

LFC Requester: _____

**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

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{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}

Check all that apply:

Original Amendment
Correction Substitute

Date 1/17/2024

Bill No: HB107

Sponsor: Chatfield Agency Name and Code: Office of Superintendent of Insurance - 440
Short Title: Medical Malpractice Act: Hospitals and Outpatient Health Person Writing: Timothy Vigil
Phone: 505-690-0651 Email: Timothy.vigil@osi.nm

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	N/A		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A	N/A		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Unknown	Unknown	Unknown	Unknown		PCF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: SB6442
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB 107 bill amends the Medical Malpractice Act to lower the maximum recoverable amount against a hospital or hospital-controlled outpatient facility. This bill does not impose a cap on actual medical expenses, which are currently unlimited.

FISCAL IMPLICATIONS

The Office of Superintendent of Insurance is a custodian for the Patient Compensation Fund, and releases funds in accordance with the law and applicable court orders. The legislation would not have an impact on the Patient Compensation Fund.

SIGNIFICANT ISSUES

HB 107 would significantly reduce the liability of medical malpractice claims for hospitals and hospital-controlled outpatient facilities. It is unclear if the proposed amendments are intended to apply to pending litigation.

The nature of medical malpractice claims means that many cases where injuries and deaths occurred in 2022 and onwards would be pending at the time this legislation goes into effect. Clarity will be needed to ascertain if the lower recovery amounts apply to pending litigation, or only to newly filed cases.

PERFORMANCE IMPLICATIONS

In enacted, HB 107 would not have any performance implications on the administration of the Patient Compensation Fund.

ADMINISTRATIVE IMPLICATIONS

The lack of clarity regarding effective date could lead to a rush to file legal cases before the January 1, 2025 effective date, in order to remain eligible for the higher recovery amounts.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill was cross-filed in the Senate, as SB6442.

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL.

The existing maximum allowable payments would remain law, which are significantly higher than those proposed in the amendment.

AMENDMENTS

N/A