NEW MEXICO
PATIENT'S COMPENSATION FUND

Actuarial Analysis as of December 31, 2024

June 2025

PINNACLE
ACTUARIAL RESOURCES

P.O. Box 63
Biltmore Lake, NC 28715
309.807.2320
pinnacleactuaries.com

Commitment Beyond Numbers

P.O. Box 63
Biltmore Lake, NC 28715
309.807.2320
pinnacleactuaries.com

Robert J. Walling III, FCAS, MAAA, CERA
Principal and Consulting Actuary
rwalling@pinnacleactuaries.com

June 6, 2025

Ms. Debbie Luera
Director of Operations
Integrion Group
5201 Balloon Fiesta Pkwy NE
Albuquerque, NM 87113

Re: 2024 Actuarial Analysis of the New Mexico Patient's Compensation Fund

Dear Debbie,

Enclosed are copies of our report analyzing a variety of issues related to the New Mexico Patient's Compensation Fund (PCF) as of December 31, 2024. This includes a review of the indicated unpaid claims liabilities and prospective surcharges.

I am a member in good standing of the Casualty Actuarial Society and the American Academy of Actuaries and meet the qualification standards to render the actuarial opinion contained herein.

Please give me a call at your earliest convenience so that we can discuss this report. We have enjoyed working with you on this assignment.

Sincerely,

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Table of Contents

New Mexico Patient‘s Compensation Fund

Actuarial Analysis as of December 31, 2024

EXECUTIVE SUMMARY [1]

The New Mexico Patient’s Compensation Fund (PCF) serves a vital role in supporting the overall health of the medical professional liability insurance (MPLI) system in New Mexico. The PCF provides excess coverage that stabilizes the operating results of participating insurers and encourages competition which leads to greater availability and affordability of coverage. In New Mexico and other states, a competitive MPLI market tends to attract new physicians leading to greater access to care. The coverage provided by the PCF requires the use of an occurrence coverage form, preferred by healthcare providers, with limits that provide comprehensive coverage to ensure that injured patients receive appropriate compensation for their injuries. As a result, all stakeholders in the New Mexico healthcare system benefit in some way from a healthy PCF.

One way that the New Mexico Office of Superintendent of Insurance (OSI) ensures the ongoing health of the PCF is to conduct a periodic actuarial review. This review examines several aspects of the PCF including analyses of indicated reserves for unpaid losses and appropriate surcharges for upcoming policy periods.

Through a review of a variety of both publicly available and proprietary data sources, Pinnacle has come to a number of key conclusions regarding several aspects of the PCF. The highlights of our findings regarding the various issues include:

<u>Unpaid Claims Liabilities</u>

- Pinnacle estimates the amount of losses still to be paid for all claims occurring prior to December 31, 2024, to be approximately $342.6 million on a nominal basis, $334.8 million on a discounted basis using a 3.5% discount rate on invested assets, and $362.6 million when the discounted reserves reflect a risk margin to increase the statistical confidence to 75%. These reflect increases from the values calculated in the prior report as of December 31, 2023, of

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[1] Third parties receiving only this Executive Summary should recognize that the furnishing of this summary is not a substitute for their own due diligence and should place no reliance on this summary that would result in the creation of any duty or liability by Pinnacle to the third party. Pinnacle is available to answer any questions regarding the information contained in the Executive Summary.

$292.9 million (nominal) and $289.1 million (discounted). The prior report calculated the discounted reserves at the 75% confidence level to be $313.7 million.

- These results are summarized in the table below and are broken out between independent physicians & surgeons and hospitals and outpatient healthcare facilities (OHFC's).

	Reserves as of 12/31/2024			Reserves as of 12/31/2023			Difference		
	Estimated Ultimate Reserves	Estimated Discounted Reserves	Estimated Discounted Reserves @ 75%	Estimated Ultimate Reserves	Estimated Discounted Reserves	Estimated Discounted Reserves @ 75%	Estimated Ultimate Reserves	Estimated Discounted Reserves	Estimated Discounted Reserves @ 75%
Indep. Physician & Surgeons	82,463,038	80,632,117	87,324,583	78,634,086	77,638,728	84,238,020	3,828,952	2,993,388	3,086,562
Hospitals & OHCF's	260,103,918	254,140,375	275,234,026	214,230,326	211,455,502	229,429,219	45,873,591	42,684,874	45,804,807
Total	342,566,955	334,772,492	362,558,609	292,864,412	289,094,230	313,667,240	49,702,543	45,678,262	48,891,369

PCF Surplus/Deficit

- The current PCF fund balance of approximately $308.3 million as of December 31, 2024, when compared to Pinnacle's estimate of indicated nominal loss reserves of approximately $342.6 million, suggests a fund deficit position of $34.3 million. The $34.3 million deficit is about 11.1% of the current fund balance.
- As of December 31, 2023, the deficit (inclusive of the $35.9 million legislative infusion) was $37.7 million indicating the deficit has been reduced $3.4 million since the previous actuarial review. This improvement is primarily attributed to two factors: (1) hospitals were assessed a 46.0% deficit surcharge in 2024, and (2) hospitals' loss experience has generally been favorable, leading to lower estimated ultimate losses, which directly reduced the deficit (see Exhibit 1, Page 5). However, independent physicians and surgeons experienced adverse development in the twelve months following December 31, 2023, partially offsetting the overall reduction.
- Reflecting reserves on a present value basis, using a 3.5% discount rate on invested assets, results in a fund deficit of approximately $26.5 million. This is a decrease of $7.4 million since the prior analysis as of December 31, 2023.
- If discounted loss reserves are increased to the 75% confidence level, the resulting reserves indicate a $54.3 million PCF surplus deficit.

Expected Surcharge Levels

- Pinnacle's prospective rate level indication for independent physicians & surgeons suggests an overall rate change of +13.6% on an expected value basis. If adjusted to a 75% level of statistical confidence, an indicated rate change of +23.0% results.
- We are not proposing any changes in class relativities for 2026, therefore no offset is required.
- We have made use of the Consumer Price Index (CPI) for all urban consumers to calculate the increase to the per occurrence limit. Evaluating the index as of year-end produces an adjustment factor of 2.87%. The result is an increase to the per occurrence limit from $883,404

to $908,779 – widening the PCF's exposed layer from $633,404 to $658,779. Our analysis of MPLI increased limits factors (ILF's) indicate that rates should be increased 2.1% to support the additional exposure.

- The overall rate impact is +16.0% at the expected level and +25.6% at the 75% confidence level. These indications are summarized in the table below. More information regarding these indications can be found on Exhibit 4, Page 1.

Independent Physicians & Surgeons

	Indicated Assessment Level Change on January 1, 2026	Offset Due to Changes in Class Plan	Increased Limits Factor to $658,779 xs $250,000	Indicated Rate Change
w/o Risk Margin	13.6%	0.0%	2.1%	16.0%
w/ Risk Margin	23.0%	0.0%	2.1%	25.6%

- Pinnacle's rate level indication for hospitals suggests a rate change of +2.6% on an expected value basis. At a 75% level of statistical confidence, the indicated change is +11.1%. Exhibit 6, Page 1, provides more detail surrounding these indications.

Hospitals

	Indicated Assessment Level Change on January 1, 2026
w/o Risk Margin	2.6%
w/ Risk Margin	11.1%

- The PCF is no longer securing reinsurance coverage for batch claims. These claims arise over many years and tend to result from the actions of a single provider or hospital. Beginning in our December 31, 2024 analysis, we have been advised to remove the provision for batch claims. As such, the rate indications for both the independent physicians & surgeons as well as the hospitals exclude a provision for batch claims.
- Effective January 1, 2024, the limits on non-medical indemnity for independent (non-hospital owned) outpatient healthcare facilities is $500,000 excess of $500,000 plus unlimited medical benefits. The PCF's limit on non-medical indemnity will be increased each year based on the 3-year average CPI for all urban consumers. The adjustment for this year is 4.19% and is applied on a ground-up basis, increasing the PCF's exposed layer from $556,239 to $600,495. The resulting indicated rates are shown below.

Independent Outpatient Healthcare Facilities Rates

Facility Type	Exposure Type	January 1, 2026 Indicated Rate at $600,495 xs $500,000 Limit
Cardiac Rehabilitation Centers	Per 100 Visits	45.32
College/University Health Centers	Per 100 Visits	20.18
Community Health Centers	Per 100 Visits	31.54
Dialysis Centers	Per 100 Visits	44.15
Home Health/Hospice Care	Per 100 Visits	8.76
Medical Laboratories	Per $1,000 Receipts	2.14
Medispas	Per 100 Visits	31.54
Mental Health Counseling Centers	Per 100 Visits	33.04
Pathology Laboratories	Per $1,000 Receipts	1.82
Physical/Occupational Rehabilitation Centers	Per 100 Visits	36.83
Quality Control/Reference Laboratories	Per $1,000 Receipts	1.93
Sleep Centers	Per 100 Visits	31.54
Substance Abuse Counseling Centers	Per 100 Visits	47.22
Surgery Centers	Per 100 Visits	175.20
Urgent Care Centers	Per 100 Visits	78.23
X-Ray/Imaging Centers	Per $1,000 Receipts	2.14
Emergency Room Visits	Per 100 Visits	81.86

Expected Deficit Surcharge Levels

- Pinnacle has allocated 100%, or $34.3 million, of the fund deficit to hospitals. For 2026, we estimate an indicated 22.5% load to the 2026 surcharges for hospitals. The indicated deficit surcharge load was calculated so that the fund deficit was eliminated by January 1, 2027. This date is chosen because hospitals will no longer be allowed to participate in the PCF as of January 1, 2027. Including the deficit surcharge produces an overall rate increase of +25.7% at the expected level and +36.1% at the 75% confidence level. There is no deficit surcharge indicated for the independent physicians & surgeons.
- The following table shows the underwriting performance of the independent physicians and surgeons alongside that for hospitals. This information shows an overall underwriting gain, inclusive of deficit surcharges and legislative infusions through year-end 2024, related to the independent physicians & surgeons of 2.9%; similarly for hospitals, there is a corresponding underwriting loss of 4.0%. It is from this data that we determine the allocation percentages between the independent physicians & surgeons and the hospitals.

Historical Underwriting Performance

	Independent Physician & Surgeons				Hospitals			
Accident Year	Practitioner Surcharges	Selected Ultimate Losses	Deficit Surcharges & Infusions	Gain/(Loss) Incl. Deficit Surcharges & Infusions	Hospital Surcharges	Selected Ultimate Losses	Deficit Surcharges & Infusions	Gain/(Loss) Incl. Deficit Surcharges & Infusions
2000	8,238,309	6,560,000						
2001	9,181,946	9,261,652						
2002	9,421,675	9,309,500						
2003	9,924,688	6,596,189						
2004	9,283,270	5,482,500						
2005	9,151,210	9,776,657						
2006	9,067,465	8,140,629						
2007	8,810,595	19,005,969						
2008	9,696,249	19,398,176						
2009	11,325,257	11,967,704			918,297	2,075,000		
2010	10,410,307	17,814,906			1,680,228	2,007,005		
2011	11,380,891	19,354,469			1,825,004	2,550,048		
2012	9,765,990	8,741,628			1,817,812	3,478,475		
2013	9,596,773	7,506,739			1,992,604	2,622,894		
2014	10,065,996	15,283,325			2,146,331	6,768,794		
2015	10,535,218	8,834,847			2,224,828	5,749,638		
2016	9,039,070	8,860,083			6,374,245	10,268,394		
2017	12,725,963	24,561,166			21,561,182	19,974,522		
2018	9,835,929	23,648,626			31,292,438	33,791,297		
2019	10,170,463	23,003,609			31,872,010	35,234,112		
2020	10,236,009	11,720,803			31,731,360	35,599,877		
2021	11,585,186	13,393,113			32,655,867	43,515,208		
2022	15,302,205	18,412,686			37,653,051	47,588,771		
2023	16,934,483	20,016,143			48,224,599	57,274,722		
Total	268,620,583	346,973,639	86,050,000	7,696,944	322,867,744	391,176,221	55,436,499	(12,871,978)
				2.9%				-4.0%

	Prior	Selected
Physicians Allocation Percentage	25.0%	0.0%
Hospital Allocation Percentage	75.0%	100.0%

Allocation of Ultimate & Outstanding Losses by Hospital

- We have allocated the estimated ultimate and outstanding losses by evaluating each hospital's level of surcharges and paid loss experience. We have compared the estimated ultimate losses to the corresponding surcharges to evaluate the underwriting performance for each hospital. These results are summarized below.

Allocation of Ultimate & Outstanding Losses by Hospital

Hospital	Estimate Hospital Surcharges	Paid Losses	Estimated Ultimate Losses	Undiscounted Reserves	Discounted Reserves	Gain/(Loss)	Ultimate Loss Ratio
Christus St. Vincent Hospital	45,991,308	35,768,585	62,583,857	26,815,273	26,178,548	(16,592,549)	136%
Community Health Systems	43,545,735	15,159,633	55,996,659	40,837,027	39,908,224	(12,450,924)	129%
LifePoint Health Group	23,266,384	8,306,756	27,139,515	18,832,759	18,406,426	(3,873,131)	117%
Lovelace Health System LLC	34,877,173	33,037,351	68,122,976	35,085,624	34,334,189	(33,245,802)	195%
Quorum Health Corporation	7,677,805	1,150,000	6,211,583	5,061,583	4,945,988	1,466,222	81%
HealthSouth Corporation	1,981,008	1,725,000	2,980,728	1,255,728	1,227,178	(999,720)	150%
Otero County Hospital Association	7,026,914	7,671,065	16,573,626	8,902,561	8,689,802	(9,546,712)	236%
Presbyterian Health Systems LLC	144,708,155	26,521,414	149,834,777	123,313,363	120,450,019	(5,126,622)	104%
Total	309,074,483	129,339,803	389,443,721	260,103,918	254,140,375	(80,369,238)	126%

BACKGROUND

The PCF was established in 1976 to provide for the payment of claims in excess of a primary limit of $100,000 per incident which was provided by private insurers. This resulted in the PCF providing coverage with a non-medical indemnity limit of $400,000 per incident (to reach the state damage cap on non-medical damages), plus unlimited medical benefits. Effective July 1, 1991, the primary limit was increased to $150,000 on new and renewal policies, thereby reducing the PCF's liability limit to $350,000 non-medical indemnity, plus unlimited medical. The PCF's liability was further reduced to $300,000 effective April 1, 1992, when the primary limit was increased to $200,000. Effective April 1, 1995, the maximum non-medical indemnity amount was increased to $600,000 increasing the PCF liability retention to $400,000 non-medical, plus unlimited medical. The PCF's primary limit and maximum non-medical amount was increased to $250,000 and $750,000, respectively, on January 1, 2022, resulting in the PCF's liability limit of $500,000 non-medical, plus unlimited medical. For years subsequent to 2022, the per occurrence limit for the independent physicians & surgeons will be increased annually by the 1-year CPI indication for all urban consumers. The per occurrence limit for the hospitals will remain at $500,000 excess of $250,000.

Effective January 1, 2024, the limits on non-medical indemnity for independent (non-hospital owned) outpatient healthcare facilities is $500,000 excess of $500,000 plus unlimited medical benefits. The PCF's limit on non-medical indemnity will be increased each year based on the 3-year average CPI for all urban consumers.

The unlimited medical feature of the New Mexico PCF presents significant risk for the PCF and additional variability in estimating the current liabilities and prospective rates. Since the detailed data available to estimate the unpaid claims liabilities and indicated surcharge levels only goes back to accident year 2000, some adjustments are required to this data. These adjustments, as well as the methods and assumptions used to estimate indicated loss reserves and PCF surcharges are detailed later in the report and in the attached exhibits.
Pinnacle Actuarial Resources, Inc. (Pinnacle) has been retained by the New Mexico Office of Superintendent of Insurance (OSI) to conduct a comprehensive actuarial analysis of the New Mexico Patients Compensation Fund (PCF). This analysis will contain several components including evaluation of the:

- Estimated ultimate liabilities for losses incurred by the PCF as of December 31, 2024,
- Recommended PCF assessment surcharges to fund the operations of the PCF for the effective date of January 1, 2026,
- Recommend deficit surcharges to eliminate the fund deficit by January 1, 2027 for the hospitals, and
- Independent physicians' classification plan and specialty relativities.

Pinnacle is an Illinois corporation that has been in property and casualty actuarial consulting since 1984. Our actuarial consultants make Pinnacle one of the largest property/casualty actuarial consulting firms in the U.S. We specialize in insurance pricing, loss reserving, alternative markets, legislative costing, market analysis and financial risk modeling.

Pinnacle has established a reputation as a provider of unbiased, independent, actuarially sound analyses and reports. This reputation is demonstrated in the variety of clients that have engaged us for projects similar to this one. Clients that have engaged Pinnacle in areas of medical professional liability include governmental insurance programs, legislative costing and market evaluations for healthcare industry associations (e.g. American Medical Association, Oregon Medical Association, Medical Society of Virginia), insurance departments and governmental panels (e.g. Florida, Illinois, Indiana, Maine, Michigan, New York, Ohio, Oregon), and government insurance programs (e.g. Florida Neurological Injury Compensation Association, New Mexico Patient Compensation Fund, New York Medical Indemnity Fund, Virginia Birth Related Neurological Injury Compensation Program, Wisconsin Patients Compensation Fund). Pinnacle may be unique in the breadth of parties involved in the medical professional liability insurance system that have engaged us.

