

<b>LFC Requester:</b>	<b>Allegra Hernandez</b>
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**AGENCY BILL ANALYSIS - 2026 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**  
[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)  
*(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:** 1/23/2026 *Check all that apply:*  
**Bill Number:** HB 107 Original  Correction   
 Amendment  Substitute

**Sponsor:** Jones, Cullen, N. Chavez **Agency Name and Code:** NM Hospital Assoc.  
**Short Title:** MEDICAL MALPRACTICE CLAIM CHANGES **Number:** \_\_\_\_\_  
**Person Writing:** Julia Ruetten  
**Phone:** 5053409489 **Email:** jruetten@nmhsc.com

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(Parenthesis ( ) Indicate Expenditure Decreases)

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

## **SECTION III: NARRATIVE**

### **BILL SUMMARY**

#### **Synopsis:**

Amends the Medical Malpractice Act in the following ways:

- Specifies that an “occurrence” of malpractice is not multiplied by the number of providers involved, prohibiting a single incident from result in multiple claims.
- Resets the cap on compensatory damages to \$600,000 for all providers and restores the base level of liability for participants in the Patient’s Compensation Fund to \$200,000 for all provider types, setting both to their pre-2022 levels.
- Requires that payments from the PCF for medical and related care be made as expenses are incurred.
- States punitive damages may be awarded only if it is proven beyond a reasonable doubt that a health care provider acted with malice, willful intent to harm, or wanton disregard for the rights or safety of others, and it caps punitive damages at three times the compensatory damages cap for hospitals and at one times the compensatory cap for all other providers.
- Also limits attorneys’ fees and applies these changes to all claims filed on or after the effective date of May 20.

As introduced, HB 107, would reform New Mexico’s Medical Malpractice Act to improve our current medical malpractice environment, which is contributing to our state’s access to care crisis. This bill maintains protections for patients who experience medical malpractice while restoring key elements of the malpractice framework to levels closer to those in place prior to 2022. These reforms would help stabilize the system and improve access to care across the state.

### **FISCAL IMPLICATIONS**

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

### **SIGNIFICANT ISSUES**

### **PERFORMANCE IMPLICATIONS**

### **ADMINISTRATIVE IMPLICATIONS**

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

### **TECHNICAL ISSUES**

### **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL  
AMENDMENTS**