less time providing in-person status checks and more time on processing applications.

Future plans also include a program that will allow hospitals, health plans, and other agencies to gain direct view-only access to the public information on the Board's licensing database for identified physicians. We envision an annual fee that would allow an eligible entity to select physicians associated with the entity. The entity would be allowed to query the database for those selected physicians at any time to check status.

The Medical Board anticipates continued vigorous growth in both licensure and disciplinary activities. Throughout this growth, Board members and staff remain committed to our statutory mandate of protecting the health and well-being of the New Mexican public, and our agency goal of increasing access to quality health care by careful and efficient licensing and thorough and rigorous oversight.

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Lynn Hart, Executive Director

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Steve Weiner, M.D.  
Secretary-Treasurer