DATA SOURCES

Our analyses use a number of data sources. The data sources are categorized as follows:

1. PCF Financial Statement Data,
2. Industry Rate Filings,
3. PCF Claims Data, and
4. PCF Current Class Plan and Exposure Data.

A brief description of the data sources utilized in each area along with a description of the key data elements and potential limitations of the data follows for each category.

PCF Financial Statement Data

Unlike insurance companies who are required to provide extensive, detailed financial information annually that complies with a standardized format prescribed by the National Association of Insurance Commissioners (NAIC), most governmental insurance programs, such as the PCF, have much simpler financial reporting requirements.

Pinnacle was provided a single document, one page in length, related to and supporting the financial statements of the PCF. While in analyses prior to 2015, monthly cash flows in and out of the PCF were provided dating back to 1996 (including surcharge collections, loss payments, interest earned, underwriting expenses and claims handling expenses), for this analysis as well as the 2015 through 2019 and 2022 through 2024 analyses, we were provided only with loss, expense and operating payments, surcharges, and the total PCF funds for calendar years 2014 through 2024. We were also provided with categories of operating expenses to consider in the surcharge evaluation as well as revised PCF total funds.

Industry Rate Filings

Insurance company rate filings provide valuable insights into individual insurance company perceptions of prospective claim trends. Many of these filings include rigorous actuarial analyses of claim frequency, severity and pure premium trends. Due to data limitations, these trend analyses are often performed on countrywide data to increase statistical credibility. Pinnacle reviewed several publicly available filings for MPLI providers and government insurance programs in New Mexico and other states to assess trends in the MPLI marketplace and for MPLI excess insurance programs in particular. Pinnacle relied on this information without independent review or verification. However, given that information had been through regulatory scrutiny, we are comfortable that the information is appropriate for the limited role it plays in our analysis.

The PCF loss data is not credible enough to calculate new relativities by ISO class. In order to review these relativities, we compiled data from The Doctors Company (TDC, filing submitted 8/21/2023) and The Medical Protective Company (MedPro, filing submitted 7/3/2024), two of the largest medical professional liability carriers in the state of New Mexico. These carrier relativities are closely based on the underlying coverage required by the PCF ($250,000 per occurrence, $750,000 in aggregate occurrence policies). We also compare to the Wisconsin and Indiana patient compensation funds which cover excess layers of medical professional liability similar to the PCF. These relativities are shown on Appendix 11 and Appendix 13, Page 1.

PCF Claims Data

The enabling statute for the PCF (41-5-25) requires that the PCF surcharges be based on data obtained from New Mexico experience if available. When Pinnacle began performing these studies for OSI, credible New Mexico loss data in the PCF layer was only available on a calendar year basis which is not appropriate for reserving or ratemaking. As a result, prior analyses relied on New Mexico data for losses limited to $100,000 from the two major primary insurers in New Mexico that participate in the PCF.

Starting with our 2010 study, OSI has been able to provide detailed claim data for most claims paid since 2000. Most of this data had valid loss dates and payment dates as well. In addition, a table of open claims with loss date information was also provided. These databases enabled Pinnacle to develop a much more direct approach to estimating indicated loss reserves as well as prospective assessment surcharge levels. However, for the 2015 analysis, only calendar year 2014 and 2015 aggregate loss payments were provided. We were again provided with detailed claim data for the 2017 through 2019 and 2022 through the current analysis, which show that the prior estimated calendar year 2014 and 2015 payments were much too high. We have relied upon the individual claim data provided to us for the current analysis.

Starting with the 2017 analysis and continuing in the current analyses, significant effort has gone into improving the loss database provided to us by Integrion. These improvements now allow us to sort payments by hospital/provider more precisely. We anticipate that this improvement to the database going forward will provide material insights into the PCF payments.

We were also provided with specific information regarding two large groups of claims. For the first group (Batch #1), we understand that early in 2012, a group of approximately 69 claims associated with a single physician and medical center were all settled. Most of these claims occurred in the 2007-2009 period. It has been represented to us that the settlement paid by the PCF on Batch #1 claims is $11.7 million. We were provided the approximate number of claims per accident year by the department and have reflected this settlement across accident years 2006-2009, allocating the settlement by the number of claims falling in each accident year.

The second group of claims (Batch #2) were made for a single physician and associated corporations for a total of 31 incidents in accident years 2005-2010. These claims were settled for $10,182,000. We have allocated this amount based on the claim counts in each accident year from 2005 through 2010.

Please note that for the purposes of this report, the accounting date and the valuation date is December 31, 2024. The review date (the cutoff date for including information to the actuary) is May 20, 2025.

PCF Current Class Plan and Exposure Data

Pinnacle was provided with the PCF current class plan including base surcharges by class and assignment of Insurance Services Office (ISO) codes to PCF class. This information is publicly available on the PCF's website. At the PCF's request, we have eliminated the use of ISO codes. A list of the NM PCF specific physician codes, their current and selected classes, and the corresponding current and selected relativities are shown in Appendix 11. Class relativities are the ratio of the surcharge for a given class and a selected base class. They allow for an easier comparison of how different rating plans reflect the risk potential of a given specialty by normalizing for differences in base rates. For the PCF surcharges, Class 2 has been selected as the base class. Classes and relativities for allied health providers (physician assistants, nurse anesthetists, CRNAs, and chiropractors) are shown on Appendix 14, Page 2.

In addition, we were provided with the number of health care providers with PCF coverage by ISO specialty (for physicians and surgeons) or class (for allied health providers and business entities). These exposure counts enable us to determine the impact of any changes in classes or relativities on the PCF's surcharge levels. Exposures can be found on Appendix 12 (for physicians and surgeons), Appendix 14, Page 2 (for allied health providers), and Appendix 15 (for business entities).

DISCUSSION AND ANALYSIS

Estimated Unpaid Claims Liabilities as of December 31, 2024

Pinnacle estimates the amount of losses still to be paid for all claims occurring prior to December 31, 2024, to be approximately \$342.6 million on a nominal basis, \$334.8 million on a discounted basis using a 3.5% discount rate on invested assets, and \$362.6 million when the discounted reserves reflect a risk margin to increase to the statistical confidence to 75%. These results are summarized in Exhibit 1. These amounts represent estimates of the losses that remain to be paid from the current fund balance if the PCF had ceased operations as of December 31, 2024. These reflect increases from the values calculated in the prior report as of December 31, 2023, of \$292.9 million (nominal) and \$289.1 million (discounted). The prior report calculated the discounted reserves at the 75% confidence level to be \$313.7 million.

The present value as of December 31, 2024, assuming a 3.5% annual discount rate of unpaid losses on claims occurring through December 31, 2024, is estimated as \$334.8 million. The \$26.5 million difference between the discounted losses and the estimated December 31, 2024 PCF fund balance (\$308.3 million) represents the present value of the expected deficit between the currently available funds and the funds needed to meet all outstanding claim obligations as of December 31, 2024. The current PCF fund balance is also \$34.3 million lower than the nominal reserve estimate. If discounted loss reserves are increased to the 75% confidence level, the resulting reserves indicate a \$54.3 million PCF surplus deficit.

Methodology

Pinnacle's estimates of ultimate losses for the PCF were developed based on four actuarial methods for the physician data and three methods for the hospital data. The methods used are paid loss development, expected loss ratio method, paid loss Bornhuetter-Ferguson (B-F) method, and average paid claim development (also known as a frequency and severity or counts and averages method; this method was not used with the hospital data). These methods are among the most commonly used methods and would be considered generally accepted actuarial methods. The intended measure of this approach is an actuarial central estimate of the ultimate losses and indicated loss reserves. The calculations and assumptions underpinning these methods are documented in Appendix 1 through Appendix 6 for the physician data and Appendix 7 through Appendix 8 for the hospital data.

The paid loss development method uses historical loss payment patterns to project actual payments to an ultimate settlement basis. Estimates of the percentage of additional development expected during a given interval between valuations (link ratios or age-to-age factors) based on historical development of the combined physician and hospital experience are used to estimate the expected amount of ultimate loss that is paid as of a given valuation. These factors "to ultimate" are applied to the latest paid loss data for each accident year to compute an estimate of ultimate losses. Estimates produced using this method are not affected by changes in case reserve adequacy or open claim frequency that might have occurred during the review period. The inability to respond to the presence or absence of large outstanding claims is a significant weakness of this method. This method may also be susceptible to changes in claims settlement philosophy and/or payment speed. The results of the paid loss development method are summarized in Appendix 2 and Appendix 8. The paid loss development triangles and selected age-to-age factors are shown in Appendix 9.

The expected loss ratio method assumes that over the long run the ratio of ultimate losses to earned premiums, or in this case assessment surcharges, will remain stable. The long-term loss ratio for the physician segment is assumed to be 120.0% for the 2000 and subsequent years based on the historical experience of the program, increased from 117.5% in the December 31, 2023 analysis, and the loss ratio for the hospital segment is assumed to be 120.0%, which is a decrease from the assumed loss ratio derived in the December 31, 2023 analysis (125.0%). The estimates of ultimate losses are computed as the assessments for each year times this long-term average loss ratio. The results of this method are shown in Appendix 1, Page 2 and Appendix 7, Page 2.

The B-F method estimates ultimate losses using a combination of a priori expected losses and loss development techniques. If we define:

A = Paid Losses
B = Expected Percentage of Ultimate Losses Reported
C = *a priori* Expected Losses, equal to historical assessments times long term loss ratio of 120.0% selected for each segment

then the estimated ultimate losses using the B-F technique are:

A + [C x (1 – B)].

B-F ultimate loss estimates have the advantage of stability. This is important for coverages with long periods of loss development like MPLI. This stability means the method's estimates do not overreact to short-term or one-time changes in development patterns that do not impact long-term development expectations. They also do not overreact to the presence or absence of large losses early in the development of a portfolio of claims. Conversely, B-F estimates have the disadvantage of being slow to respond to real changes in underlying loss development behavior. The *a priori* losses were based on the expected loss ratio method previously described. This method is summarized in Appendix 1, Page 1 and Appendix 7, Page 1.

The counts and averages method estimates ultimate losses by multiplying an estimate of the ultimate number of claims by a selected average cost per claim. This method was only used on the physician segment as the hospital data is not yet robust enough to support the method. The results of this method are contained in Appendix 3 through Appendix 6 and summarized in Appendix 3, Page 1. The supporting development patterns are contained in Appendix 10.

The number of claims has been selected based on three methods: a closed claim development method, a B-F method, and a frequency method looking at the long-term ratio of claims closed with payment to assessment revenues. Similarly, average claim costs (severities) have been estimated using paid claim severity development and applying a smoothing approach to adjust for volatility between years.

Selected ultimate loss estimates for the PCF layer of coverage by year were then made based on the results of these four methods for each segment (three methods for the hospitals segment). These estimates rely heavily on the B-F method and expected loss ratio method in the more recent years. Exhibit 1, Page 3 contains a detailed comparison of the selected ultimate losses compared to the results of the December 31, 2023 study. The estimated ultimate losses for most years were increased; however, these increases were partially offset by larger decreases in 2020 and 2023.

Because of the significant delay between the occurrence of a PCF claim and its payment, a discount to bring the ultimate claim payments to a present value reflecting the time value of money exists. Exhibit 1, Page 2 contains the analysis developing estimates of the PCF present value factors based on a 3.5% rate of return on invested assets and the estimated PCF excess payment pattern. This analysis assumes claim payments are made mid-year on average.

The financial operations of the PCF are similar to a commercial insurer, but one major difference is that the PCF does not maintain a large capital/surplus account. However, in any given year, the actual experience of the PCF can deviate widely from the expected experience. Unanticipated changes in the social, legal or economic environments can also adversely affect PCF experience. An insurer's capital/surplus can assist in withstanding such deviations in experience. By adding a margin for the risk of adverse deviation to indicated loss reserve (and also funding levels), the PCF can be protected in a similar manner.

There are various rules of thumb used in the insurance industry (some mandated by state regulations) that specify the size of the required risk margin (surplus). One state, for example, requires a margin sufficient to assure that funds will be sufficient to meet all claims obligations under 90% of all claims scenarios on a discounted basis. While there are a number of methods for estimating a risk margin, a reasonable margin can be estimated via a simulation model.

We constructed a simulation model that randomly generated possible aggregate loss outcomes for each of the PCF's projected unpaid claims that will ultimately result in payments. Each random outcome generated by a model is called a trial. A trial consists of simulating the individual and aggregate claim results for the PCF for the coming years. We generated 10,000 trials for each model and produced a distribution of aggregate PCF losses. We then compared the average outcome with the outcome at the 75^{th} percentile to compute the risk margin for the 75% confidence level.
Exhibit 1, Page 1 summarizes Pinnacle's selected ultimate losses and ultimate loss reserves as of December 31, 2024. These selected reserves are then adjusted for discounting at 3.5% annually and a risk margin to increase statistical confidence to the 75% level. A similar simulation model was created for the risk margin applied to the prospective rate level indication and a similar approach was used to develop the rate indication at the 75% confidence level.

PCF Coverage Limits and Expected Surcharge Levels

A table of current and recommended PCF surcharges by physician class is shown in Exhibit 3. Recommended surcharges were computed based on both an expected value basis and a 75% confidence level.

For the independent physicians & surgeons, the indicated percentage rate level changes are derived in Exhibit 4, Page 1. On an expected value basis, the indicated surcharge change is an increase of +13.6%, while at the 75% confidence level an increase of +23.0% is indicated. We are not proposing any changes in class relativities for 2026, therefore no offset is required.

We have made use of the CPI for all urban consumers to calculate the increase to the per occurrence limit:

Consumer Price Index All Urban Consumers		
Year	Index	% Chg.
(1)	(2)	(3)
2015	237.8	
2016	242.6	2.05%
2017	247.8	2.13%
2018	252.8	2.00%
2019	258.6	2.32%
2020	262.0	1.32%
2021	280.8	7.16%
2022	298.8	6.41%
2023	308.7	3.32%
2024	317.6	2.87%
1-Yr Change		2.87%
3-Yr Change		4.19%

**Source: bls.gov*
Series ID: CUSR0000SA0

Evaluating the index as of year-end 2023 produces an adjustment factor of 2.87%. The result is an increase to the per occurrence limit from $883,404 to $908,779 – widening the PCF's exposed layer from $633,404 to $658,779. Our analysis of MPLI ILF's indicate that rates should be increased +2.1% to support the additional exposure. Aggregating these elements produces an indicated rate change of +16.0% at the expected level and +25.6% at the 75% confidence level.

Effective January 1, 2024, the limits on non-medical indemnity for independent (non-hospital owned) outpatient healthcare facilities is $500,000 excess of $500,000 plus unlimited medical benefits. The PCF's limit on non-medical indemnity will be increased each year based on the 3-year average CPI for all urban consumers. The adjustment for this year is 4.19% and is applied on a ground-up basis, increasing the PCF's exposed layer from $556,239 to $600,495.

Exhibit 6, Page 1, provides the indicated percentage rate level changes for the hospitals. On an expected value basis, the indicated change is +2.6%; at the 75% confidence level the indicated change is increased to +11.1%.

Including the risk margin at the 75% confidence level improves the likelihood that rates will be sufficient to cover all claims liabilities for the upcoming exposure year.

Investment income as an offset to the otherwise required revenue is recognized in both sets of rates using a 3.5% annual discount rate, assuming all surcharge income will be available for investment. Loss ratios were selected based on historical results and reflect recent loss ratio deterioration. The rates include provisions for other expenses, such as administration and medical/legal panels, as well as losses. However, since allocated loss adjustment expenses (ALAE) have historically been paid by the primary carrier, no ALAE provision is included in the PCF rates. Exhibit 7 shows selected ratios of expenses to either losses or surcharge revenues based on the PCF's historical paid expenses and losses. There is also no provision for profit and contingencies in the rate level indications, other than the risk margin.

PCF Surplus/Deficit

The current PCF fund balance is approximately $308.3 million as of December 31, 2024. When compared to Pinnacle's estimate of indicated undiscounted loss reserves of approximately $342.6 million, this would suggest a fund deficit position of $34.3 million as of December 31, 2024. The indicated Fund position remains a deficit of approximately $26.5 million when losses are considered on a discounted basis using a 3.5% discount rate on invested assets.

However, it is imperative to understand that the application of discounting to these unpaid claims liabilities strongly indicates the need to add an explicit risk margin. For example, section 3.6 of Actuarial Standard of Practice No. 20 promulgated by the Actuarial Standards Board entitled, "Discounting of Property/Casualty Unpaid Claim Estimates" states that, "The actuary should be aware of the relationship between discounting unpaid claim estimates and risk margins. Discounting an unpaid claim estimate diminishes the [implicit] margin in an undiscounted unpaid claim estimate." The standard allows both implicit margins (such as the nominal reserve estimate) and explicit margins (such as the 75% risk margin developed by Pinnacle). If discounted reserves are increased to the 75% confidence level, the resulting reserves of $362.6 million indicate a $54.3 million PCF surplus deficit.

The deficit is allocated 100% to the hospitals; therefore, the discounted deficit to the hospitals is $26.5 million. The 2026 deficit surcharge is 22.5% for the hospitals and 0.0% for independent physicians and surgeons. These load factors were derived so that the deficit for the hospitals is eliminated as of January 1, 2027. See Exhibit 3, Page 1 for more detail.

