

LFC Requester:

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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://agencyanalysis.nmlegis.gov) and email to 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:** 1/30/2026*Check all that apply:***Bill Number:** SB173Original ☒ Correction ☐Amendment ☐ Substitute ☐**Sponsor:** Rex Wilson**Agency Name****and Code****Number:**New Mexico Medical Board-446**Person Writing****Analysis:**Monique Parks, Interim Exec.Director**Short****Title:****Requiring**Expand Medical MalpracticeInsurance Types**Email** moniquem.parks@nmmb.nm.gov**Phone:** 505-490-3903 :**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

(Parenthesis () indicate expenditure decreases)

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

Total						
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(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:

SB173 expands the types of medical malpractice liability insurance that health care providers can obtain to qualify under the Medical Malpractice Act; it authorizes either claims-made (with tail insurance coverage) or occurrence-based insurance. The bill also makes changes to the Medical Malpractice Act's requirements for qualification, as follows:

- Every use of the word "occurrence" is replaced by "malpractice claim."
- Removes the provision that hospitals and hospital-controlled outpatient health care facilities that establish financial responsibility through an insurance policy may use any form of malpractice insurance.

FISCAL IMPLICATIONS

None for The New Mexico Medical Board

SIGNIFICANT ISSUES

None for The New Mexico Medical Board

PERFORMANCE IMPLICATIONS

None for The New Mexico Medical Board

ADMINISTRATIVE IMPLICATIONS

None for The New Mexico Medical Board

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None for The New Mexico Medical Board

TECHNICAL ISSUES

None for The New Mexico Medical Board

OTHER SUBSTANTIVE ISSUES

None for The New Mexico Medical Board

ALTERNATIVES

None for The New Mexico Medical Board

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None for The New Mexico Medical Board

AMENDMENTS

None for The New Mexico Medical Board