

HOUSE JUDICIARY COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 99

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

AN ACT

RELATING TO MEDICAL MALPRACTICE; CLARIFYING DEFINITIONS IN THE  
MEDICAL MALPRACTICE ACT; LIMITING PUNITIVE DAMAGES IN MEDICAL  
MALPRACTICE CASES; REQUIRING PAYMENTS FROM THE PATIENT'S  
COMPENSATION FUND TO BE MADE AS EXPENSES ARE INCURRED.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 41-5-3 NMSA 1978 (being Laws 1976,  
Chapter 2, Section 3, as amended) is amended to read:

"41-5-3. DEFINITIONS.--As used in the Medical Malpractice  
Act:

A. "advisory board" means the patient's  
compensation fund advisory board;

B. "control" means equity ownership in a business  
entity that:

(1) represents more than fifty percent of the

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1 total voting power of the business entity; or

2 (2) has a value of more than fifty percent of  
3 that business entity;

4 C. "fund" means the patient's compensation fund;

5 D. "health care provider" means a person, a  
6 corporation, an organization, a facility or an institution  
7 licensed or certified by this state to provide health care or  
8 professional services as a doctor of medicine, a hospital, an  
9 outpatient health care facility, a doctor of osteopathy, a  
10 chiropractor, [~~podiatrist~~] a podiatric physician, a nurse  
11 anesthetist, a physician's assistant, a certified nurse  
12 practitioner, a clinical nurse specialist or certified nurse-  
13 midwife or a business entity that is organized, incorporated or  
14 formed pursuant to the laws of New Mexico that provides health  
15 care services primarily through natural persons identified in  
16 this subsection. "Health care provider" does not mean a person  
17 or an entity protected pursuant to the Tort Claims Act or the  
18 Federal Tort Claims Act;

19 E. "hospital" means a facility licensed as a  
20 hospital in this state that offers [~~in-patient~~] inpatient  
21 services, nursing or overnight care on a twenty-four-hour basis  
22 for diagnosing, treating and providing medical, psychological  
23 or surgical care for three or more separate persons who have a  
24 physical or mental illness, disease, injury or rehabilitative  
25 condition or are pregnant and may offer emergency services.

1 "Hospital" includes a hospital's parent corporation, subsidiary  
 2 corporations or affiliates if incorporated or registered in New  
 3 Mexico; employees and locum tenens providing services at the  
 4 hospital; and agency nurses providing services at the hospital.

5 "Hospital" does not mean a person or an entity protected  
 6 pursuant to the Tort Claims Act or the Federal Tort Claims Act;

7 F. "hospital system" means a group of two or more  
 8 hospitals that are owned, operated or controlled by the same  
 9 person or persons;

10 [~~F.~~] G. "independent outpatient health care  
 11 facility" means a health care facility that is an ambulatory  
 12 surgical center, an urgent care facility or a free-standing  
 13 emergency room that is not, directly or indirectly through one  
 14 or more intermediaries, controlled or under common control with  
 15 a hospital. "Independent outpatient health care facility"  
 16 includes a facility's employees, locum tenens providers and  
 17 agency nurses providing services at the facility. "Independent  
 18 outpatient health care facility" does not mean a person or an  
 19 entity protected pursuant to the Tort Claims Act or the Federal  
 20 Tort Claims Act;

21 [~~G.~~] H. "independent provider" means a doctor of  
 22 medicine, doctor of osteopathy, chiropractor, [~~podiatrist~~]  
 23 podiatric physician, nurse anesthetist, physician's assistant,  
 24 certified nurse practitioner, clinical nurse specialist or  
 25 certified nurse-midwife who is not an employee of a hospital or

1 an outpatient health care facility. "Independent provider"  
2 does not mean a person or an entity protected pursuant to the  
3 Tort Claims Act or the Federal Tort Claims Act. "Independent  
4 provider" includes:

5 (1) a health care facility that is:

6 (a) licensed pursuant to the [~~Public~~  
7 ~~Health Act~~] Health Care Code as an outpatient facility;

8 (b) not an ambulatory surgical center,  
9 an urgent care facility or a free-standing emergency room; and

10 (c) not hospital-controlled; and

11 (2) a business entity that is not a hospital  
12 or an outpatient health care facility that employs or consists  
13 of members who are licensed or certified as doctors of  
14 medicine, doctors of osteopathy, chiropractors, [~~podiatrists~~]  
15 podiatric physicians, nurse anesthetists, physician's  
16 assistants, certified nurse practitioners, clinical nurse  
17 specialists or certified nurse-midwives and the business  
18 entity's employees;