Class Plan and Entity Coverage Review

Pinnacle's class plan review was based on two parts: reviewing class assignments by PCF class code and evaluating overall relativities by class. We then calculated the indicated surcharge impact to the PCF based on each suggested change on Appendix 12.

To review the PCF class code assignments, we compared the current PCF relativities to the other patient compensation funds and primary carrier relativities to determine if any classes appeared to be significantly lower or higher than the industry would indicate and selected new relativities as appropriate. The NM PCF class codes and relativities are found on Appendix 11, while new class assignments are shown on Appendix 12.

Once the class assignments were adjusted, we reviewed the overall weighted relativities by class to determine whether the class relativities remained appropriate. The findings of this analysis indicate no adjustment in the relativity factors.

Based on the class assignment review, we recommend no adjustments to the class plan. More detail regarding these numbers is shown in Appendix 11 through Appendix 15.

We also compared PCF relativities for the allied provider types to the other patient compensation fund and insurer relativities and recommend no changes. More details of this recommendation may be found on Appendix 14, Page 2.

The final piece of our analysis was a review of the entity coverage charge for business entities covered by the PCF. Based on our review of industry rate filings, we found that a typical entity charge is 10% of the premium for each covered provider in the entity. Because individual analysis of practice groups to calculate an appropriate rate would be inefficient, and because there is no indication that the industry standard is unreasonable, we believe that following the industry practice is appropriate. The actual surcharge will therefore vary based on the individual provider specialty. In order to estimate the funding impact, we assumed the distribution of specialty by entity class aligns with the distribution of NM PCF-covered physician & surgeons by PCF class code. We are not recommending any changes to the PCF class codes; therefore, we estimate no surcharge impact for entity coverage. More details of this calculation are available in Appendix 15.

Allocation of Ultimate & Outstanding Losses by Hospital

We have allocated the estimated ultimate and outstanding losses by evaluating each hospital's level of surcharges and paid loss experience. We have compared the estimated ultimate losses to the corresponding surcharges to evaluate the underwriting performance for each hospital. These results are summarized below.

Allocation of Ultimate & Outstanding Losses by Hospital

Hospital	Estimate Hospital Surcharges	Paid Losses	Estimated Ultimate Losses	Undiscounted Reserves	Discounted Reserves	Gain/(Loss)	Ultimate Loss Ratio
Christus St. Vincent Hospital	45,991,308	35,768,585	62,583,857	26,815,273	26,178,548	(16,592,549)	136%
Community Health Systems	43,545,735	15,159,633	55,996,659	40,837,027	39,908,224	(12,450,924)	129%
LifePoint Health Group	23,266,384	8,306,756	27,139,515	18,832,759	18,406,426	(3,873,131)	117%
Lovelace Health System LLC	34,877,173	33,037,351	68,122,976	35,085,624	34,334,189	(33,245,802)	195%
Quorum Health Corporation	7,677,805	1,150,000	6,211,583	5,061,583	4,945,988	1,466,222	81%
HealthSouth Corporation	1,981,008	1,725,000	2,980,728	1,255,728	1,227,178	(999,720)	150%
Otero County Hospital Association	7,026,914	7,671,065	16,573,626	8,902,561	8,689,802	(9,546,712)	236%
Presbyterian Health Systems LLC	144,708,155	26,521,414	149,834,777	123,313,363	120,450,019	(5,126,622)	104%
Total	309,074,483	129,339,803	389,443,721	260,103,918	254,140,375	(80,369,238)	126%

GLOSSARY OF TERMS & ABBREVIATIONS

The definitions included in this glossary are intended to be practical definitions to assist non-technical readers in understanding the key technical contents of this report.

Accident Year – A method of organizing insurance loss and loss adjustment expense data according to the year in which the accident or event occurred.

Annual Statement – A detailed financial report of an insurance company, required to be filed with state insurance regulators in a specified format using insurance-specific accounting rules.

Calendar Year – A method of organizing insurance loss and loss adjustment expense data according to the year in which the financial transaction (e.g., a loss payment or reserve increase) occurred.

Case Reserves – A financial provision for the potential liability associated with known, unpaid claims.

Claims-Made Coverage – An insurance coverage form that provides reimbursement for claims reported during the coverage period.

Damage Cap – An amount imposed as a limit on claim damages. In New Mexico, this cap applies only to non-medical indemnity payments.

DCC – Defense and Cost Containment, loss adjustment expenses specifically attributable to the defense of a claim or cost containment procedures. Also called DCCE.

Deficit Surcharge - Assessments in addition to base surcharges designed to reduce the fund deficit.

Earned Premium – The portion of an insurance policy's premium for which the coverage has been provided.

Experience Rating – A method of adjusting insured premium derived from manual rates for insured historical loss experience to the extent that it is predictive of future loss results.

Fund Deficit – The amount by which the calculated reserves exceed the fund balance.

Frequency – The number of claims per unit of exposure, such as physicians or beds.

Incurred but not Reported (IBNR) reserves – A provision for unpaid claims liabilities intended to provide a provision for both unknown/unreported claims events and additional development on known claims.

Incurred Loss – Paid losses plus Case Reserves.

Indemnity – The sum paid by the insurer to the insured by way of compensation for a particular loss suffered by the insured.

LAE – Loss Adjustment Expenses; insurance company expenses associated with settling claims. LAE includes both unallocated loss adjustment expenses (ULAE, which is similar to Adjusting and Other Expense, AOE) and allocated loss adjustment expenses (ALAE, which is similar to DCC).

Limit – The most the insurer is obligated to pay for loss in any one occurrence.

Loss Cost – The ratio of actual losses to a company's subject matter exposure for the same period.

Loss Ratio – The ratio of some measure of losses (typically paid or incurred) to some measure of premium.

Patient Compensation Fund (PCF) - a medical malpractice insurance mechanism, created by state law, designed to increase professional liability coverage availability and/or affordability primarily by providing coverage for a specific type of injury or an excess layer of coverage.

Primary Carrier – The insurance company issuing the insurance policy to the insured and typically providing the lowest or primary layer of coverage. This is compared to a reinsurer or excess carrier providing coverage to the primary insurer for higher loss limits.

Pure Premium – The provision in the rate per exposure unit to pay losses.

Rate – The price per exposure unit for insurance coverage.

Reinsurance – A mechanism by which an insurance company can transfer some of their insurance risk to another insurer.

Report Year – A method of organizing insurance loss and loss adjustment expense data according to the year in which the accident or event was reported to the insurer, regardless of when it occurred.

Risk Margin – A factor added to indicated ultimate losses, loss reserves or funding estimates to increase statistical confidence to a higher level.

Severity – The average cost or payment amount of a claim.

Surcharges – For the PCF, assessments paid by insureds to fund benefits payments. Akin to premiums, these surcharges are added to the premiums charged by primary insurers so insureds can make a single payment for both primary and PCF coverage.

Territory – The geographic area within which a carrier provides coverage.

Trend – The direction and amount that rates, premium, or losses tend to move over time.

Written Premium – The entire amount of premium on a policy contract.

LEGAL DISCLOSURES

Distribution and Use

This report is being provided to the OSI solely for their internal use. It is understood that this report may also be distributed to representatives of the New Mexico Medical Society, New Mexico Bar Association, as well as other makers of public policy and various stakeholders in the healthcare industry in the State of New Mexico. Distribution to these parties is granted on the conditions that the entire report be distributed rather than any excerpts and that all recipients be made aware that Pinnacle is available to answer any questions regarding the report. In the event our report is distributed to other parties due to statute or regulations, or by agreement of Pinnacle and the OSI, we require that the report and supporting exhibits be distributed in their entirety. Pinnacle advises that any recipient have their own actuary review the work. Pinnacle does not intend to benefit any third-party recipient of its work product or create any legal duty from Pinnacle to a third party even if Pinnacle consents to the release of its work product to such third party.

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Any reference to Pinnacle in relation to this report in any reports, accounts, or other published documents or any verbal reference issued by PCF is not authorized without prior written consent and then only if the complete report is provided.

Reliances and Limitations

Judgments as to conclusions, recommendations, methods and data contained in this report should be made only after studying the report in its entirety. It should be understood that the exhibits, graphs and figures are integral elements of the report. These sections have been prepared so that our actuarial assumptions and judgments are documented. Pinnacle is available to answer any questions that may arise regarding this report. We assume that the user of this report will seek such explanation on any matter in question.

We have relied upon a great deal of publicly available and proprietary data, without audit or verification. Pinnacle reviewed as many elements of this data and information as practical for reasonableness and consistency with our knowledge of the insurance industry. It is possible that the historical data used to make our estimates may not be predictive of future experience in New Mexico. We have not anticipated any extraordinary changes to the legal, social or economic environment which might affect the size or frequency of medical malpractice claims beyond those contemplated in the proposed legislative changes.

Our analysis is based on closed and open claims information provided by OSI. In the data provided for prior analyses, there were a small number of claims that did not contain accurate loss dates. In addition, there were a small number of claims handled in 2000-2001 by a secondary third-party administrator (TPA) that were not contained in the data we were provided. However, we believe the methods and assumptions incorporated into our analysis effectively recognize these shortcomings in the data. If it is subsequently discovered that the underlying data or information provided to us is materially in error, the calculations and conclusions herein will not be correct and will need to be revised. We expect OSI to notify us promptly if any such data issues are subsequently discovered.

The payment pattern used in our analysis for deriving PCF's present value factor and estimated unpaid losses is based on the data available from PCF claims payments for most claims since 2000 through 2024. We also reviewed a variety of external databases for other PCFs and MPLI reinsurance to validate the reasonableness of the payment pattern for the PCF excess layer. The volatility of the payment patterns for this layer of coverage on a relatively small portfolio of claims introduces additional risk into the estimation process.

Many actuarial estimates, including loss and loss adjustment expense reserves, future surcharge level estimates and potential legislative impacts, are subject to potential errors of estimation due to the fact that the ultimate liability for claims is subject to the outcome of events yet to occur, e.g., jury decisions, judicial interpretations of statutory changes and attitudes of claimants with respect to settlements. Pinnacle has employed techniques and assumptions that we believe are appropriate, and we believe the conclusions presented herein are reasonable, given the information currently available. It should be recognized that future loss emergence will likely deviate, perhaps substantially, from our estimates.

A source of variation is introduced in estimating outstanding liabilities on a discounted basis. That is, besides the risk of underestimating or overestimating the overall amount of nominal loss liabilities, there is the additional risk that the future yield on the underlying assets will differ from our assumed discount rate. Actual loss payments could occur materially more rapidly or more slowly than projected, due to random variations and the timing of large claim payments. The yield on assets supporting the liabilities may be affected by capital gains or losses, or significant changes in economic conditions. The 3.5% interest rate used in the discounting calculation was provided to us by the OSI. We believe this rate to be reasonable for use in discounting the PCF's unpaid liabilities as it is consistent with the current risk-free Treasury yields. We note that the discount factors used in this analysis assume that only the invested assets as shown in the PCF's financials will generate investment income to offset the nominal reserves.

The mathematical techniques underlying our estimate of the risk margin are intended to provide an approximation of the potential variation in loss costs. It should be noted that this estimate reflects only the potential "process" variation (i.e., the random variation inherent in the claim process) based on the assumed loss distributions and the selected parameters. Additional "parameter" variation exists due to the risk that the selected theoretical loss distributions and their parameters will not be predictive of the actual loss distributions. Of particular concern is the potential for unexpected increases in the inflation of the losses.

A substantial source of uncertainty relates to the emergence of the COVID-19 pandemic and its ongoing impact. This uncertainty could impact the projection of unpaid claim and future funding estimates in several different ways including, but not limited to:

- Claim reporting patterns and the risk of longer claim durations as claims handling and settlement are impacted and claimants behave differently
- Changes in exposure to specific coverages
- Emerging exposure to losses not contained in the source data for certain coverages
- Material changes in underlying loss exposures as COVID-19 impacts businesses
- Potential legal disputes regarding the applicability of specific coverages to COVID-19-related claims
- Changes associated with ongoing medical care of current claimants due to the virus for lines of business with a medical coverage component, and
- Changes in economic environments that could affect the cost of future claims.

Some of these uncertainties may affect the settlement of claims that occurred prior to COVID-19 being declared a pandemic. The COVID-19 pandemic may have a material impact on our reserve and funding estimates as its effects emerge over time.

A simulation model of this type cannot possibly capture all or completely describe any of the dynamic forces that impact medical professional liability losses. Such a model, however, can provide considerable insight into the range of potential fluctuation of losses.

Pinnacle is not qualified to provide formal legal interpretations of state legislation. The elements of this report that require legal interpretation should be recognized as reasonable interpretations of the available statutes, regulations, and administrative rules. State governments and courts are also constantly in the process of changing and reinterpreting these statutes.

Exhibits

New Mexico Patients' Compensation Fund
Reserves as of 12/31/2024
Estimated Financial Position

	Estimated Ultimate Reserves (1)	Estimated Discounted Reserves (2)	Estimated Discounted Reserves @ 75% (3)	Fund Balance (4)	Indicated Deficit/(Surplus) Undiscounted (5)	Indicated Deficit/(Surplus) Discounted (6)	Indicated Deficit/(Surplus) Discounted @ 75% (7)
Estimated Financial Position as of 12/31/2024							
Independent Physician & Surgeons	82,463,038	80,632,117	87,324,583	82,463,038	0	0	0
Hospitals & OHCF's	260,103,918	254,140,375	275,234,026	225,812,331	34,291,587	26,497,124	54,283,241
Total	342,566,955	334,772,492	362,558,609	308,275,368	34,291,587	26,497,124	54,283,241

Amortization of Deficit Surcharge

	Calendar Year 2025	2026	2027	2028	2029	2030	Total
Independent Physician & Surgeons							
(8) Deficit Surcharge/Legislative Infusion		0	0	0	0	0	0
(9) Discounted Deficit Surcharge		0	0	0	0	0	0
(10) Surcharge		22,344,138	23,461,345	24,634,412	25,866,132	27,159,439	123,465,466
(11) Deficit Surcharge as a % of Surcharge	N/A	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Hospitals & OHCF's							
(8) Deficit Surcharge	18,734,970	16,716,864					35,451,834
(9) Discounted Deficit Surcharge	18,415,471	15,876,116					34,291,587
(10) Surcharge	68,714,443	70,473,364					139,187,807
(11) Deficit Surcharge as a % of Surcharge	26.8%	22.5%					24.6%
Combined							
(8) Deficit Surcharge		16,716,864	0	0	0	0	16,716,864
(9) Discounted Deficit Surcharge		15,876,116	0	0	0	0	15,876,116
(10) Surcharge		92,817,502	23,461,345	24,634,412	25,866,132	27,159,439	193,938,830
(11) Deficit Surcharge as a % of Surcharge		17.1%	0.0%	0.0%	0.0%	0.0%	8.2%

Column/Row	Note
(1)	Exhibit 1, Page 1, Col (8)
(2)	Exhibit 1, Page 1, Col (10)
(3)	Exhibit 1, Page 1, Col (12)
(4)	Total provided by client; allocated between independent physicans & surgeons and hospitals based on Fund Summary, Page 2
(5)	Col (5), Total = Col (1) - Col (4); Allocation between Physicians & Surgeons/Hospitals based on Fund Summary, Page 2, Row (8) & (9), respectively
(6)	Col (6), Total = Col (2) - Col (4); Allocation between Physicians & Surgeons/Hospitals based on Fund Summary, Page 2, Row (8) & (9), respectively
(7)	Col (7), Total = Col (3) - Col (4); Allocation between Physicians & Surgeons/Hospitals based on Fund Summary, Page 2, Row (8) & (9), respectively
(8), (9)	Amortized deficit surcharge over a 5-year period at 3.5% per annum; 2025 deficit surcharge based on data provided by client; amount for 2026 are estimated
(10)	For 2026: Physicians & Surgeons Exhibit 1 for Physicians & Surgeons; Hospitals & Outpatient Facilities Exhibit 1 for Hospitals & OHFC's All other years trended at 5.0% per annum
(11)	Row (10) / Row (9)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Calculation of Fund Deficit Allocation

