

HOUSE BILL 500

56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023

INTRODUCED BY

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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. 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

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

- 12 (1) zero to three years, twenty-five percent;
- 13 (2) four to seven years, fifty percent;
- 14 (3) eight to eleven years, seventy-five
15 percent; or
- 16 (4) twelve years or more, one hundred percent.

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

- 21 (1) licensure in this state as a:
 - 22 (a) certified registered nurse
23 anesthetist;
 - 24 (b) certified nurse-midwife;
 - 25 (c) certified nurse practitioner;

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1 (d) chiropractic physician;

2 (e) physician;

3 (f) physician assistant; or

4 (g) podiatrist;

5 (2) the number of years of practice in the
6 state;

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

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

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

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

20 (1) provide forms, standards, procedures and
21 information about the program to health care providers and
22 provider groups;

23 (2) maintain the privacy and security of
24 information in accordance with applicable state and federal
25 law; and

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1 (3) adopt and promulgate rules as necessary to
2 implement the provisions of this section.

3 SECTION 2. APPROPRIATION.--Seventy million dollars
4 (\$70,000,000) is appropriated from the general fund to the
5 office of superintendent of insurance for expenditure in fiscal
6 year 2024 and subsequent fiscal years to reimburse certain
7 health care providers for medical malpractice premiums. Any
8 unexpended or unencumbered balance remaining at the end of a
9 fiscal year shall not revert to the general fund.

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