

LFC Requester:	Allegra Hernandez
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

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: 2/23/25 *Check all that apply:*
Bill Number: SB 444 Original Correction
 Amendment Substitute

Sponsor: Woods **Agency Name and Code:** NM Hospital Association
Short Title: MEDICAL MALPRACTICE DAMAGE DETERMINATIO **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
FY25	FY26		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(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

The New Mexico Hospital Association supports SB 444, as introduced. The changes made to the Medical Malpractice Act in 2021 resulted in a cascade of unintended consequences, which the legislature has partially addressed, and the changes proposed in this bill will aid in slowing down and reversing the negative impacts to access to care. Currently, limited access to care is the leading healthcare issue facing all New Mexicans, and the medical malpractice environment is a primary driver of the access emergency. SB 444 proposed to amend the Medical Malpractice Act to require that, in applicable cases, a judge is to determine the dollar amount of punitive damages awarded to a plaintiff.

Punitive damages amounts in medical malpractice cases have grown so large that there is a real risk of smaller hospitals not being able to meet this obligation if they were applied against them and would require the hospital to consider closing as a result. This bill would begin to bring balance back to the system while continuing to protect patients who have been harmed. Judges have the appropriate training to balance the facts of a medical malpractice case, the compensatory damages awarded or agreed to, and the appropriateness of the amount of punitive damages to apply, if applicable. The approach proposed in SB 444 appropriately balances the needs of patients who have experienced lifelong health consequences due to medical malpractice with the purpose of punitive damages, while not dissuading providers from serving patients in our 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