	Independent Physician & Surgeons						Hospitals					
Accident Year	Practitioner Surcharges	Selected Ultimate Losses	Gain/(Loss)	Deficit Surcharges	Legislative Infusions	Gain/(Loss) Incl. Deficit Surcharges & Infusions	Hospital Surcharges	Selected Ultimate Losses	Gain/(Loss)	Deficit Surcharges	Legislative Infusions	Gain/(Loss) Incl. Deficit Surcharges & Infusions
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
2000	8,238,309	6,560,000	1,678,309									
2001	9,181,946	9,261,652	(79,706)									
2002	9,421,675	9,309,500	112,175									
2003	9,924,688	6,596,189	3,328,499									
2004	9,283,270	5,482,500	3,800,770									
2005	9,151,210	9,776,657	(625,447)									
2006	9,067,465	8,140,629	926,836									
2007	8,810,595	19,005,969	(10,195,374)									
2008	9,696,249	19,398,176	(9,701,927)									
2009	11,325,257	11,967,704	(642,446)				918,297	2,075,000	(1,156,703)			
2010	10,410,307	17,814,906	(7,404,598)				1,680,228	2,007,005	(326,777)			
2011	11,380,891	19,354,469	(7,973,578)				1,825,004	2,550,048	(725,044)			
2012	9,765,990	8,741,628	1,024,362				1,817,812	3,478,475	(1,660,663)			
2013	9,596,773	7,506,739	2,090,034				1,992,604	2,622,894	(630,290)			
2014	10,065,996	15,283,325	(5,217,330)				2,146,331	6,768,794	(4,622,463)			
2015	10,535,218	8,834,847	1,700,371				2,224,828	5,749,638	(3,524,810)			
2016	9,039,070	8,860,083	178,986				6,374,245	10,268,394	(3,894,149)			
2017	12,725,963	24,561,166	(11,835,202)				21,561,182	19,974,522	1,586,661			
2018	9,835,929	23,648,626	(13,812,697)				31,292,438	33,791,297	(2,498,860)			
2019	10,170,463	23,003,609	(12,833,146)				31,872,010	35,234,112	(3,362,102)			
2020	10,236,009	11,720,803	(1,484,794)				31,731,360	35,599,877	(3,868,517)			
2021	11,585,186	13,393,113	(1,807,927)				32,655,867	43,515,208	(10,859,341)			
2022	15,302,205	18,412,686	(3,110,481)				37,653,051	47,588,771	(9,935,720)			
2023	16,934,483	20,016,143	(3,081,660)				48,224,599	57,274,722	(9,050,123)			
2024	16,935,434	20,322,521	(3,387,087)				68,897,888	82,677,466	(13,779,578)			
Total	268,620,583	346,973,639	(78,353,056)	0	86,050,000	7,696,944	322,867,744	391,176,221	(68,308,477)	43,086,499	12,350,000	(12,871,978)
			-29.2%			2.9%			-21.2%			-4.0%

	Prior	Selected
(14) Physicians Allocation Percentage	25.0%	0.0%
(15) Hospital Allocation Percentage	75.0%	100.0%

Column/Row	
(2), (8)	Based on data provided by client
(3)	Exhibit 2, Col (8)
(4)	Col (2) - Col (3)
(5), (11)	Based on data provided by client
(6), (12)	Based on data provided by client. Reflects: 2022 $30.0M legislative infusion allocated 100% to Independent Physician & Surgeons and 0% to Hospitals 2023 $32.5M legislative infusion allocated 62% to Independent Physician & Surgeons and 38% to Hospitals
(7)	Col (4) + Col (5) + Col (6)
(9)	Exhibit 5, Col (7)
(10)	Col (8) - Col (9)
(13)	Col (10) + Col (11) + Col (12)
(14)	Judgmentally selected
(15)	Judgmentally selected

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Allocation of Ultimate & Outstanding Losses by Hospital

Hospital	Estimate Hospital Surcharges	Paid Losses	Estimated Ultimate Losses	Undiscounted Reserves	Discounted Reserves	Gain/(Loss)	Ultimate Loss Ratio
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Christus St. Vincent Hospital	45,991,308	35,768,585	62,583,857	26,815,273	26,178,548	(16,592,549)	136%
Community Health Systems	43,545,735	15,159,633	55,996,659	40,837,027	39,908,224	(12,450,924)	129%
LifePoint Health Group	23,266,384	8,306,756	27,139,515	18,832,759	18,406,426	(3,873,131)	117%
Lovelace Health System LLC	34,877,173	33,037,351	68,122,976	35,085,624	34,334,189	(33,245,802)	195%
Quorum Health Corporation	7,677,805	1,150,000	6,211,583	5,061,583	4,945,988	1,466,222	81%
HealthSouth Corporation	1,981,008	1,725,000	2,980,728	1,255,728	1,227,178	(999,720)	150%
Otero County Hospital Association	7,026,914	7,671,065	16,573,626	8,902,561	8,689,802	(9,546,712)	236%
Presbyterian Health Systems LLC	144,708,155	26,521,414	149,834,777	123,313,363	120,450,019	(5,126,622)	104%
Total	309,074,483	129,339,803	389,443,721	260,103,918	254,140,375	(80,369,238)	126%

Column	
(2), (3)	Based on data provided by client; excluding deficit surcharge
(4)	Based on Pinnacle analysis of loss history by hospital
(5)	Col (4) - Col (3)
(6)	Col (5) x Exhibit 1, Page 1, Col (9)
(7)	Col (2) - Col (4)
(8)	Col (4) / Col (2)

Excludes Losses & Surcharges Related to Southwest and NM Heart Institute

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Reserve Summary

	Physician & Surgeons			Hospitals			Combined				Estimated
Accident Year	Selected Ultimate Losses	Paid Losses	Selected Ultimate Reserves	Selected Ultimate Losses	Paid Losses	Selected Ultimate Reserves	Selected Ultimate Reserves	Discount Factor	Estimated Discounted Reserves	Indicated Risk Margin @ 75%	Discounted Reserves @ 75%
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2000	6,560,000	6,560,000	0				0			1.083	
2001	9,261,652	9,261,652	0				0			1.083	
2002	9,309,500	9,309,500	0				0			1.083	
2003	6,596,189	6,596,189	0				0			1.083	
2004	5,482,500	5,482,500	0				0			1.083	
2005	9,776,657	9,776,657	0				0			1.083	
2006	8,140,629	8,140,629	0				0			1.083	
2007	19,005,969	19,005,969	0				0			1.083	
2008	19,398,176	19,398,176	0				0			1.083	
2009	11,967,704	11,967,704	0	2,075,000	2,075,000	0	0			1.083	
2010	17,814,906	17,814,906	0	2,007,005	2,005,000	2,005	2,005	0.758	1,519	1.083	1,646
2011	19,354,469	19,354,469	0	2,550,048	2,547,500	2,547	2,547	0.758	1,931	1.083	2,091
2012	8,741,628	8,731,408	10,219	3,478,475	3,475,000	3,475	13,694	0.758	10,378	1.083	11,240
2013	7,506,739	7,450,000	56,739	2,622,894	2,607,237	15,656	72,396	0.992	71,814	1.083	77,775
2014	15,283,325	15,120,435	162,891	6,768,794	6,688,260	80,534	243,424	0.990	240,975	1.083	260,976
2015	8,834,847	8,602,477	232,370	5,749,638	5,624,980	124,658	357,027	0.988	352,853	1.083	382,140
2016	8,860,083	8,523,333	336,750	10,268,394	9,916,846	351,548	688,298	0.986	678,762	1.083	735,100
2017	24,561,166	23,722,500	838,666	19,974,522	19,016,636	957,886	1,796,551	0.982	1,763,525	1.083	1,909,897
2018	23,648,626	22,314,611	1,334,014	33,791,297	27,241,629	6,549,669	7,883,683	0.984	7,754,113	1.083	8,397,704
2019	23,003,609	18,868,878	4,134,731	35,234,112	19,264,470	15,969,642	20,104,373	0.991	19,933,437	1.083	21,587,912
2020	11,720,803	5,409,528	6,311,275	35,599,877	13,557,334	22,042,543	28,353,818	0.988	28,007,258	1.083	30,331,860
2021	13,393,113	1,182,167	12,210,946	43,515,208	10,699,825	32,815,384	45,026,330	0.985	44,362,665	1.083	48,044,766
2022	18,412,686	1,804,414	16,608,271	47,588,771	6,352,586	41,236,185	57,844,456	0.980	56,714,214	1.083	61,421,494
2023	20,016,143	112,500	19,903,643	57,274,722	0	57,274,722	77,178,365	0.974	75,210,098	1.083	81,452,536
2024	20,322,521	0	20,322,521	82,677,466	0	82,677,466	102,999,987	0.968	99,668,950	1.083	107,941,473
Total	346,973,639	264,510,601	82,463,038	391,176,221	131,072,303	260,103,918	342,566,955		334,772,492		362,558,609

Column/Row

(2)	Exhibit 2, Col (8)
(3), (6)	Provided by client
(4)	Col (2) - Col (3)
(5)	Exhibit 5, Col (7)
(7)	Col (5) - Col (6)
(8)	Col (4) + Col (7)
(9)	Exhibit 1, Page 2
(10)	Col (8) x Col (9)
(11)	Based on simulation analysis of future closed claims
(12)	Col (10) x Col (11)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Calculation of Discount Factor

Accident Year	Indicated Reserve	Months	Unpaid Percentage	Payments made at: 0.5 07/01/25	1.5 07/01/26	2.5 07/01/27	3.5 07/01/28	4.5 07/01/29	5.5 07/01/30	6.5 07/01/31	7.5 07/01/32	8.5 07/01/33	9.5 07/01/34	10.5 07/01/35	11.5 07/01/36	12.5 07/01/37	13.5 07/01/38	14.5 07/01/39	15.5 07/01/40	16.5 07/01/41	17.5 07/01/42	18.5 07/01/43	Discount	Disc. on Invested Assets
2000	-	300	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2001	-	288	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2002	-	276	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2003	-	264	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2004	-	252	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2005	-	240	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2006	-	228	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2007	-	216	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2008	-	204	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2009	-	192	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.000
2010	2,005	180	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.758
2011	2,547	168	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.758
2012	13,694	156	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.000	0.758
2013	72,396	144	0.6%	83.3%	0.0%	0.0%	16.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.967	0.992
2014	243,424	132	1.2%	49.8%	41.8%	0.0%	0.0%	8.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.958	0.990
2015	357,027	120	2.2%	45.1%	27.3%	22.9%	0.0%	0.0%	4.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.952	0.988
2016	688,298	108	3.4%	36.7%	28.6%	17.3%	14.5%	0.0%	0.0%	2.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.943	0.986
2017	1,796,551	96	4.2%	18.3%	30.0%	23.3%	14.1%	11.9%	0.0%	0.0%	2.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.924	0.982
2018	7,883,683	84	7.4%	43.6%	10.3%	16.9%	13.2%	8.0%	6.7%	0.0%	0.0%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.932	0.984
2019	20,104,373	72	33.9%	78.1%	9.6%	2.3%	3.7%	2.9%	1.7%	1.5%	0.0%	0.0%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.965	0.991
2020	28,353,818	60	51.4%	34.1%	51.5%	6.3%	1.5%	2.4%	1.9%	1.2%	1.0%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.950	0.988
2021	45,026,330	48	76.8%	33.1%	22.8%	34.4%	4.2%	1.0%	1.6%	1.3%	0.8%	0.6%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.939	0.985
2022	57,844,456	36	91.3%	15.8%	27.9%	19.2%	29.0%	3.6%	0.8%	1.4%	1.1%	0.6%	0.5%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.919	0.980
2023	77,178,365	24	97.9%	6.8%	14.7%	26.0%	17.9%	27.0%	3.3%	0.8%	1.3%	1.0%	0.6%	0.5%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.895	0.974
2024	102,999,987	12	99.6%	1.7%	6.7%	14.5%	25.6%	17.6%	26.5%	3.3%	0.8%	1.3%	1.0%	0.6%	0.5%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.866	0.968
Total	342,566,955			60,793,074	62,926,798	65,753,947	61,351,086	43,572,087	32,549,698	5,964,241	3,066,156	2,841,669	1,852,748	1,059,605	572,295	63,318	78,719	103,266	0	0	0	0		

Row		Interest Rate	0.5	1.5	2.5	3.5	4.5	5.5	6.5	7.5	8.5	9.5	10.5	11.5	12.5	13.5	14.5	15.5	16.5	17.5	18.5
(1)	Annual	3.5%	0.983	0.950	0.918	0.887	0.857	0.828	0.800	0.773	0.746	0.721	0.697	0.673	0.650	0.628	0.607	0.587	0.567	0.548	0.529
	Discount	4.5%	0.978	0.936	0.896	0.857	0.820	0.785	0.751	0.719	0.688	0.658	0.630	0.603	0.577	0.552	0.528	0.505	0.484	0.463	0.443
	Factors	5.5%	0.974	0.923	0.875	0.829	0.786	0.745	0.706	0.669	0.634	0.601	0.570	0.540	0.512	0.485	0.460	0.436	0.413	0.392	0.371
(2)	Discounted	3.5%	59,756,332	59,761,998	60,335,227	54,391,499	37,323,021	26,938,601	4,769,171	2,368,872	2,121,194	1,336,236	738,364	385,306	41,189	49,475	62,708	0	0	0	0
	Values	4.5%	59,469,729	58,906,226	58,902,144	52,591,461	35,742,510	25,550,968	4,480,220	2,204,053	1,954,722	1,219,584	667,457	344,971	36,524	43,452	54,547	0	0	0	0
		5.5%	59,187,211	58,070,684	57,516,265	50,867,295	34,243,038	24,247,024	4,211,281	2,052,110	1,802,717	1,114,084	603,939	309,184	32,425	38,210	47,511	0	0	0	0

Row		Interest Rate	
(3)	Discounted	3.5%	310,379,194
	Totals	4.5%	302,168,568
		5.5%	294,342,979

(4)

	Interest Rate	Gross Discount Rate	Disc. On Invested Asset
Overall	3.5%	0.906	0.977
Discount	4.5%	0.882	0.971
Factors	5.5%	0.859	0.966

Row		Interest Rate	
(5)	Discounted	3.5%	334,772,492
	on Invested	4.5%	332,784,239
	Assets	5.5%	330,889,225

Row	Note
(1)	1 / (1 + Discount Factor) ^ (Payments made at date - 12/31/24) Assumes payments are made uniformly throughout the policy period, starting six months subsequent to the loss evaluation date.
(2)	Annual Discount Factor x Payments made at date
(3)	Sum across all years
(4)	(3) / Total Reserves; discount on invested assets is a based on information provided by client.
(5)	(4), Discount on invested assets x undiscounted reserves

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

2023 and 2024 Comparison - Combined

	as of 12/31/24				as of 12/31/23				Difference							
Accident Year	NMPCF Ultimate Losses	NMPCF Paid Losses	NMPCF Undiscounted Reserves	NMPCF Discounted Reserves	NMPCF Ultimate Losses	NMPCF Paid Losses	NMPCF Undiscounted Reserves	NMPCF Discounted Reserves	NMPCF Ultimate Losses		NMPCF Paid Losses		NMPCF Undiscounted Reserves		NMPCF Discounted Reserves	
2000	6,560,000	6,560,000	0	0	6,560,000	6,560,000	0	0	0	0%	0	0%	0		0	
2001	9,261,652	9,261,652	0	0	9,261,652	9,261,652	0	0	0	0%	0	0%	0		0	
2002	9,309,500	9,309,500	0	0	9,309,500	9,309,500	0	0	0	0%	0	0%	0		0	
2003	6,596,189	6,596,189	0	0	6,596,189	6,596,189	0	0	0	0%	0	0%	0		0	
2004	5,482,500	5,482,500	0	0	5,482,500	5,482,500	0	0	0	0%	0	0%	0		0	
2005	9,776,657	9,776,657	0	0	9,776,657	9,776,657	0	0	0	0%	0	0%	0		0	
2006	8,140,629	8,140,629	0	0	8,140,629	8,140,629	0	0	0	0%	0	0%	0		0	
2007	19,005,969	19,005,969	0	0	19,005,969	19,005,969	0	0	0	0%	0	0%	0		0	
2008	19,398,176	19,398,176	0	0	19,398,176	19,398,176	0	0	0	0%	0	0%	0		0	
2009	14,042,704	14,042,704	0	0	13,892,704	13,892,704	0	0	150,000	1%	150,000	1%	0		0	
2010	19,821,911	19,819,906	2,005	1,519	19,819,906	19,819,906	0	0	2,005	0%	0	0%	2,005		1,519	
2011	21,904,516	21,901,969	2,547	1,931	21,901,969	21,901,969	0	0	2,548	0%	0	0%	2,547		1,931	
2012	12,220,103	12,206,408	13,694	10,378	11,799,421	11,759,408	40,013	39,915	420,682	4%	447,000	4%	(26,318)	-66%	(29,537)	-74%
2013	10,129,633	10,057,237	72,396	71,814	9,588,970	9,507,237	81,732	81,366	540,663	6%	550,000	6%	(9,337)	-11%	(9,552)	-12%
2014	22,052,119	21,808,695	243,424	240,975	20,902,138	20,608,695	293,443	291,803	1,149,981	6%	1,200,000	6%	(50,019)	-17%	(50,828)	-17%
2015	14,584,484	14,227,457	357,027	352,853	12,009,931	11,639,980	369,951	367,309	2,574,553	21%	2,587,477	22%	(12,924)	-3%	(14,456)	-4%
2016	19,128,477	18,440,179	688,298	678,762	19,815,583	19,070,179	745,403	738,873	(687,105)	-3%	(630,000)	-3%	(57,105)	-8%	(60,111)	-8%
2017	44,535,687	42,739,136	1,796,551	1,763,525	43,259,518	40,139,136	3,120,381	3,096,043	1,276,170	3%	2,600,000	6%	(1,323,830)	-42%	(1,332,519)	-43%
2018	57,439,923	49,556,240	7,883,683	7,754,113	56,088,206	36,429,694	19,658,512	19,569,438	1,351,717	2%	13,126,547	36%	(11,774,829)	-60%	(11,815,326)	-60%
2019	58,237,721	38,133,348	20,104,373	19,933,437	53,015,974	21,478,500	31,537,474	31,316,971	5,221,747	10%	16,654,848	78%	(11,433,101)	-36%	(11,383,535)	-36%
2020	47,320,680	18,966,863	28,353,818	28,007,258	53,726,706	11,399,061	42,327,645	41,966,367	(6,406,026)	-12%	7,567,802	66%	(13,973,828)	-33%	(13,959,109)	-33%
2021	56,908,321	11,881,991	45,026,330	44,362,665	54,268,687	3,272,000	50,996,687	50,411,036	2,639,634	5%	8,609,991	263%	(5,970,357)	-12%	(6,048,371)	-12%
2022	66,001,456	8,157,000	57,844,456	56,714,214	65,570,403	2,056,000	63,514,403	62,562,663	431,053	1%	6,101,000	297%	(5,669,947)	-9%	(5,848,449)	-9%
2023	77,290,865	112,500	77,178,365	75,210,098	80,178,767	0	80,178,767	78,652,444	(2,887,902)	-4%	112,500		(3,000,402)	-4%	(3,442,346)	-4%
Subtotal	635,149,873	395,582,904	239,566,969	235,103,542	629,370,152	336,505,740	292,864,412	289,094,230	5,779,721	1%	59,077,165	18%	(53,297,444)	-18%	(53,990,688)	-19%
2024	102,999,987	0	102,999,987	99,668,950					102,999,987		0		102,999,987		99,668,950	
Total	738,149,860	395,582,904	342,566,955	334,772,492	629,370,152	336,505,740	292,864,412	289,094,230	108,779,708		59,077,165		49,702,543		45,678,262	

