



**NEW MEXICO
BUSINESS COALITION**

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RE: HB 99 Medical Malpractice Reform – 233835.1 – NMBC Supports

Chair and Members of the Committee,

I write in strong support of **HB 99 Medical Malpractice Judiciary Committee Substitute 233835.1** because it directly addresses the root cause of New Mexico's healthcare access crisis: an unstable and unpredictable medical liability environment that has driven insurance costs out of reach and pushed doctors, specialists, and insurers out of our state.

A few years ago, the Legislature removed meaningful limits on liability and punitive damages in medical malpractice cases. That decision had unintended but devastating consequences. Medical malpractice premiums doubled or tripled almost overnight. Several insurance carriers stopped writing coverage in New Mexico entirely. Hospitals struggled to recruit and retain physicians, and patients were left with months-long wait times—or forced to leave the state for care.

HB 99 Judiciary substitute **233835.1** restores balance. It does **not** eliminate accountability. Instead, it sets clear and reasonable standards for punitive damages, requires a higher burden of proof, prevents premature punitive claims, and places predictable caps on exposure—exactly the conditions insurers require to responsibly write coverage. Importantly, this version brings **hospitals and hospital-controlled outpatient facilities under the Medical Malpractice Act beginning in 2027**, rather than delaying relief until 2030. That timeline matters. Every year of delay means continued provider losses and reduced access to care.

Some argue that unlimited liability is necessary to “protect patients.” In reality, New Mexico already protects patients through licensure requirements, professional discipline, peer review, and oversight by the New Mexico Medical Board. Unlimited punitive damages do not improve patient safety; they increase costs, shrink provider networks, and reduce access—especially in rural and underserved communities. A legal system that drives doctors away does not protect patients; it harms them.

HB 99 Judiciary substitute **233835.1** restores fairness, predictability, and access while preserving accountability for truly egregious conduct. It is the strongest and most responsible version of this legislation, and it deserves your support.

Thank you for your thoughtful consideration.

Carla J. Sonntag
President and CEO