19 [~~H.~~] I. "insurer" means an insurance company  
20 engaged in writing health care provider malpractice liability  
21 insurance in this state;

22 [~~I.~~] J. "malpractice claim" includes any cause of  
23 action arising in this state against a health care provider for  
24 medical treatment, lack of medical treatment or other claimed  
25 departure from accepted standards of health care that

1 proximately results in injury to the patient, whether the  
2 patient's claim or cause of action sounds in tort or contract,  
3 and includes but is not limited to actions based on battery or  
4 wrongful death. "Malpractice claim" does not include a cause  
5 of action arising out of the driving, flying or nonmedical acts  
6 involved in the operation, use or maintenance of a vehicular or  
7 aircraft ambulance;

8 [J.] K. "medical care and related benefits" means  
9 all reasonable medical, surgical, physical rehabilitation and  
10 custodial services and includes drugs, prosthetic devices and  
11 other similar materials reasonably necessary in the provision  
12 of such services;

13 [K.] L. "occurrence" means ~~[all injuries to a~~  
14 ~~patient caused by health care providers' successive acts or~~  
15 ~~omissions that combined concurrently to create a malpractice~~  
16 ~~claim]~~ a health care provider's or health care providers' acts  
17 or omissions in the course of medical treatment that created or  
18 combined to create an injury or injuries to a patient,  
19 regardless of the number of health care providers whose acts or  
20 omissions contributed to the injury or injuries; provided that  
21 "occurrence" shall not be construed to limit recovery to only  
22 one maximum statutory payment when independent medical acts or  
23 omissions cause separate injury or injuries to a patient in a  
24 course of medical treatment;

25 [L.] M. "outpatient health care facility" means an

entity that is hospital-controlled and is licensed pursuant to the ~~[Public Health Act]~~ Health Care Code as an outpatient facility, including ambulatory surgical centers, free-standing emergency rooms, urgent care clinics, acute care centers and intermediate care facilities and includes a facility's employees, locum tenens providers and agency nurses providing services at the facility. "Outpatient health care facility" does not include:

- (1) independent providers;
- (2) independent outpatient health care facilities; or
- (3) individuals or entities protected pursuant to the Tort Claims Act or the Federal Tort Claims Act;

~~[M.]~~ N. "patient" means a natural person who received or should have received health care from a health care provider, under a contract, express or implied; ~~[and]~~

~~[N.]~~ O. "superintendent" means the superintendent of insurance; and

P. "value of accrued medical care and related benefits" means the actual amount paid or owed by a patient, or a third party on behalf of a patient, for medical care and related benefits. "Value of accrued medical care and related benefits" does not include any costs waived, written off or lowered by a health care provider."

SECTION 2. Section 41-5-5 NMSA 1978 (being Laws 1992,

Chapter 33, Section 2, as amended) is amended to read:

"41-5-5. QUALIFICATIONS.--

A. To be qualified under the provisions of the Medical Malpractice Act, a health care provider, except an independent outpatient health care facility, shall:

(1) establish its financial responsibility by filing proof with the superintendent that the health care provider is insured by a policy of malpractice liability insurance issued by an authorized insurer in the amount of at least two hundred fifty thousand dollars (\$250,000) per occurrence or by having continuously on deposit the sum of seven hundred fifty thousand dollars (\$750,000) in cash with the superintendent or such other like deposit as the superintendent may allow by rule; provided that hospitals and hospital-controlled outpatient health care facilities that establish financial responsibility through a policy of malpractice liability insurance may use any form of malpractice insurance; and provided further that for independent providers, in the absence of an additional deposit or policy as required by this subsection, the deposit or policy shall provide coverage for not more than three separate occurrences; and

(2) pay the surcharge assessed on health care providers by the superintendent pursuant to Section 41-5-25 NMSA 1978.