Reconciliation of Undiscounted Reserves from 12/31/23 to 12/31/24

Undiscounted Reserves as of 12/31/23	292,864,412
Ultimate Excess Losses for 2024	102,999,987
Paid Losses from 12/31/23 to 12/31/24	59,077,165
Change in Estimated Ultimate Excess Losses for 2023 & Prior	5,779,721
Undiscounted Reserves as of 12/31/24	342,566,955

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

2023 and 2024 Comparison - Independent Physicians & Surgeons

	as of 12/31/24				as of 12/31/23				Difference							
Accident Year	NMPCF Ultimate Losses	NMPCF Paid Losses	NMPCF Undiscounted Reserves	NMPCF Discounted Reserves	NMPCF Ultimate Losses	NMPCF Paid Losses	NMPCF Undiscounted Reserves	NMPCF Discounted Reserves	NMPCF Ultimate Losses		NMPCF Paid Losses		NMPCF Undiscounted Reserves		NMPCF Discounted Reserves	
2000	6,560,000	6,560,000	0	0	6,560,000	6,560,000	0	0	0	0%	0	0%	0		0	
2001	9,261,652	9,261,652	0	0	9,261,652	9,261,652	0	0	0	0%	0	0%	0		0	
2002	9,309,500	9,309,500	0	0	9,309,500	9,309,500	0	0	0	0%	0	0%	0		0	
2003	6,596,189	6,596,189	0	0	6,596,189	6,596,189	0	0	0	0%	0	0%	0		0	
2004	5,482,500	5,482,500	0	0	5,482,500	5,482,500	0	0	0	0%	0	0%	0		0	
2005	9,776,657	9,776,657	0	0	9,776,657	9,776,657	0	0	0	0%	0	0%	0		0	
2006	8,140,629	8,140,629	0	0	8,140,629	8,140,629	0	0	0	0%	0	0%	0		0	
2007	19,005,969	19,005,969	0	0	19,005,969	19,005,969	0	0	0	0%	0	0%	0		0	
2008	19,398,176	19,398,176	0	0	19,398,176	19,398,176	0	0	0	0%	0	0%	0		0	
2009	11,967,704	11,967,704	0	0	11,817,704	11,817,704	0	0	150,000	1%	150,000	1%	0		0	
2010	17,814,906	17,814,906	0	0	17,814,906	17,814,906	0	0	0	0%	0	0%	0		0	
2011	19,354,469	19,354,469	0	0	19,354,469	19,354,469	0	0	0	0%	0	0%	0		0	
2012	8,741,628	8,731,408	10,219	7,745	8,313,996	8,284,408	29,588	29,516	427,632	5%	447,000	5%	(19,368)	-65%	(21,771)	-74%
2013	7,506,739	7,450,000	56,739	56,283	6,963,451	6,900,000	63,451	63,166	543,289	8%	550,000	8%	(6,711)	-11%	(6,883)	-11%
2014	15,283,325	15,120,435	162,891	161,252	14,113,099	13,920,435	192,664	191,587	1,170,227	8%	1,200,000	9%	(29,773)	-15%	(30,335)	-16%
2015	8,834,847	8,602,477	232,370	229,653	6,243,096	6,015,000	228,096	226,467	2,591,751	42%	2,587,477	43%	4,274	2%	3,186	1%
2016	8,860,083	8,523,333	336,750	332,085	8,999,236	8,645,000	354,236	351,133	(139,152)	-2%	(121,667)	-1%	(17,485)	-5%	(19,048)	-5%
2017	24,561,166	23,722,500	838,666	823,248	21,257,203	19,922,500	1,334,703	1,324,292	3,303,963	16%	3,800,000	19%	(496,037)	-37%	(501,044)	-38%
2018	23,648,626	22,314,611	1,334,014	1,312,090	18,258,276	11,916,289	6,341,987	6,313,251	5,390,350	30%	10,398,323	87%	(5,007,973)	-79%	(5,001,161)	-79%
2019	23,003,609	18,868,878	4,134,731	4,099,575	15,913,636	7,693,375	8,220,261	8,162,787	7,089,973	45%	11,175,503	145%	(4,085,530)	-50%	(4,063,211)	-50%
2020	11,720,803	5,409,528	6,311,275	6,234,134	11,646,896	1,182,782	10,464,114	10,374,800	73,907	1%	4,226,746	357%	(4,152,839)	-40%	(4,140,665)	-40%
2021	13,393,113	1,182,167	12,210,946	12,030,963	13,612,594	0	13,612,594	13,456,265	(219,481)	-2%	1,182,167		(1,401,648)	-10%	(1,425,302)	-11%
2022	18,412,686	1,804,414	16,608,271	16,283,757	17,980,091	85,714	17,894,376	17,626,236	432,595	2%	1,718,700	2005%	(1,286,105)	-7%	(1,342,479)	-8%
2023	20,016,143	112,500	19,903,643	19,396,044	19,898,018	0	19,898,018	19,519,229	118,126	1%	112,500		5,626	0%	(123,185)	-1%
Subtotal	326,651,118	264,510,601	62,140,516	60,966,829	305,717,939	227,083,853	78,634,086	77,638,728	20,933,179	7%	37,426,749	16%	(16,493,569)	-21%	(16,671,899)	-21%
2024	20,322,521	0	20,322,521	19,665,288					20,322,521		0		20,322,521		19,665,288	
Total	346,973,639	264,510,601	82,463,038	80,632,117	305,717,939	227,083,853	78,634,086	77,638,728	41,255,700		37,426,749		3,828,952		2,993,388	

Reconciliation of Undiscounted Reserves from 12/31/23 to 12/31/24

Undiscounted Reserves as of 12/31/23	78,634,086
Ultimate Excess Losses for 2024	20,322,521
Paid Losses from 12/31/23 to 12/31/24	37,426,749
Change in Estimated Ultimate Excess Losses for 2023 & Prior	20,933,179
Undiscounted Reserves as of 12/31/24	82,463,038

New Mexico Patients' Compensation Fund
Reserves as of 12/31/2024
2023 and 2024 Comparison - Hospitals

	as of 12/31/24				as of 12/31/23				Difference							
Accident Year	NMPCF Ultimate Losses	NMPCF Paid Losses	NMPCF Undiscounted Reserves	NMPCF Discounted Reserves	NMPCF Ultimate Losses	NMPCF Paid Losses	NMPCF Undiscounted Reserves	NMPCF Discounted Reserves	NMPCF Ultimate Losses		NMPCF Paid Losses		NMPCF Undiscounted Reserves		NMPCF Discounted Reserves	
2009	2,075,000	2,075,000	0	0	2,075,000	2,075,000	0	0	0	0%	0	0%	0		0	
2010	2,007,005	2,005,000	2,005	1,519	2,005,000	2,005,000	0	0	2,005	0%	0	0%	2,005		1,519	
2011	2,550,048	2,547,500	2,547	1,931	2,547,500	2,547,500	0	0	2,547	0%	0	0%	2,547		1,931	
2012	3,478,475	3,475,000	3,475	2,634	3,485,425	3,475,000	10,425	10,400	(6,950)	0%	0	0%	(6,950)	-67%	(7,766)	-75%
2013	2,622,894	2,607,237	15,656	15,531	2,625,519	2,607,237	18,282	18,200	(2,625)	0%	0	0%	(2,625)	-14%	(2,669)	-15%
2014	6,768,794	6,688,260	80,534	79,723	6,789,039	6,688,260	100,779	100,216	(20,246)	0%	0	0%	(20,246)	-20%	(20,493)	-20%
2015	5,749,638	5,624,980	124,658	123,200	5,766,835	5,624,980	141,855	140,842	(17,197)	0%	0	0%	(17,197)	-12%	(17,642)	-13%
2016	10,268,394	9,916,846	351,548	346,677	10,816,347	10,425,179	391,167	387,741	(547,953)	-5%	(508,333)	-5%	(39,620)	-10%	(41,063)	-11%
2017	19,974,522	19,016,636	957,886	940,276	22,002,315	20,216,636	1,785,679	1,771,751	(2,027,793)	-9%	(1,200,000)	-6%	(827,793)	-46%	(831,474)	-47%
2018	33,791,297	27,241,629	6,549,669	6,442,023	37,829,931	24,513,405	13,316,525	13,256,187	(4,038,633)	-11%	2,728,224	11%	(6,766,857)	-51%	(6,814,164)	-51%
2019	35,234,112	19,264,470	15,969,642	15,833,861	37,102,338	13,785,125	23,317,213	23,154,185	(1,868,226)	-5%	5,479,345	40%	(7,347,571)	-32%	(7,320,323)	-32%
2020	35,599,877	13,557,334	22,042,543	21,773,124	42,079,810	10,216,278	31,863,532	31,591,568	(6,479,933)	-15%	3,341,056	33%	(9,820,989)	-31%	(9,818,444)	-31%
2021	43,515,208	10,699,825	32,815,384	32,331,702	40,656,093	3,272,000	37,384,093	36,954,771	2,859,115	7%	7,427,825	227%	(4,568,709)	-12%	(4,623,069)	-13%
2022	47,588,771	6,352,586	41,236,185	40,430,457	47,590,312	1,970,286	45,620,027	44,936,428	(1,542)	0%	4,382,300	222%	(4,383,842)	-10%	(4,505,970)	-10%
2023	57,274,722	0	57,274,722	55,814,054	60,280,749	0	60,280,749	59,133,215	(3,006,027)	-5%	0		(3,006,027)	-5%	(3,319,161)	-6%
Subtotal	308,498,755	131,072,303	177,426,452	174,136,712	323,652,214	109,421,887	214,230,326	211,455,502	(15,153,458)	-5%	21,650,416	20%	(36,803,874)	-17%	(37,318,789)	-18%
2024	82,677,466	0	82,677,466	80,003,663					82,677,466		0		82,677,466		80,003,663	
Total	391,176,221	131,072,303	260,103,918	254,140,375	323,652,214	109,421,887	214,230,326	211,455,502	67,524,007		21,650,416		45,873,591		42,684,874	

Reconciliation of Undiscounted Reserves from 12/31/23 to 12/31/24

Undiscounted Reserves as of 12/31/23	214,230,326
Ultimate Excess Losses for 2024	82,677,466
Paid Losses from 12/31/23 to 12/31/24	21,650,416
Change in Estimated Ultimate Excess Losses for 2023 & Prior	(15,153,458)
Undiscounted Reserves as of 12/31/24	260,103,918

New Mexico Patients' Compensation Fund

Exhibit 2

Reserves as of 12/31/2024

Independent Physicians & Surgeons

Including Batch Claims

Selected Ultimate Losses

			Indicated Ultimate Losses					
Accident Year	Practitioner Surcharges	Paid Losses	B-F Method	Expected Loss Ratio Method	Paid Development Method	Frequency/ Severity Method	Selected Ultimate Losses	Loss Ratio
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
2000	8,238,309	6,560,000	6,560,000	9,885,971	6,560,000	4,123,903	6,560,000	79.6%
2001	9,181,946	9,261,652	9,261,652	11,018,335	9,261,652	7,292,797	9,261,652	100.9%
2002	9,421,675	9,309,500	9,309,500	11,306,010	9,309,500	6,221,668	9,309,500	98.8%
2003	9,924,688	6,596,189	6,596,189	11,909,625	6,596,189	6,532,751	6,596,189	66.5%
2004	9,283,270	5,482,500	5,482,500	11,139,924	5,482,500	6,067,921	5,482,500	59.1%
2005	9,151,210	9,776,657	9,776,657	10,981,452	9,776,657	9,141,454	9,776,657	106.8%
2006	9,067,465	8,140,629	8,140,629	10,880,958	8,140,629	6,689,883	8,140,629	89.8%
2007	8,810,595	19,005,969	19,005,969	10,572,714	19,005,969	18,629,869	19,005,969	215.7%
2008	9,696,249	19,398,176	19,398,176	11,635,499	19,398,176	23,730,177	19,398,176	200.1%
2009	11,325,257	11,967,704	11,967,704	13,590,309	11,967,704	12,795,055	11,967,704	105.7%
2010	10,410,307	17,814,906	17,827,386	12,492,369	17,832,721	16,970,283	17,814,906	171.1%
2011	11,380,891	19,354,469	19,368,112	13,657,069	19,373,823	11,879,198	19,354,469	170.1%
2012	9,765,990	8,731,408	8,743,116	11,719,188	8,740,140	8,185,510	8,741,628	89.5%
2013	9,596,773	7,450,000	7,518,742	11,516,128	7,494,737	6,139,133	7,506,739	78.2%
2014	10,065,996	15,120,435	15,264,150	12,079,195	15,302,501	13,751,657	15,283,325	151.8%
2015	10,535,218	8,602,477	8,876,573	12,642,261	8,793,120	6,317,167	8,834,847	83.9%
2016	9,039,070	8,523,333	8,894,686	10,846,883	8,825,481	13,266,051	8,860,083	98.0%
2017	12,725,963	23,722,500	24,362,372	15,271,156	24,759,959	22,883,939	24,561,166	193.0%
2018	9,835,929	22,314,611	23,191,585	11,803,115	24,105,667	26,639,890	23,648,626	240.4%
2019	10,170,463	18,868,878	23,003,609	12,204,556	28,536,712	32,908,099	23,003,609	226.2%
2020	10,236,009	5,409,528	11,720,803	12,283,211	11,126,439	21,020,048	11,720,803	114.5%
2021	11,585,186	1,182,167	11,865,781	13,902,223	5,106,164	20,861,678	13,393,113	115.6%
2022	15,302,205	1,804,414	18,562,805	18,362,646	20,653,716	27,301,587	18,412,686	120.3%
2023	16,934,483	112,500	20,016,143	20,321,380	5,472,722	28,000,000	20,016,143	118.2%
2024	16,935,434	0	20,249,867	20,322,521	0	27,300,000	20,322,521	120.0%
Total	268,620,583	264,510,601	344,964,706	322,344,699	311,622,876	384,649,718	346,973,639	129.2%
2009-24	185,845,175	170,979,330	251,433,434	223,014,210	218,091,605	296,219,296	253,442,368	136.4%

Column	Note
(2), (3)	Based on data provided by client
(4)	Appendix 1, Page 1, Col (6)
(5)	Appendix 1, Page 2, Col (6)
(6)	Appendix 2, Col (5)
(7)	Appendix 3, Page 1, Col (4)
(8)	Judgmental selection based on Cols (4) - (7)
(9)	Col (8) / Col (2)

New Mexico Patients' Compensation Fund
Reserves as of 12/31/2024
Development of Physician Surcharge Estimates

