



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

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

##### **Synopsis:**

SB 449 makes a number of changes to the laws pertaining to medical malpractice litigation. It requires that the venue for a medical malpractice case be the county in which the patient received medical care, defines the terms “medical malpractice lawsuit” and “patient,” and redefines the term “occurrence” to mean “all claims for damages from all persons arising from harm to a single patient, no matter how many health care providers, errors or omissions contributed to the harm.” The bill also prescribes how annual increases in recovery limits are to be calculated and limits growth in caps to 3% annually. It strikes language removing hospitals and hospital-owned outpatient clinics from patient’s compensation fund effective July 1, 2027. SB 449 requires that payments from the patient’s compensation fund for past and future medical care be based on actual payments to providers and made as expenses are incurred, not in lump sums. The bill also limits punitive damage awards to no more than three times compensatory damage awards, limits attorneys’ fees, and requires that 75% of punitive damage awards be awarded to the state and deposited in the newly created patient safety improvement fund. The bill requires the Superintendent of Insurance to approve proposed settlements paid from the patient’s compensation fund and removes that requirement that surcharges to be set so as to bring the fund to solvency by December 31, 2026.

#### **FISCAL IMPLICATIONS**

No impact on UNM-HSC which is protected pursuant to the Tort Claims Act

#### **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**