B. To be qualified under the provisions of the

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1 Medical Malpractice Act, an independent outpatient health care  
2 facility shall:

3 (1) establish its financial responsibility by  
4 filing proof with the superintendent that the health care  
5 provider is insured by a policy of malpractice liability  
6 insurance issued by an authorized insurer in the amount of at  
7 least five hundred thousand dollars (\$500,000) per occurrence  
8 or by having continuously on deposit the sum of one million  
9 five hundred thousand dollars (\$1,500,000) in cash with the  
10 superintendent or other like deposit as the superintendent may  
11 allow by rule; provided that for independent outpatient health  
12 care facilities, in the absence of an additional deposit or  
13 policy as required by this subsection, the deposit or policy  
14 shall provide coverage for not more than three separate  
15 occurrences; and

16 (2) pay the surcharge assessed on independent  
17 outpatient health care facilities by the superintendent  
18 pursuant to Section 41-5-25 NMSA 1978.

19 C. For hospitals or hospital-controlled outpatient  
20 health care facilities electing to be covered under the Medical  
21 Malpractice Act, the superintendent shall determine, based on a  
22 risk assessment of each hospital or hospital-controlled  
23 outpatient health care facility, each hospital's or hospital-  
24 controlled outpatient health care facility's base coverage or  
25 deposit and additional charges for the fund. The

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1 superintendent shall arrange for an actuarial study before  
2 determining base coverage or deposit and surcharges.

3 D. A health care provider not qualifying under this  
4 section shall not have the benefit of any of the provisions of  
5 the Medical Malpractice Act in the event of a malpractice claim  
6 against it; provided that beginning July 1, 2021, hospitals and  
7 hospital-controlled outpatient health care facilities shall not  
8 participate in the medical review process [~~and beginning~~  
9 ~~January 1, 2027, hospitals and hospital-controlled outpatient~~  
10 ~~health care facilities shall have the benefits of the other~~  
11 ~~provisions of the Medical Malpractice Act, except participation~~  
12 ~~in the fund]."~~

13 SECTION 3. Section 41-5-6 NMSA 1978 (being Laws 1992,  
14 Chapter 33, Section 4, as amended) is amended to read:

15 "41-5-6. LIMITATION OF RECOVERY.--

16 A. Except for punitive damages and past and future  
17 medical care and related benefits, the aggregate dollar amount  
18 recoverable by all persons for or arising from any injury or  
19 death to a patient as a result of malpractice shall not exceed  
20 six hundred thousand dollars (\$600,000) per occurrence for  
21 malpractice claims brought against health care providers if the  
22 injury or death occurred prior to January 1, 2022. In jury  
23 cases, the jury shall not be given any instructions dealing  
24 with this limitation.

25 B. Except for punitive damages and past and future

.233721.8

1 medical care and related benefits, the aggregate dollar amount  
2 recoverable by all persons for or arising from any injury or  
3 death to a patient as a result of malpractice shall not exceed  
4 seven hundred fifty thousand dollars (\$750,000) per occurrence  
5 for malpractice claims against independent providers; provided  
6 that, beginning January 1, 2023, the per occurrence limit on  
7 recovery shall be adjusted annually by the consumer price index  
8 for all urban consumers.

9 C. The aggregate dollar amount recoverable by all  
10 persons for or arising from any injury or death to a patient as  
11 a result of malpractice, except for punitive damages and past  
12 and future medical care and related benefits, shall not exceed  
13 seven hundred fifty thousand dollars (\$750,000) for claims  
14 brought against an independent outpatient health care facility;  
15 for an injury or death that occurred in calendar years 2022 and  
16 2023.

17 D. In calendar year 2024 and subsequent years, the  
18 aggregate dollar amount recoverable by all persons for or  
19 arising from an injury or death to a patient as a result of  
20 malpractice, except for punitive damages and past and future  
21 medical care and related benefits, shall not exceed the  
22 following amounts for claims brought against an independent  
23 outpatient health care facility:

24 (1) for an injury or death that occurred in  
25 calendar year 2024, one million dollars (\$1,000,000) per

.233721.8

1 occurrence; and

2 (2) for an injury or death that occurred in  
3 calendar year 2025 and thereafter, the amount provided in  
4 Paragraph (1) of this subsection, adjusted annually by the  
5 prior three-year average consumer price index for all urban  
6 consumers, per occurrence.