NMPCF Indicated Surcharge
Physicians and Surgeons

	NMPCF Current Surcharge		Discounted Estimated Surcharges 1/1/26-27 Rate Level						Deficit Surcharge Rates			
			Independent Providers		Hosp. & OHCF Employed Providers		Ind. OHCF Employed Providers		Independent Providers		Hosp. & OHCF Employed Providers	
Class	Independent Providers	Hosp. & OHCF Employed Providers	Expected Value	Risk Loaded Value	Expected Value	Risk Loaded Value	Expected Value	Risk Loaded Value	Deficit Surcharge as % of Surcharge	Expected Value	Deficit Surcharge as % of Surcharge	Expected Value
(1)	(2a)	(2b)	(3)	(4)	(5)	(6)	(7)	(8)	(9a)	(9b)	(9c)	(9d)
1	$5,171	$11,921	$5,997	$6,494	$12,226	$13,241	$3,466	$3,754	0.0%	$0	22.5%	$2,754
2	6,894	15,897	7,995	8,658	16,304	17,657	4,621	5,004	0.0%	0	22.5%	3,673
3	8,272	19,075	9,593	10,389	19,563	21,187	5,544	6,004	0.0%	0	22.5%	4,407
4A	10,340	23,847	11,991	12,986	24,457	26,487	6,930	7,506	0.0%	0	22.5%	5,510
4	12,409	28,615	14,390	15,585	29,347	31,783	8,317	9,007	0.0%	0	22.5%	6,611
5A	11,720	27,024	13,591	14,719	27,716	30,016	7,855	8,507	0.0%	0	22.5%	6,244
5	15,167	34,972	17,589	19,049	35,867	38,844	10,166	11,009	0.0%	0	22.5%	8,080
6	17,924	41,332	20,786	22,511	42,390	45,908	12,014	13,011	0.0%	0	22.5%	9,550
7A	20,682	47,689	23,984	25,975	48,910	52,969	13,862	15,013	0.0%	0	22.5%	11,018
7	24,129	55,639	27,982	30,304	57,063	61,799	16,172	17,515	0.0%	0	22.5%	12,855
8	32,745	75,512	37,973	41,125	77,445	83,873	21,947	23,769	0.0%	0	22.5%	17,447
9	39,640	91,407	45,969	49,785	93,747	101,528	26,569	28,774	0.0%	0	22.5%	21,119
10	44,809	103,330	51,964	56,277	105,975	114,771	30,033	32,526	0.0%	0	22.5%	23,874
51	10%	10%	10%	10%	10%	10%	6%	6%				
52	10%	10%	10%	10%	10%	10%	6%	6%				
53	10%	10%	10%	10%	10%	10%	6%	6%				
99	4,137	9,538	4,798	5,196	9,782	10,594	2,773	3,003	0.0%	0	22.5%	2,204
CRNA	1,724	3,976	1,999	2,165	4,078	4,416	1,156	1,251	0.0%	0	22.5%	919
CN	1,104	2,545	1,280	1,387	2,610	2,827	740	801				
PA-1	2,344	5,404	2,718	2,944	5,542	6,002	1,571	1,701	0.0%	0	22.5%	1,249
PA-2	3,102	7,153	3,597	3,896	7,336	7,945	2,079	2,252	0.0%	0	22.5%	1,653
PA-3	3,723	8,584	4,317	4,676	8,804	9,534	2,495	2,702	0.0%	0	22.5%	1,983
Total												
(12) Class 1 Rate	$5,171	$11,921	$5,997	$6,494	$12,226	$13,241						
(13) Indicated Percent of Change			16.0%	25.6%	2.6%	11.1%						

Column/Row	Note
(2)	Provided by NMPCF
(3)-(6)	Based on indicated surcharge changes in Exhibit 4 & Exhibit 6
(7)	Col (3) x 58%; 58% based on Pinnacle analysis of industry data
(8)	Col (4) x 58%; 58% based on Pinnacle analysis of industry data
(9a)	From Fund Summary, Page 1, Row (15) for 2026
(9b)	Col (3) x Col (11a)
(9c)	From Fund Summary, Page 1, Row (15) for 2026
(9d)	Col (5) x Col (11c)

Independent Outpatient Healthcare Facilities Rates

Facility Type	Exposure Type	January 1, 2024 Rates at 1M / 3M Limit	Trend Factor to January 1, 2026	Increased Limits Factor to $600,495 xs $500,000	January 1, 2026 Indicated Rate at $600,495 xs $500,000 Limit
(1)	(2)	(3)	(4)	(5)	(6)
Cardiac Rehabilitation Centers	Per 100 Visits	307.85	1.103	0.134	45.32
College/University Health Centers	Per 100 Visits	137.09	1.103	0.134	20.18
Community Health Centers	Per 100 Visits	214.2	1.103	0.134	31.54
Dialysis Centers	Per 100 Visits	299.88	1.103	0.134	44.15
Home Health/Hospice Care	Per 100 Visits	59.5	1.103	0.134	8.76
Medical Laboratories	Per $1,000 Receipts	14.52	1.103	0.134	2.14
Medispas	Per 100 Visits	214.2	1.103	0.134	31.54
Mental Health Counseling Centers	Per 100 Visits	224.43	1.103	0.134	33.04
Pathology Laboratories	Per $1,000 Receipts	12.38	1.103	0.134	1.82
Physical/Occupational Rehabilitation Centers	Per 100 Visits	250.14	1.103	0.134	36.83
Quality Control/Reference Laboratories	Per $1,000 Receipts	13.09	1.103	0.134	1.93
Sleep Centers	Per 100 Visits	214.2	1.103	0.134	31.54
Substance Abuse Counseling Centers	Per 100 Visits	320.71	1.103	0.134	47.22
Surgery Centers	Per 100 Visits	1,190.00	1.103	0.134	175.20
Urgent Care Centers	Per 100 Visits	531.34	1.103	0.134	78.23
X-Ray/Imaging Centers	Per $1,000 Receipts	14.52	1.103	0.134	2.14
Emergency Room Visits	Per 100 Visits	556	1.103	0.134	81.86

Column	Note
(1)-(3), (5)	Based on Pinnacle analysis of industry data
(4)	Based on selected trend of 5.0%
(6)	Col (3) x Col (4) x Col (5)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Indicated Rate Change Effective 1/1/26 through 1/1/27

Independent Physicians & Surgeons

	Indicated Assessment Level Change on January 1, 2026	Offset Due to Changes in Class Plan	Increased Limits Factor to $658,779 xs $250,000	Indicated Rate Change	Deficit Surcharge as a % of Surcharge	Indicated Rate Change w/ Deficit Surcharge
	(1)	(2)	(3)	(4)	(5)	(6)
w/o Risk Margin	13.6%	0.0%	2.1%	16.0%	0.0%	16.0%
w/ Risk Margin	23.0%	0.0%	2.1%	25.6%	0.0%	25.6%

Column	
(1)	Exhibit 4, Pages 2-3, Row (14) & (15), respectively
(2)	Based on class plan review provided by Pinnacle
(3)	Based on Pinnacle analysis of industry data
(4)	[(1 + Col (1)) x (1 + Col (2)) x (1 + Col (3))] - 1
(5)	From Fund Summary, Page 1, Row (15) for 2026
(6)	[(1 + Col (4)) x (1 + Col (5))] - 1

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Indicated Rate Change Effective 1/1/26 through 1/1/27
Using Expected Value Losses
Independent Physicians & Surgeons

Accident Year	Practitioner Surcharges @ 01/01/25 Level	Projected Ultimate Losses @ Historical Levels	Increased Limits Factor	Trended Ultimate Losses @ 01/01/25 Level	Trended Ultimate Loss Ratio
(1)	(2)	(3)	(4)	(5)	(6)
2015	22,065,995	8,834,847	1.183	17,030,765	77.2%
2016	18,880,982	8,860,083	1.183	16,266,108	86.2%
2017	25,016,278	24,561,166	1.183	42,944,299	171.7%
2018	17,611,775	23,648,626	1.183	39,379,769	223.6%
2019	18,028,585	23,003,609	1.183	36,481,604	202.4%
2020	17,535,889	11,720,803	1.183	17,702,966	101.0%
2021	18,107,577	13,393,113	1.183	19,265,526	106.4%
2022	21,317,508	18,412,686	1.144	24,386,584	114.4%
2023	21,193,264	20,016,143	1.078	23,790,393	112.3%
2024	19,267,686	20,322,521	1.025	21,877,051	113.5%
All Years	199,025,537	172,773,597		259,125,065	130.2%
2015 - 2022	158,564,588	132,434,933		213,457,621	134.6%
2018 - 2022	92,601,333	90,178,837		137,216,449	148.2%
2021 - 2024	79,886,034	72,144,463		89,319,554	111.8%

(7)	Projected 2025-2026 Undiscounted Loss Ratio (Selected Based on Col (6))	123.2%
(8)	Projected 2025-2026 Surcharges at Current Fee Level	19,267,686
(9)	Projected 2025-2026 Undiscounted Losses	23,740,433
(10)	Projected Loss Adjustment Expenses as a Percentage of Losses Paid	3.6%
(11)	Discount Factor at 3.5% Yield	0.838
(12)	Projected Office Expenses as a Percentage of Surcharges Collected	1.1%
(13)	Projected 2026-2027 Income Requirements	21,882,778
(14)	Indicated Assessment Level Change on January 1, 2026	13.6%

Column / Row	Note
(2)	Based on data provided by client
(3)	Exhibit 2, Col (8)
(4)	Based on industry data
(5)	[Col (3) x Col (4)] x [1 + selected trend rate of 5.0%] ^ (2025 - Col (1))
(6)	Col (5) / Col (2)
(8)	Most current surcharge
(9)	Row (7) x Row (8)
(10)	From Exhibit 7
(11)	Based on data provided by client
(12)	From Exhibit 7
(13)	[Row (9) x [1 + selected trend rate of 5.0%] x [1 + Row (10)] x Row (11)] / [1 - Row (12)]
(14)	Row (13) / Row (8) - 1

New Mexico Patients' Compensation Fund

Exhibit 4
Page 3

Reserves as of 12/31/2024

Indicated Rate Change Effective 1/1/26 through 1/1/27
Using Expected Value Losses with Risk Load
Independent Physicians & Surgeons

Accident Year	Practitioner Surcharges @ 01/01/25 Level	Projected Ultimate Losses @ Historical Levels	Increased Limits Factor	Trended Ultimate Losses @ 01/01/25 Level	Trended Ultimate Loss Ratio
(1)	(2)	(3)	(4)	(5)	(6)
2015	22,065,995	8,834,847	1.183	17,030,765	77.2%
2016	18,880,982	8,860,083	1.183	16,266,108	86.2%
2017	25,016,278	24,561,166	1.183	42,944,299	171.7%
2018	17,611,775	23,648,626	1.183	39,379,769	223.6%
2019	18,028,585	23,003,609	1.183	36,481,604	202.4%
2020	17,535,889	11,720,803	1.183	17,702,966	101.0%
2021	18,107,577	13,393,113	1.183	19,265,526	106.4%
2022	21,317,508	18,412,686	1.144	24,386,584	114.4%
2023	21,193,264	20,016,143	1.078	23,790,393	112.3%
2024	19,267,686	20,322,521	1.025	21,877,051	113.5%
All Years	199,025,537	172,773,597		259,125,065	130.2%
2015 - 2022	158,564,588	132,434,933		213,457,621	134.6%
2018 - 2022	92,601,333	90,178,837		137,216,449	148.2%
2021 - 2024	79,886,034	72,144,463		89,319,554	111.8%

(7)	Projected 2025-2026 Undiscounted Loss Ratio (Selected Based on Col (6))	123.2%
(8)	Projected 2025-2026 Surcharges at Current Fee Level	19,267,686
(9)	Projected 2025-2026 Undiscounted Losses	23,740,433
(10)	Projected Loss Adjustment Expenses as a Percentage of Losses Paid	3.6%
(11)	Discount Factor at 3.5% Yield	0.838
(12)	Risk Margin Factor at 75% Confidence Level	1.083
(13)	Projected Office Expenses as a Percentage of Surcharges Collected	1.1%
(14)	Projected 2026-2027 Income Requirements @ 75%	23,699,049
(15)	Indicated Assessment Level Change on January 1, 2026	23.0%

Column / Row	Note
(2)	Based on data provided by client
(3)	Exhibit 2, Col (8)
(4)	Based on industry data
(5)	[Col (3) x Col (4)] x [1 + selected trend rate of 5.0%] ^ (2025 - Col (1))
(6)	Col (5) / Col (2)
(8)	Most current surcharge
(9)	Row (7) x Row (8)
(10)	From Exhibit 7
(11)	Based on data provided by client
(12)	Based on stochastic modeling using client data
(13)	From Exhibit 7
(14)	[Row (9) x [1 + selected trend rate of 5.0%] x [1 + Row (10)] x Row (11) x Row (12)] / [1 - Row (13)]
(15)	Row (14) / Row (8) - 1

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024
Hospitals
Selected Ultimate Losses

Accident Year	Hospital Surcharges	Paid Losses	Indicated Ultimate Losses: B-F Method	Indicated Ultimate Losses: Expected Loss Ratio Method	Indicated Ultimate Losses: Paid Development Method	Selected Ultimate Losses	Loss Ratio
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2009	918,297	2,075,000	2,075,000	1,101,956	2,075,000	2,075,000	226.0%
2010	1,680,228	2,005,000	2,007,014	2,016,274	2,007,005	2,007,005	119.4%
2011	1,825,004	2,547,500	2,549,688	2,190,005	2,550,048	2,550,048	139.7%
2012	1,817,812	3,475,000	3,477,179	2,181,374	3,478,475	3,478,475	191.4%
2013	1,992,604	2,607,237	2,621,510	2,391,125	2,622,894	2,622,894	131.6%
2014	2,146,331	6,688,260	6,718,904	2,575,597	6,768,794	6,768,794	315.4%
2015	2,224,828	5,624,980	5,682,864	2,669,794	5,749,638	5,749,638	258.4%
2016	6,374,245	9,916,846	10,178,720	7,649,094	10,268,394	10,268,394	161.1%
2017	21,561,182	19,016,636	20,100,750	25,873,419	19,848,293	19,974,522	92.6%
2018	31,292,438	27,241,629	30,031,669	37,550,925	29,428,145	33,791,297	108.0%
2019	31,872,010	19,264,470	32,221,813	38,246,412	29,134,993	35,234,112	110.5%
2020	31,731,360	13,557,334	33,122,121	38,077,632	27,885,027	35,599,877	112.2%
2021	32,655,867	10,699,825	40,814,377	39,187,041	46,216,039	43,515,208	133.3%
2022	37,653,051	6,352,586	47,588,771	45,183,661	72,713,068	47,588,771	126.4%
2023	48,224,599	0	56,679,924	57,869,519	0	57,274,722	118.8%
2024	68,897,888	0	82,381,890	82,677,466	0	82,677,466	120.0%
Total	322,867,744	131,072,303	378,252,195	387,441,293	260,745,812	391,176,221	121.2%

Column	Note
(2), (3)	Based on data provided by client; excludes deficit surcharge
(4)	Appendix 7, Page 1, Col (6)
(5)	Appendix 7, Page 2, Col (6)
(6)	Appendix 8, Col (5)
(7)	Judgmental selection based on Cols (4) - (6)
(8)	Col (7) / Col (2)

New Mexico Patients' Compensation Fund
Reserves as of 12/31/2024
Indicated Rate Change Effective 1/1/26 through 1/1/27
Hospitals

	Indicated Assessment Level Change on January 1, 2026	Increased Limits Factor to $500,000 xs $250,000	Indicated Rate Change	Deficit Surcharge as a % of Surcharge	Indicated Rate Change w/ Deficit Surcharge
	(1)	(2)	(3)	(4)	(5)
w/o Risk Margin	2.6%	0.0%	2.6%	22.5%	25.7%
w/ Risk Margin	11.1%	0.0%	11.1%	22.5%	36.1%

Column	
(1)	Exhibit 6, Pages 2-3, Row (14) & (15), respectively
(2)	Based on Pinnacle analysis of industry data
(3)	[(1 + Col (1)) x (1 + Col (2)] - 1
(4)	From Fund Summary, Page 1, Row (15) for 2026
(5)	[(1 + Col (3)) x (1 + Col (4)] - 1

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Indicated Rate Change Effective 1/1/26 through 1/1/27
Using Expected Value Losses
Hospitals

Accident Year	Hospital Surcharges @ 01/01/25 Level	Projected Ultimate Losses @ Historical Levels	Increased Limits Factor	Trended Ultimate Losses @ 01/01/25 Level	Trended Ultimate Loss Ratio
(1)	(2)	(3)	(4)	(5)	(6)
2015	3,954,626	5,749,638	1.007	9,431,459	238.5%
2016	11,313,081	10,268,394	1.007	16,041,745	141.8%
2017	36,486,209	19,974,522	1.007	29,719,136	81.5%
2018	48,922,604	33,791,297	1.007	47,882,339	97.9%
2019	47,884,914	35,234,112	1.007	47,549,343	99.3%
2020	46,174,914	35,599,877	1.007	45,755,192	99.1%
2021	43,369,304	43,515,208	1.007	53,265,212	122.8%
2022	47,508,691	47,588,771	1.000	55,089,951	116.0%
2023	54,322,915	57,274,722	1.000	63,145,381	116.2%
2024	68,714,443	82,677,466	1.000	86,811,339	126.3%
All Years	408,651,701	371,674,006		454,691,095	111.3%
2015 - 2022	285,614,343	231,721,819		304,734,376	106.7%
2018 - 2022	233,860,427	195,729,265		249,542,036	106.7%
2021 - 2024	213,915,352	231,056,166		258,311,882	120.8%

(7)	Projected 2025-2026 Undiscounted Loss Ratio (Selected Based on Col (6))	111.3%
(8)	Projected 2025-2026 Surcharges at Current Fee Level	68,714,443
(9)	Projected 2025-2026 Undiscounted Losses	76,455,929
(10)	Projected Loss Adjustment Expenses as a Percentage of Losses Paid	3.6%
(11)	Discount Factor at 3.5% Yield	0.838
(12)	Projected Office Expenses as a Percentage of Surcharges Collected	1.1%
(13)	Projected 2026-2027 Income Requirements	70,473,364
(14)	Indicated Assessment Level Change on January 1, 2026	2.6%

Column / Row	Note
(2)	Based on data provided by client; excludes deficit surcharge
(3)	Exhibit 5, Col (7)
(4)	Based on industry data
(5)	[Col (3) x Col (4)] x [1 + selected trend rate of 5.0%] ^ (2025 - Col (1))
(6)	Col (5) / Col (2)
(8)	Most current surcharge
(9)	Row (7) x Row (8)
(10)	From Exhibit 7
(11)	Based on data provided by client
(12)	From Exhibit 7
(13)	[Row (9) x [1 + selected trend rate of 5.0%] x [1 + Row (10)] x Row (11)] / [1 - Row (12)]
(14)	Row (13) / Row (8) - 1

