

HOUSE BILL 234

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

Dayan Hochman-Vigil

AN ACT

RELATING TO INSURANCE; ESTABLISHING A PROGRAM TO PROVIDE
MEDICAL MALPRACTICE PREMIUM ASSISTANCE FOR CERTAIN HEALTH CARE
PROVIDERS; CREATING A FUND; MAKING AN APPROPRIATION.

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

SECTION 1. ~~[NEW MATERIAL]~~ MEDICAL MALPRACTICE PREMIUM
ASSISTANCE FUND--CREATED--PURPOSE--ADMINISTRATION.--

A. The "medical malpractice premium assistance
fund" is created as a nonreverting fund in the state treasury.
The fund consists of appropriations, gifts, grants and
donations. The office of superintendent of insurance shall
administer the fund, and money in the fund is appropriated to
the office of superintendent of insurance to establish and
administer a program to provide medical malpractice premium
reimbursement to certain health care providers. Disbursements

underscored material = new
~~[bracketed material] = delete~~

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 from the fund shall be made by warrant of the secretary of
2 finance and administration pursuant to vouchers signed by the
3 superintendent of insurance or the superintendent's authorized
4 representative.

5 B. Subject to available funding, the medical
6 malpractice premium assistance fund shall reimburse independent
7 health care providers or independent health care provider
8 groups not employed by a hospital or health system a percentage
9 of the cost of the independent health care provider's or
10 independent health care provider group's annual medical
11 malpractice premium, depending on years practicing in the
12 state, as follows:

13 (1) zero to three years, twenty-five percent;

14 (2) four to seven years, fifty percent;

15 (3) eight to eleven years, seventy-five

16 percent; or

17 (4) twelve years or more, one hundred percent.

18 C. To receive medical malpractice premium
19 reimbursement, an independent health care provider or
20 independent health care provider group shall apply to the
21 office of superintendent of insurance and provide proof of:

22 (1) licensure in this state as a:

23 (a) certified registered nurse

24 anesthetist;

25 (b) certified nurse-midwife;

- 1 (c) certified nurse practitioner;
- 2 (d) chiropractic physician;
- 3 (e) physician;
- 4 (f) physician assistant; or
- 5 (g) podiatrist;
- 6 (2) the number of years of practice in the
- 7 state;

8 (3) participation in the patient's
9 compensation fund and payment of the associated surcharge;

10 (4) payment of professional liability
11 insurance coverage, obtained from a medical liability insurer
12 authorized to provide such insurance, for coverage at two
13 hundred fifty thousand dollars (\$250,000) per occurrence, for
14 not more than three occurrences in one calendar year; and

15 (5) completion of a full year of practice
16 corresponding to the period of medical malpractice coverage for
17 which reimbursement is being sought.

18 D. The office of superintendent of insurance
19 shall administer the medical malpractice premium assistance
20 fund to:

21 (1) develop priority criteria to disburse the
22 fund to independent health care providers or independent health
23 care provider groups;

24 (2) provide forms, standards, procedures and
25 information about the program to health care providers and

underscoring material = new
~~[bracketed material] = delete~~

1 provider groups;

2 (3) maintain the privacy and security of
3 information in accordance with applicable state and federal
4 law; and

5 (4) adopt and promulgate rules as necessary to
6 implement the provisions of this section.

7 SECTION 2. APPROPRIATION.--Seventy million dollars
8 (\$70,000,000) is appropriated from the general fund to the
9 office of superintendent of insurance for expenditure in fiscal
10 year 2025 and subsequent fiscal years to reimburse certain
11 health care providers for medical malpractice premiums. Any
12 unexpended or unencumbered balance remaining at the end of a
13 fiscal year shall not revert to the general fund.