7 E. In calendar year 2022 and subsequent calendar  
8 years, the aggregate dollar amount recoverable by all persons  
9 for or arising from any injury or death to a patient as a  
10 result of malpractice, except for punitive damages and past and  
11 future medical care and related benefits, shall not exceed the  
12 following amounts for claims brought against a hospital or a  
13 hospital-controlled outpatient health care facility:

14 (1) for an injury or death that occurred in  
15 calendar year 2022, four million dollars (\$4,000,000) per  
16 occurrence;

17 (2) for an injury or death that occurred in  
18 calendar year 2023, four million five hundred thousand dollars  
19 (\$4,500,000) per occurrence;

20 (3) for an injury or death that occurred in  
21 calendar year 2024, five million dollars (\$5,000,000) per  
22 occurrence;

23 (4) for an injury or death that occurred in  
24 calendar year 2025, five million five hundred thousand dollars  
25 (\$5,500,000) per occurrence;

.233721.8

1 (5) for an injury or death that occurred in  
2 calendar year 2026, six million dollars (\$6,000,000) per  
3 occurrence; and

4 (6) for an injury or death that occurred in  
5 calendar year 2027 and each calendar year thereafter, the  
6 amount provided in Paragraph (5) of this subsection, adjusted  
7 annually by the consumer price index for all urban consumers,  
8 per occurrence.

9 F. The aggregate dollar amounts provided in  
10 Subsections B through E of this section include payment to any  
11 person for any number of loss of consortium claims or other  
12 claims per occurrence that arise solely because of the injuries  
13 or death of the patient.

14 G. In jury cases, the jury shall not be given any  
15 instructions dealing with the limitations provided in this  
16 section.

17 H. The value of accrued medical care and related  
18 benefits shall not be subject to any limitation.

19 I. Except for an independent outpatient health care  
20 facility, a health care provider's personal liability is  
21 limited to two hundred fifty thousand dollars (\$250,000) for  
22 monetary damages and medical care and related benefits as  
23 provided in Section 41-5-7 NMSA 1978. Any amount due from a  
24 judgment or settlement in excess of two hundred fifty thousand  
25 dollars (\$250,000) shall be paid from the fund, except as

.233721.8

provided in Subsections J and K of this section.

J. An independent outpatient health care facility's personal liability is limited to five hundred thousand dollars (\$500,000) for monetary damages and medical care and related benefits as provided in Section 41-5-7 NMSA 1978. Any amount due from a judgment or settlement in excess of five hundred thousand dollars (\$500,000) shall be paid from the fund.

K. ~~[Until January 1, 2027]~~ Amounts due from a judgment or settlement against a hospital or hospital-controlled outpatient health care facility in excess of seven hundred fifty thousand dollars (\$750,000), excluding past and future medical expenses, shall be paid by the hospital or hospital-controlled outpatient health care facility and not by the fund. ~~[Beginning January 1, 2027, amounts due from a judgment or settlement against a hospital or hospital-controlled outpatient health care facility shall not be paid from the fund.]~~

~~L. The term "occurrence" shall not be construed in such a way as to limit recovery to only one maximum statutory payment if separate acts or omissions cause additional or enhanced injury or harm as a result of the separate acts or omissions. A patient who suffers two or more distinct injuries as a result of two or more different acts or omissions that occur at different times by one or more health care providers is entitled to up to the maximum statutory recovery for each~~

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injury.]"

SECTION 4. Section 41-5-7 NMSA 1978 (being Laws 1992, Chapter 33, Section 5, as amended) is amended to read:

"41-5-7. MEDICAL EXPENSES [~~AND PUNITIVE DAMAGES~~].--

A. Awards of past and future medical care and related benefits shall not be subject to the limitations of recovery imposed in Section 41-5-6 NMSA 1978.

B. The health care provider shall be liable for all medical care and related benefit payments until the total payments made by or on behalf of it for monetary damages and medical care and related benefits combined equals the health care provider's personal liability limit as provided in [~~Subsection I of~~] Section 41-5-6 NMSA 1978, after which the payments shall be made by the fund.

~~[C. Beginning January 1, 2027, any amounts due from a judgment or settlement against a hospital or outpatient health care facility shall not be paid from the fund if the injury or death occurred after December 31, 2026.]~~

~~D. This section shall not be construed to prevent a patient and a health care provider from entering into a settlement agreement whereby medical care and related benefits shall be provided for a limited period of time only or to a limited degree.~~

~~E. A judgment of punitive damages against a health care provider shall be the personal liability of the health~~

~~care provider. Punitive damages shall not be paid from the fund or from the proceeds of the health care provider's insurance contract unless the contract expressly provides coverage. Nothing in Section 41-5-6 NMSA 1978 precludes the award of punitive damages to a patient. Nothing in this subsection authorizes the imposition of liability for punitive damages where that imposition would not be otherwise authorized by law.]~~

C. Payments made from the fund for the cost of medical care and related benefits shall be made as expenses are incurred."