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Indicated Rate Change Effective 1/1/26 through 1/1/27
Using Expected Value Losses with Risk Load
Hospitals

Accident Year	Hospital Surcharges @ 01/01/25 Level	Projected Ultimate Losses @ Historical Levels	Increased Limits Factor	Trended Ultimate Losses @ 01/01/25 Level	Trended Ultimate Loss Ratio
(1)	(2)	(3)	(4)	(5)	(6)
2015	3,954,626	5,749,638	1.007	9,431,459	238.5%
2016	11,313,081	10,268,394	1.007	16,041,745	141.8%
2017	36,486,209	19,974,522	1.007	29,719,136	81.5%
2018	48,922,604	33,791,297	1.007	47,882,339	97.9%
2019	47,884,914	35,234,112	1.007	47,549,343	99.3%
2020	46,174,914	35,599,877	1.007	45,755,192	99.1%
2021	43,369,304	43,515,208	1.007	53,265,212	122.8%
2022	47,508,691	47,588,771	1.000	55,089,951	116.0%
2023	54,322,915	57,274,722	1.000	63,145,381	116.2%
2024	68,714,443	82,677,466	1.000	86,811,339	126.3%
All Years	408,651,701	371,674,006		454,691,095	111.3%
2015 - 2022	285,614,343	231,721,819		304,734,376	106.7%
2018 - 2022	233,860,427	195,729,265		249,542,036	106.7%
2021 - 2024	213,915,352	231,056,166		258,311,882	120.8%

(7)	Projected 2025-2026 Undiscounted Loss Ratio (Selected Based on Col (6))	111.3%
(8)	Projected 2025-2026 Surcharges at Current Fee Level	68,714,443
(9)	Projected 2025-2026 Undiscounted Losses	76,455,929
(10)	Projected Loss Adjustment Expenses as a Percentage of Losses Paid	3.6%
(11)	Discount Factor at 3.5% Yield	0.838
(12)	Risk Margin Factor at 75% Confidence Level	1.083
(13)	Projected Office Expenses as a Percentage of Surcharges Collected	1.1%
(14)	Projected 2026-2027 Income Requirements @ 75%	76,322,653
(15)	Indicated Assessment Level Change on January 1, 2026	11.1%

Column / Row	Note
(2)	Based on data provided by client; excludes deficit surcharge
(3)	Exhibit 5, Col (7)
(4)	Based on industry data
(5)	[Col (3) x Col (4)] x [1 + selected trend rate of 5.0%] ^ (2025 - Col (1))
(6)	Col (5) / Col (2)
(8)	Most current surcharge
(9)	Row (7) x Row (8)
(10)	From Exhibit 7
(11)	Based on data provided by client
(12)	Based on stochastic modeling using client data
(13)	From Exhibit 7
(14)	[Row (9) x [1 + selected trend rate of 5.0%] x [1 + Row (10)] x Row (11) x Row (12)] / [1 - Row (13)]
(15)	Row (14) / Row (8) - 1

New Mexico Patients' Compensation Fund
Reserves as of 12/31/2024
Expense Analysis

Loss Adjustment Expenses as a Percentage of Losses Paid

Calendar Year	NM Med Soc/ Medical Panel Expenses	Directors	Contracts and Consultants	Paid Losses
(1)	(2)	(3)	(4)	(5)
2020	401,706	44,422	413,385	33,473,168
2021	300,543	19,434	525,416	46,578,556
2022	283,967	0	1,165,086	36,285,592
2023	279,539	0	1,595,707	45,210,781
2024	274,270	0	1,553,397	68,638,933
Total	1,540,025	63,856	5,252,991	230,187,030

Loss Adjustment Expenses as a Percentage of Losses Paid

2020	1.2%	0.1%	1.2%	
2021	0.6%	0.0%	1.1%	
2022	0.8%	0.0%	3.2%	
2023	0.6%	0.0%	3.5%	
2024	0.4%	0.0%	2.3%	
Total	0.7%	0.0%	2.3%	3.0%

Selected Ratio of Expenses to Losses Paid

Average 2020 - 2024	0.7%	0.0%	2.3%	3.0%
Average 2021 - 2024	0.6%	0.0%	2.5%	3.2%
Average 2022 - 2024	0.6%	0.0%	3.0%	3.6%
Average 2023 - 2024	0.5%	0.0%	2.9%	3.4%
Selected				3.6%

Notes: (2) - (5) Based on data provided by client

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Expense Analysis

Office Expenses as a Percentage of Surcharges collected

Calendar Year	IT Services	PCF Employee Services	Rent	Intra-Agency Transfer	Misc. & Prior Year	Participant Surcharges
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2020	0	265,951	12,837	816,500	0	41,967,369
2021	36,043	175,356	17,852	(129,400)	0	28,467,389
2022	0	50,373	7,438	816,500	140,877	54,800,255
2023	0	42,172	0	816,500	91,502	74,707,553
2024	0	(18,546)	0	272,200	99,230	117,526,351
Total	36,043	515,306	38,127	2,592,300	331,609	317,468,917

Operating Expenses as a Percentage of Premiums

2020	0.0%	0.6%	0.0%	1.9%	0.0%	
2021	0.1%	0.6%	0.1%	-0.5%	0.0%	
2022	0.0%	0.1%	0.0%	1.5%	0.3%	
2023	0.0%	0.1%	0.0%	1.1%	0.1%	
2024	0.0%	0.0%	0.0%	0.2%	0.1%	
Total	0.0%	0.2%	0.0%	0.8%	0.1%	1.1%

Selected Ratio of Expenses to Premiums

Average 2020 - 2024	0.0%	0.3%	0.0%	0.9%	0.1%	1.3%
Average 2021 - 2024	0.0%	0.2%	0.0%	0.6%	0.1%	0.9%
Average 2022 - 2024	0.0%	0.0%	0.0%	0.9%	0.2%	1.1%
Average 2023 - 2024	0.0%	0.0%	0.0%	0.7%	0.1%	0.8%
Selected						1.1%

Notes: (2) - (7) Based on data provided by client

Appendix

APPENDIX	DESCRIPTION
1	Ind. Physicians & Surgeons - B-F and Expected Loss Ratio Methods
2	Ind. Physicians & Surgeons - Paid Loss Development Method
3	Ind. Physicians & Surgeons - Frequency and Severity Method
4	Ind. Physicians & Surgeons - Paid Claim Projection Based on B-F Method
5	Ind. Physicians & Surgeons - Paid Claim Projection Based on Frequency Method
6	Ind. Physicians & Surgeons - Paid Claim Development Method
7	Hospitals - B-F and Expected Loss Ratio Methods
8	Hospitals - Paid Loss Development Method
9	Historical Paid Loss Development - Combined
10	Historical Claim Count Development - Combined
11	Development of Classification Assignments
12	Surcharge Impact of Classification Assignments
13	Review of Classification Factors
14	Surcharge Impact of New Relativities by Allied Class
15	Entity Coverage Evaluation
16	Allocation of Estimated Ultimate & Outstanding Losses by Hospital

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Independent Physicians & Surgeons

Including Batch Claims

Bornhuetter-Ferguson Method

Accident Year	Practitioner Surcharges	Expected Loss Ratio	Paid Loss	Percentage of Ultimate Paid	Indicated Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)
2000	8,238,309	120.0%	6,560,000	100.0%	6,560,000
2001	9,181,946	120.0%	9,261,652	100.0%	9,261,652
2002	9,421,675	120.0%	9,309,500	100.0%	9,309,500
2003	9,924,688	120.0%	6,596,189	100.0%	6,596,189
2004	9,283,270	120.0%	5,482,500	100.0%	5,482,500
2005	9,151,210	120.0%	9,776,657	100.0%	9,776,657
2006	9,067,465	120.0%	8,140,629	100.0%	8,140,629
2007	8,810,595	120.0%	19,005,969	100.0%	19,005,969
2008	9,696,249	120.0%	19,398,176	100.0%	19,398,176
2009	11,325,257	120.0%	11,967,704	100.0%	11,967,704
2010	10,410,307	120.0%	17,814,906	99.9%	17,827,386
2011	11,380,891	120.0%	19,354,469	99.9%	19,368,112
2012	9,765,990	120.0%	8,731,408	99.9%	8,743,116
2013	9,596,773	120.0%	7,450,000	99.4%	7,518,742
2014	10,065,996	120.0%	15,120,435	98.8%	15,264,150
2015	10,535,218	120.0%	8,602,477	97.8%	8,876,573
2016	9,039,070	120.0%	8,523,333	96.6%	8,894,686
2017	12,725,963	120.0%	23,722,500	95.8%	24,362,372
2018	9,835,929	120.0%	22,314,611	92.6%	23,191,585
2019	10,170,463	120.0%	18,868,878	66.1%	23,003,609
2020	10,236,009	120.0%	5,409,528	48.6%	11,720,803
2021	11,585,186	120.0%	1,182,167	23.2%	11,865,781
2022	15,302,205	120.0%	1,804,414	8.7%	18,562,805
2023	16,934,483	120.0%	112,500	2.1%	20,016,143
2024	16,935,434	120.0%	0	0.4%	20,249,867
Total	268,620,583		264,510,601		344,964,706
2010-24	174,519,918		159,011,626		239,465,731

Column	Note
(2), (4)	Based on data provided by client
(3)	Appendix 1, Page 2, Col (5)
(5)	Appendix 9
(6)	Col (2) x Col (3) x [1 - Col (5)] + Col (4)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Independent Physicians & Surgeons

Including Batch Claims

Expected Loss Ratio Method

Accident Year	Practitioner Surcharges	Indicated Ultimate Losses From Paid Loss Dev Method	Indicated Loss Ratio	Expected Loss Ratio	Indicated Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)
2000	8,238,309	6,560,000	79.6%		9,885,971
2001	9,181,946	9,261,652	100.9%		11,018,335
2002	9,421,675	9,309,500	98.8%		11,306,010
2003	9,924,688	6,596,189	66.5%		11,909,625
2004	9,283,270	5,482,500	59.1%		11,139,924
2005	9,151,210	9,776,657	106.8%		10,981,452
2006	9,067,465	8,140,629	89.8%		10,880,958
2007	8,810,595	19,005,969	215.7%		10,572,714
2008	9,696,249	19,398,176	200.1%		11,635,499
2009	11,325,257	11,967,704	105.7%		13,590,309
2010	10,410,307	17,832,721	171.3%		12,492,369
2011	11,380,891	19,373,823	170.2%		13,657,069
2012	9,765,990	8,740,140	89.5%		11,719,188
2013	9,596,773	7,494,737	78.1%		11,516,128
2014	10,065,996	15,302,501	152.0%		12,079,195
2015	10,535,218	8,793,120	83.5%		12,642,261
2016	9,039,070	8,825,481	97.6%		10,846,883
2017	12,725,963	24,759,959	194.6%		15,271,156
2018	9,835,929	24,105,667	245.1%		11,803,115
2019	10,170,463	28,536,712	280.6%		12,204,556
2020	10,236,009	11,126,439	108.7%		12,283,211
2021	11,585,186	5,106,164	44.1%		13,902,223
2022	15,302,205	20,653,716	135.0%		18,362,646
2023	16,934,483	5,472,722	32.3%		20,321,380
2024	16,935,434	0	0.0%		20,322,521
Total	268,620,583	311,622,876	116.0%	120.0%	322,344,699
2000-17	177,620,872	216,621,457	122.0%		
2012-21	103,556,598	142,790,920	137.9%		

Column	Note
(2)	Based on data provided by client
(3)	Appendix 2, Col (5)
(4)	Col (3) / Col (2)
(5)	Judgment
(6)	Col (2) x Col (5)

New Mexico Patients' Compensation Fund

Appendix 2

Reserves as of 12/31/2024
Independent Physicians & Surgeons
Including Batch Claims
Paid Loss Development Method

Accident Year	Paid Losses	Month of Development	Cumulative Development Factor	Indicated Ultimate Losses
(1)	(2)	(3)	(4)	(5)
2000	6,560,000	300	1.000	6,560,000
2001	9,261,652	288	1.000	9,261,652
2002	9,309,500	276	1.000	9,309,500
2003	6,596,189	264	1.000	6,596,189
2004	5,482,500	252	1.000	5,482,500
2005	9,776,657	240	1.000	9,776,657
2006	8,140,629	228	1.000	8,140,629
2007	19,005,969	216	1.000	19,005,969
2008	19,398,176	204	1.000	19,398,176
2009	11,967,704	192	1.000	11,967,704
2010	17,814,906	180	1.001	17,832,721
2011	19,354,469	168	1.001	19,373,823
2012	8,731,408	156	1.001	8,740,140
2013	7,450,000	144	1.006	7,494,737
2014	15,120,435	132	1.012	15,302,501
2015	8,602,477	120	1.022	8,793,120
2016	8,523,333	108	1.035	8,825,481
2017	23,722,500	96	1.044	24,759,959
2018	22,314,611	84	1.080	24,105,667
2019	18,868,878	72	1.512	28,536,712
2020	5,409,528	60	2.057	11,126,439
2021	1,182,167	48	4.319	5,106,164
2022	1,804,414	36	11.446	20,653,716
2023	112,500	24	48.646	5,472,722
2024	0	12	279.717	0
Total	264,510,601			311,622,876

Column	Note
(2)	Based on data provided by client
(4)	Appendix 9
(5)	Col (2) x Col (4)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Independent Physicians & Surgeons

Including Batch Claims

Frequency and Severity Method

Accident Year	Selected Ultimate Claims Closed with Payment	Selected Ultimate Severity	Indicated Ultimate Losses
(1)	(2)	(3)	(4)
2000	19	217,048	4,123,903
2001	32	227,900	7,292,797
2002	26	239,295	6,221,668
2003	26	251,260	6,532,751
2004	23	263,823	6,067,921
2005	33	277,014	9,141,454
2006	23	290,864	6,689,883
2007	61	305,408	18,629,869
2008	74	320,678	23,730,177
2009	38	336,712	12,795,055
2010	48	353,548	16,970,283
2011	32	371,225	11,879,198
2012	21	389,786	8,185,510
2013	15	409,276	6,139,133
2014	32	429,739	13,751,657
2015	14	451,226	6,317,167
2016	28	473,788	13,266,051
2017	46	497,477	22,883,939
2018	51	522,351	26,639,890
2019	60	548,468	32,908,099
2020	37	575,892	21,020,048
2021	35	604,686	20,861,678
2022	43	634,921	27,301,587
2023	42	666,667	28,000,000
2024	39	700,000	27,300,000
Total	897		384,649,718

Column	Note
(2)	Appendix 3, Page 3, Col (6)
(3)	Appendix 3, Page 2, Col (10)
(4)	Col (2) x Col (3)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024
Independent Physicians & Surgeons
Including Batch Claims
Severity Trend for Paid Losses Excess of Retention

Accident Year	Paid Loss	Claims Closed With Payment	Paid Severity	Indicated Trend	R^2	Selected Trend	Trended Severity to 2024	Selected Severity	Detrended Severity
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
2000	6,560,000	19	345,263				1,113,508		217,048
2001	9,261,652	32	289,427				888,981		227,900
2002	9,309,500	26	358,058				1,047,412		239,295
2003	6,596,189	26	253,700				706,797		251,260
2004	5,482,500	23	238,370				632,465		263,823
2005	9,776,657	33	296,262				748,640		277,014
2006	8,140,629	23	353,940				851,800		290,864
2007	19,005,969	61	311,573				714,132		305,408
2008	19,398,176	74	262,138				572,213		320,678
2009	11,967,704	38	314,940				654,737		336,712
2010	17,814,906	48	371,144				734,839		353,548
2011	19,354,469	32	604,827				1,140,492		371,225
2012	8,731,408	21	415,781				746,684		389,786
2013	7,450,000	15	496,667				849,469		409,276
2014	15,120,435	32	472,514				769,675		429,739
2015	8,602,477	14	614,463				953,233		451,226
2016	8,523,333	27	315,679				466,402		473,788
2017	23,722,500	44	539,148				758,635		497,477
2018	22,314,611	47	474,779				636,249		522,351
2019	18,868,878	52	362,863				463,115		548,468
2020	5,409,528	23	235,197				285,883		575,892
2021	1,182,167	8	147,771				171,063		604,686
2022	1,804,414	10	180,441				198,937		634,921
2023	112,500	2	56,250				59,063		666,667
2024	0	0	0				0		700,000
Total	264,510,601	730	362,343				702,764		380,803
2008-20	187,278,425	467	401,024	0.2%	0.001	5.0%	667,929	700,000	389,708

Column	Note
(2), (3)	Based on data provided by client
(4)	Col (2) / Col (3)
(7)	Client data does not produce a good fit; trend factor selected based on industry data
(8)	Col (4) trended forward with selected trend in Col (7)
(10)	Selected severity in Col (9) detrended with selected trend in Col (7)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024
Independent Physicians & Surgeons
Including Batch Claims
Closed With Payment Projection Summary

