

1 SENATE JOINT MEMORIAL 41

2 **46TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2004**

3 INTRODUCED BY

4 Steve Komadina

5  
6  
7  
8 FOR THE LEGISLATIVE HEALTH AND HUMAN SERVICES COMMITTEE

9  
10 A JOINT MEMORIAL

11 REQUESTING THE DEPARTMENT OF HEALTH AND THE TAXATION AND  
12 REVENUE DEPARTMENT TO STUDY THE COST AND BENEFITS OF PROVIDING  
13 TAX RELIEF TO PARTIALLY DEFRAY THE COSTS OF LIABILITY INSURANCE  
14 FOR CERTAIN HEALTH CARE PROFESSIONALS.

15  
16 WHEREAS, New Mexico is experiencing serious shortages of  
17 health care professionals, including physicians, nurses, nurse  
18 practitioners, physician assistants, dentists and dental  
19 hygienists; and

20 WHEREAS, among the reasons for these shortages is the high  
21 cost of purchasing malpractice liability insurance, while  
22 reimbursement for services is lower than in other states; and

23 WHEREAS, many physicians and other health care providers  
24 find the cost of malpractice liability insurance increasingly  
25 difficult to afford, even though New Mexico's malpractice

.149232.1

underscored material = new  
[bracketed material] = delete

underscoring material = new  
[bracketed material] = delete

1 system is exemplary and copied in other states; and

2 WHEREAS, health care professionals cannot practice without  
3 malpractice and other liability insurance; and

4 WHEREAS, these costs can have an impact on a health care  
5 professional's ability to continue practicing, particularly in  
6 rural areas or areas serving low-income populations; and

7 WHEREAS, favorable tax policies, including refundable tax  
8 credits or tax deductions, can have the effect of encouraging  
9 health care professionals to come to, stay in and practice in  
10 New Mexico, especially in rural areas, and to serve medicare  
11 and medicaid clients;

12 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE  
13 STATE OF NEW MEXICO that the department of health and the  
14 taxation and revenue department be requested to cooperate in a  
15 study of the cost and benefits of providing refundable tax  
16 credits or state income tax deductions to partially defray the  
17 costs of obtaining professional liability insurance for the  
18 health care professionals in shortest supply in New Mexico; and

19 BE IT FURTHER RESOLVED that the study consider the impact  
20 of such favorable tax policies on both recruitment and  
21 retention of health care professionals in New Mexico; and

22 BE IT FURTHER RESOLVED that the study consider the number  
23 and types of health care professionals who could potentially  
24 benefit from such a tax policy and the amount of a credit or  
25 deduction that would be necessary to achieve the desired

.149232.1

underscoring material = new  
[bracketed material] = delete

1 result; and

2 BE IT FURTHER RESOLVED that the department of health and  
3 the taxation and revenue department seek input from health  
4 professional associations and other appropriate parties in  
5 developing recommendations; and

6 BE IT FURTHER RESOLVED that the departments report their  
7 findings, including legislative recommendations, to the interim  
8 legislative health and human services committee at its October  
9 2004 meeting; and

10 BE IT FURTHER RESOLVED that copies of this memorial be  
11 sent to the secretary of health and the secretary of taxation  
12 and revenue.