SECTION 5. A new section of the Medical Malpractice Act, Section 41-5-7.1 NMSA 1978, is enacted to read:

"41-5-7.1. [NEW MATERIAL] PUNITIVE DAMAGES.--

A. Punitive damages may only be awarded in a malpractice claim if the prevailing party provides clear and convincing evidence demonstrating that the acts of the health care provider were malicious, willful, wanton, reckless, fraudulent or in bad faith.

B. A judgment of punitive damages against any of the following persons shall not be in an amount greater than the applicable limitation on monetary damages provided in Section 41-5-6 NMSA 1978:

(1) an independent provider;

(2) an independent outpatient health care

1 facility and the facility's employees, locum tenens providers  
2 and agency nurses;

3 (3) a hospital operated by a New Mexico  
4 resident or domestic corporation that is not part of a hospital  
5 system and the hospital's employees, locum tenens providers and  
6 agency nurses; and

7 (4) employees, locum tenens providers and  
8 agency nurses of a hospital or a hospital-controlled outpatient  
9 health care facility.

10 C. Except as provided in Subsection B of this  
11 section, a judgment of punitive damages against a hospital or  
12 hospital-controlled outpatient health care facility shall not  
13 be in an amount greater than two and one-half times the  
14 applicable limitation on monetary damages provided in Section  
15 41-5-6 NMSA 1978.

16 D. A judgment of punitive damages against a health  
17 care provider shall not be paid from the fund.

18 E. The initial claim for relief in a malpractice  
19 claim shall not include punitive damages. A claim for punitive  
20 damages may be asserted by amendment to the pleadings only  
21 after the plaintiff has presented sufficient evidence to the  
22 court that it is more likely than not that the claim has a  
23 triable issue after substantial completion of discovery. If  
24 the court allows amendment to the complaint pursuant to this  
25 subsection, the court, in its discretion, may permit additional



1 discovery on the question of punitive damages."

2 SECTION 6. Section 41-5-25 NMSA 1978 (being Laws 1992,  
3 Chapter 33, Section 9, as amended) is amended to read:

4 "41-5-25. PATIENT'S COMPENSATION FUND--THIRD-PARTY  
5 ADMINISTRATOR--ACTUARIAL STUDIES--SURCHARGES--CLAIMS--  
6 PRORATION--PROOFS OF AUTHENTICITY.--

7 A. The "patient's compensation fund" is created as  
8 a nonreverting fund in the state treasury. The fund consists  
9 of money from surcharges, income from investment of the fund  
10 and any other money deposited to the credit of the fund. The  
11 fund shall be held in trust, deposited in a segregated account  
12 in the state treasury and invested by the ~~[state]~~ investment  
13 office and shall not become a part of or revert to the general  
14 fund or any other fund of the state. Money from the fund shall  
15 be expended only for the purposes of and to the extent provided  
16 in the Medical Malpractice Act. All approved expenses of  
17 collecting, protecting and administering the fund, including  
18 purchasing insurance for the fund, shall be paid from the fund.

19 B. The superintendent shall contract for the  
20 administration and operation of the fund with a qualified,  
21 licensed third-party administrator, selected in consultation  
22 with the advisory board, no later than January 1, 2022. The  
23 third-party administrator shall provide an annual audit of the  
24 fund to the superintendent.

25 C. The superintendent, as custodian of the fund,

.233721.8

1 and the third-party administrator shall be notified by the  
2 health care provider or the health care provider's insurer  
3 within thirty days of service on the health care provider of a  
4 complaint asserting a malpractice claim brought in a court in  
5 this state against the health care provider.

6 D. The superintendent shall levy an annual  
7 surcharge on all New Mexico health care providers qualifying  
8 under Section 41-5-5 NMSA 1978. The surcharge [~~shall be~~  
9 ~~determined by the superintendent with the advice of the~~  
10 ~~advisory board and based on the annual independent actuarial~~  
11 ~~study of the fund. The surcharges for health care providers,~~  
12 ~~including hospitals and outpatient health care facilities whose~~  
13 ~~qualifications for the fund end on January 1, 2027, shall be~~  
14 ~~based on sound actuarial principles, using data obtained from~~  
15 ~~New Mexico claims and loss experience]~~ for health care  
16 providers shall be based on sound actuarial principles, using  
17 data obtained from New Mexico claims and loss experience. The  
18 surcharges for independent providers and independent outpatient  
19 health care facilities shall be determined by the  
20 superintendent with the advice of the advisory board and based  
21 on the annual independent actuarial study of the fund. The  
22 surcharge for hospitals and outpatient health care facilities  
23 shall be no less than the actuary's recommended surcharges  
24 based on an expected value basis to fully fund the current and  
25 projected claims obligations of the hospitals and outpatient

1 health care facilities. A hospital or outpatient health care  
2 facility seeking participation in the fund during the remaining  
3 qualifying years shall provide, at a minimum, the hospital's or  
4 outpatient health care facility's direct and indirect cost  
5 information as reported to the federal centers for medicare and  
6 medicaid services for all self-insured malpractice claims,  
7 including claims and paid loss detail, and the claims and paid  
8 loss detail from any professional liability insurance carriers  
9 for each hospital or outpatient health care facility and each  
10 employed health care provider for the past eight years to the  
11 third-party actuary. The same information shall be available  
12 to the advisory board for review, including financial  
13 information and data, and excluding individually identifying  
14 case information, which information shall not be subject to the  
15 Inspection of Public Records Act. The superintendent, the  
16 third-party actuary or the advisory board shall not use or  
17 disclose the information for any purpose other than to fulfill  
18 the duties pursuant to this subsection.

19 E. The surcharge shall be collected on the same  
20 basis as premiums by each insurer from the health care  
21 provider. The surcharge shall be due and payable within thirty  
22 days after the premiums for malpractice liability insurance  
23 have been received by the insurer from the health care provider  
24 in New Mexico. If the surcharge is collected but not paid  
25 timely, the superintendent may suspend the certificate of

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1 authority of the insurer until the annual premium surcharge is  
2 paid.

3 F. Surcharges shall be set by October 31 of each  
4 year for the next calendar year. Beginning in 2021, the  
5 surcharges shall be set with the intention of bringing the fund  
6 to solvency with no projected deficit by December 31, 2026.  
7 All qualified and participating hospitals and outpatient health  
8 care facilities shall cure any fund deficit attributable to  
9 hospitals and outpatient health care facilities by December 31,  
10 2026.

11 G. If the fund would be exhausted by payment of all  
12 claims allowed during a particular calendar year, then the  
13 amounts paid to each patient and other parties obtaining  
14 judgments shall be prorated, with each such party receiving an  
15 amount equal to the percentage the party's own payment schedule  
16 bears to the total of payment schedules outstanding and payable  
17 by the fund. Any amounts due and unpaid as a result of such  
18 proration shall be paid in the following calendar years.

19 H. Upon receipt of one of the proofs of  
20 authenticity listed in this subsection, reflecting a judgment  
21 for damages rendered pursuant to the Medical Malpractice Act,  
22 the superintendent shall issue or have issued warrants in  
23 accordance with the payment schedule constructed by the court  
24 and made a part of its final judgment. The only claim against  
25 the fund shall be a voucher or other appropriate request by the

.233721.8

1 superintendent after the superintendent receives:

2 (1) until January 1, 2022, a certified copy of  
3 a final judgment in excess of two hundred thousand dollars  
4 (\$200,000) against a health care provider;

5 (2) until January 1, 2022, a certified copy of  
6 a court-approved settlement or certification of settlement made  
7 prior to initiating suit, signed by both parties, in excess of  
8 two hundred thousand dollars (\$200,000) against a health care  
9 provider; or

10 (3) until January 1, 2022, a certified copy of  
11 a final judgment less than two hundred thousand dollars  
12 (\$200,000) and an affidavit of a health care provider or its  
13 insurer attesting that payments made pursuant to Subsection B  
14 of Section 41-5-7 NMSA 1978, combined with the monetary  
15 recovery, exceed two hundred thousand dollars (\$200,000).

16 I. On or after January 1, 2022, the amounts  
17 specified in Paragraphs (1) through (3) of Subsection H of this  
18 section shall be two hundred fifty thousand dollars  
19 (\$250,000)."

20 **SECTION 7. SEVERABILITY.**--If a provision of this act or  
21 its application to any person or circumstance is held invalid,  
22 the invalidity does not affect other provisions or applications  
23 of this act that can be given effect without the invalid  
24 provision or application, and to this end the provisions of  
25 this act are severable.

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1           **SECTION 8. APPLICABILITY.**--The provisions of this act  
2       apply to all claims for medical malpractice that arise on or  
3       after the effective date of this act.

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