		Indicated Ultimate Claims Closed With Payment			
Accident Year	Claims Closed With Payment	B-F Method	Frequency Method	Claim Development Method	Selected Ultimate Closed With Payment
(1)	(2)	(3)	(4)	(5)	(6)
2000	19	19	47	19	19
2001	32	32	49	32	32
2002	26	26	49	26	26
2003	26	26	51	26	26
2004	23	23	48	23	23
2005	33	33	47	33	33
2006	23	23	47	23	23
2007	61	61	45	61	61
2008	74	74	46	74	74
2009	38	38	53	38	38
2010	48	48	46	48	48
2011	32	32	49	32	32
2012	21	21	42	21	21
2013	15	15	41	15	15
2014	32	33	42	32	32
2015	14	15	44	14	14
2016	27	28	38	28	28
2017	44	46	50	46	46
2018	47	50	35	51	51
2019	52	60	36	67	60
2020	23	38	35	41	37
2021	8	33	36	27	35
2022	10	47	43	78	43
2023	2	43	42	64	42
2024	0	39	39	0	39
Total	730	903	1,100	919	897

Column	Note
(2)	Based on data provided by client
(3)	Appendix 4, Col (5)
(4)	Appendix 5, Col (7)
(5)	Appendix 6, Col (5)
(6)	Judgmental selection based on Cols (3) - (5)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Independent Physicians & Surgeons

Including Batch Claims

Bornhuetter-Ferguson Method

Accident Year	Claims Closed With Payment	Frequency Mtd. Indicated Ultimate Claims Closed With Payment	Percent of Ultimate Closed With Payment	Indicated Ultimate Closed With Payment
(1)	(2)	(3)	(4)	(5)
2000	19	47	100.0%	19
2001	32	49	100.0%	32
2002	26	49	100.0%	26
2003	26	51	100.0%	26
2004	23	48	100.0%	23
2005	33	47	100.0%	33
2006	23	47	100.0%	23
2007	61	45	100.0%	61
2008	74	46	100.0%	74
2009	38	53	100.0%	38
2010	48	46	99.8%	48
2011	32	49	99.8%	32
2012	21	42	99.8%	21
2013	15	41	99.3%	15
2014	32	42	98.7%	33
2015	14	44	98.0%	15
2016	27	38	97.2%	28
2017	44	50	96.3%	46
2018	47	35	91.9%	50
2019	52	36	77.2%	60
2020	23	35	55.9%	38
2021	8	36	30.1%	33
2022	10	43	12.8%	47
2023	2	42	3.1%	43
2024	0	39	0.8%	39
Total	730	1,100		903

Column	Note
(2)	Based on data provided by client
(3)	Appendix 5, Col (7)
(4)	Appendix 10
(5)	Col (2) + Col (3) x [1 - Col (4)]

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024
Independent Physicians & Surgeons
Including Batch Claims
Paid Claim Projection Based on Frequency Method

Accident Year	Claims Closed With Payment	Development Mtd. Indicated Ultimate Claims Closed With Payment	Practitioner Surcharges at Current Rate Level	Indicated Ultimate Claim Frequency Per $1M in Surcharges	Selected Frequency	Indicated Ultimate Claims Closed With Payment
(1)	(2)	(3)	(4)	(5)	(6)	(7)
2000	19	19	23,558,922	0.81		47
2001	32	32	24,608,972	1.30		49
2002	26	26	24,418,334	1.06		49
2003	26	26	25,722,003	1.01		51
2004	23	23	24,059,628	0.96		48
2005	33	33	23,717,366	1.39		47
2006	23	23	23,500,322	0.98		47
2007	61	61	22,566,609	2.70		45
2008	74	74	23,201,342	3.19		46
2009	38	38	26,664,645	1.43		53
2010	48	48	22,944,469	2.09		46
2011	32	32	24,600,047	1.30		49
2012	21	21	21,088,315	1.00		42
2013	15	15	20,277,261	0.74		41
2014	32	32	21,083,210	1.52		42
2015	14	14	22,065,995	0.63		44
2016	27	28	18,880,982	1.48		38
2017	44	46	25,016,278	1.84		50
2018	47	51	17,611,775	2.90		35
2019	52	67	18,028,585	3.72		36
2020	23	41	17,535,889	2.34		35
2021	8	27	18,107,577	1.49		36
2022	10	78	21,317,508	3.66		43
2023	2	64	21,193,264	3.02		42
2024	0	0	19,267,686	0.00		39
Total	730	919	551,036,980	1.67	2.00	1,100
2012-20	275	315	181,588,289	1.73		
2014-20	239	279	140,222,713	1.99		
2016-20	193	233	97,073,509	2.40		

Column	Note
(2)	Appendix 6, Col (2)
(3)	Appendix 6, Col (5)
(4)	Based on data provided by client
(5)	Col (3) / Col (4) x 1,000,000
(6)	Judgmentally selected based on Col (5)
(7)	Col (4) x Col (6) / 1,000,000

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Independent Physicians & Surgeons

Including Batch Claims

Closed With Payment Claim Development Method

Accident Year	Claims Closed With Payment	Month of Development	Cumulative Development Factor	Indicated Ultimate Claims Closed With Payment
(1)	(2)	(3)	(4)	(5)
2000	19	300	1.000	19
2001	32	288	1.000	32
2002	26	276	1.000	26
2003	26	264	1.000	26
2004	23	252	1.000	23
2005	33	240	1.000	33
2006	23	228	1.000	23
2007	61	216	1.000	61
2008	74	204	1.000	74
2009	38	192	1.000	38
2010	48	180	1.002	48
2011	32	168	1.002	32
2012	21	156	1.002	21
2013	15	144	1.007	15
2014	32	132	1.013	32
2015	14	120	1.020	14
2016	27	108	1.028	28
2017	44	96	1.039	46
2018	47	84	1.088	51
2019	52	72	1.295	67
2020	23	60	1.787	41
2021	8	48	3.325	27
2022	10	36	7.813	78
2023	2	24	32.033	64
2024	0	12	128.131	0
Total	730			919

Column	Note
(2)	Based on data provided by client
(4)	Appendix 10
(5)	Col (2) x Col (4)

New Mexico Patients' Compensation Fund
Reserves as of 12/31/2024
Hospitals
Bornhuetter-Ferguson Method

Accident Year	Hospital Surcharges	Expected Loss Ratio	Paid Loss	Percentage of Ultimate Paid	Indicated Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)
2009	918,297	120.0%	2,075,000	100.0%	2,075,000
2010	1,680,228	120.0%	2,005,000	99.9%	2,007,014
2011	1,825,004	120.0%	2,547,500	99.9%	2,549,688
2012	1,817,812	120.0%	3,475,000	99.9%	3,477,179
2013	1,992,604	120.0%	2,607,237	99.4%	2,621,510
2014	2,146,331	120.0%	6,688,260	98.8%	6,718,904
2015	2,224,828	120.0%	5,624,980	97.8%	5,682,864
2016	6,374,245	120.0%	9,916,846	96.6%	10,178,720
2017	21,561,182	120.0%	19,016,636	95.8%	20,100,750
2018	31,292,438	120.0%	27,241,629	92.6%	30,031,669
2019	31,872,010	120.0%	19,264,470	66.1%	32,221,813
2020	31,731,360	120.0%	13,557,334	48.6%	33,122,121
2021	32,655,867	120.0%	10,699,825	23.2%	40,814,377
2022	37,653,051	120.0%	6,352,586	8.7%	47,588,771
2023	48,224,599	120.0%	0	2.1%	56,679,924
2024	68,897,888	120.0%	0	0.4%	82,381,890
Total	322,867,744		131,072,303		378,252,195

Column	Note
(2)	Based on data provided by client; excludes deficit surcharge
(3)	Appendix 7, Page 2, Col (5)
(4)	Based on data provided by client
(5)	Appendix 9
(6)	Col (2) x Col (3) x [1 - Col (5)] + Col (4)

New Mexico Patients' Compensation Fund
Reserves as of 12/31/2024
Hospitals
Expected Loss Ratio Method

Accident Year	Hospital Surcharges	Indicated Ultimate Losses From Paid Loss Dev Method	Indicated Loss Ratio	Expected Loss Ratio	Indicated Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)
2009	918,297	2,075,000	226.0%		1,101,956
2010	1,680,228	2,007,005	119.4%		2,016,274
2011	1,825,004	2,550,048	139.7%		2,190,005
2012	1,817,812	3,478,475	191.4%		2,181,374
2013	1,992,604	2,622,894	131.6%		2,391,125
2014	2,146,331	6,768,794	315.4%		2,575,597
2015	2,224,828	5,749,638	258.4%		2,669,794
2016	6,374,245	10,268,394	161.1%		7,649,094
2017	21,561,182	19,848,293	92.1%		25,873,419
2018	31,292,438	29,428,145	94.0%		37,550,925
2019	31,872,010	29,134,993	91.4%		38,246,412
2020	31,731,360	27,885,027	87.9%		38,077,632
2021	32,655,867	46,216,039	141.5%		39,187,041
2022	37,653,051	72,713,068	193.1%		45,183,661
2023	48,224,599	0	0.0%		57,869,519
2024	68,897,888	0	0.0%		82,677,466
Total	322,867,744	260,745,812	80.8%	120.0%	387,441,293
2009-18	71,832,969	84,796,685	118.0%		
2009-21	168,092,207	188,032,744	111.9%		
2017-22	186,765,909	225,225,565	120.6%		

Column	Note
(2)	Based on data provided by client; excludes deficit surcharge
(3)	Appendix 8, Col (5)
(4)	Col (3) / Col (2)
(5)	Judgment
(6)	Col (2) x Col (5)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Hospitals

Paid Loss Development Method

Accident Year	Paid Losses	Month of Development	Cumulative Development Factor	Indicated Ultimate Losses
(1)	(2)	(3)	(4)	(5)
2009	2,075,000	192	1.000	2,075,000
2010	2,005,000	180	1.001	2,007,005
2011	2,547,500	168	1.001	2,550,048
2012	3,475,000	156	1.001	3,478,475
2013	2,607,237	144	1.006	2,622,894
2014	6,688,260	132	1.012	6,768,794
2015	5,624,980	120	1.022	5,749,638
2016	9,916,846	108	1.035	10,268,394
2017	19,016,636	96	1.044	19,848,293
2018	27,241,629	84	1.080	29,428,145
2019	19,264,470	72	1.512	29,134,993
2020	13,557,334	60	2.057	27,885,027
2021	10,699,825	48	4.319	46,216,039
2022	6,352,586	36	11.446	72,713,068
2023	0	24	48.646	0
2024	0	12	279.717	0
Total	131,072,303			260,745,812

Column	Note
(2)	Based on data provided by client
(4)	Appendix 9
(5)	Col (2) x Col (4)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Historical Paid Loss Development

Paid Losses - Hospital & Practitioner Combined (Excluding Batch Claims)

Accident	Months of Development																					
Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264
1995	0	0	0	0	0	2,520,000	2,920,000	2,995,000	2,995,000	2,995,000	2,995,000	4,045,000	4,045,000	4,045,000	4,045,000	4,045,000	4,045,000	4,045,000	4,045,000	4,045,000	4,045,000	4,045,000
1996	0	0	0	0	925,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000	1,590,000
1997	0	0	0	2,060,000	4,360,000	5,162,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000	5,462,000
1998	0	0	600,000	1,255,000	1,895,000	2,005,000	2,305,000	2,305,000	2,305,000	2,305,000	2,305,000	2,730,000	2,730,000	2,730,000	2,730,000	2,730,000	2,730,000	2,730,000	2,730,000	2,730,000	2,730,000	2,730,000
1999	0	125,000	993,000	1,530,500	2,437,000	3,462,000	4,887,000	5,187,000	5,187,000	5,282,000	5,282,000	5,284,209	5,285,956	5,285,956	5,285,956	5,285,956	5,285,956	5,285,956	5,285,956	5,285,956	5,285,956	5,285,956
2000	0	1,500,000	2,295,000	2,745,000	5,845,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000	6,560,000
2001	125,000	745,000	2,332,152	3,282,152	6,024,152	8,226,652	9,226,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652	9,261,652
2002	290,000	890,000	990,000	2,932,000	4,819,500	6,144,500	8,994,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500	9,309,500
2003	0	275,000	1,950,000	2,997,500	4,137,500	5,032,500	5,707,500	6,196,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189	6,596,189
2004	0	0	1,197,500	1,527,500	2,870,000	4,607,500	4,657,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	5,482,500	
2005	300,000	575,000	1,035,000	1,410,000	4,911,086	6,873,180	7,741,254	8,341,254	8,791,254	8,791,254	8,791,254	8,791,254	8,791,254	8,791,254	8,791,254	8,791,254	8,791,254	8,791,254	8,791,254	8,791,254		
2006	0	0	628,725	4,253,725	5,228,725	5,378,725	5,628,725	5,928,725	6,328,725	6,328,725	6,328,725	6,328,725	6,328,725	6,328,725	6,328,725	6,328,725	6,328,725	6,328,725	6,328,725			
2007	0	0	1,250,000	4,937,000	7,887,000	12,027,000	12,677,000	13,124,500	13,124,500	13,124,500	13,124,500	13,124,500	13,124,500	13,124,500	13,124,500	13,124,500	13,124,500	13,124,500				
2008	0	0	2,163,652	4,764,652	6,542,152	9,204,652	11,262,152	11,662,152	11,662,152	11,662,152	11,662,152	11,662,152	11,662,152	11,662,152	11,662,152	11,662,152	11,662,152					
2009	0	495,000	2,868,567	3,368,567	4,203,567	8,242,342	8,242,342	8,367,342	8,367,342	8,367,342	10,067,342	10,067,342	10,067,342	10,067,342	10,067,342	10,217,342						
2010	0	775,000	3,511,000	6,138,000	9,688,000	16,177,567	16,502,567	16,902,567	16,902,567	17,602,567	17,727,567	17,727,567	18,127,567	18,127,567	18,127,567							
2011	0	1,365,000	1,965,000	4,793,000	9,990,312	17,266,228	19,398,728	21,013,728	21,013,728	21,866,969	21,866,969	21,866,969	21,941,969	21,941,969								
2012	0	50,000	850,000	2,614,408	4,324,408	7,529,408	11,629,408	11,779,408	11,809,408	11,809,408	11,809,408	11,809,408	12,256,408									
2013	0	450,000	750,000	875,000	4,575,000	6,407,148	9,507,237	9,507,237	9,507,237	9,507,237	9,507,237	10,057,237										
2014	0	480,000	2,370,000	4,945,000	7,573,260	14,280,445	20,608,695	20,608,695	20,608,695	20,608,695	21,808,695											
2015	0	0	1,112,868	1,977,868	4,402,868	5,465,368	10,508,363	11,639,980	12,089,980	14,227,457												
2016	0	700,000	2,625,000	4,830,000	7,850,000	11,727,500	17,640,179	18,440,179	18,440,179													
2017	0	675,000	4,015,000	12,447,184	29,142,497	34,480,149	42,089,136	42,739,136														
2018	0	650,000	5,093,523	12,504,086	26,652,230	35,529,693	49,556,240															
2019	0	1,270,000	4,156,000	10,361,000	21,939,929	38,133,348																
2020	300,000	1,186,000	4,236,500	11,399,061	18,966,863																	
2021	0	0	3,272,000	11,881,991																		
2022	0	2,706,000	8,157,000																			
2023	0	112,500																				
2024	0																					

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Historical Paid Loss Development

Paid Losses - Hospital & Practitioner Combined (Excluding Batch Claims)

Development Factors

Accident Year	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264- Ult.
1995						1.159	1.026	1.000	1.000	1.000	1.351	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1996					1.719	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1997				2.117	1.184	1.058	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1998			2.092	1.510	1.058	1.150	1.000	1.000	1.000	1.000	1.184	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1999		7.944	1.541	1.592	1.421	1.412	1.061	1.000	1.018	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2000		1.530	1.196	2.129	1.122	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2001	5.960	3.130	1.407	1.835	1.366	1.122	1.004	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2002	3.069	1.112	2.962	1.644	1.275	1.464	1.035	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003		7.091	1.537	1.380	1.216	1.134	1.086	1.065	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004			1.276	1.879	1.605	1.011	1.177	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2005	1.917	1.800	1.362	3.483	1.400	1.126	1.078	1.054	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2006			6.766	1.229	1.029	1.046	1.053	1.067	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2007			3.950	1.598	1.525	1.054	1.035	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
2008			2.202	1.373	1.407	1.224	1.036	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000						
2009		5.795	1.174	1.248	1.961	1.000	1.015	1.000	1.000	1.203	1.000	1.000	1.000	1.000	1.015							
2010		4.530	1.748	1.578	1.670	1.020	1.024	1.000	1.041	1.007	1.000	1.023	1.000	1.000								
2011		1.440	2.439	2.084	1.728	1.124	1.083	1.000	1.041	1.000	1.000	1.003	1.000									
2012		17.000	3.076	1.654	1.741	1.545	1.013	1.003	1.000	1.000	1.000	1.038										
2013		1.667	1.167	5.229	1.400	1.484	1.000	1.000	1.000	1.000	1.058											
2014		4.938	2.086	1.531	1.886	1.443	1.000	1.000	1.000	1.058												
2015			1.777	2.226	1.241	1.923	1.108	1.039	1.177													
2016		3.750	1.840	1.625	1.494	1.504	1.045	1.000														
2017		5.948	3.100	2.341	1.183	1.221	1.015															
2018		7.836	2.455	2.131	1.333	1.395																
2019		3.272	2.493	2.118	1.738																	
2020	3.953	3.572	2.691	1.664																		
2021			3.631																			
2022		3.014																				
2023																						
Avg	3.725	4.743	2.332	1.967	1.446	1.234	1.039	1.010	1.013	1.013	1.031	1.004	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	
W Avg	14.802	4.052	2.331	1.884	1.456	1.252	1.035	1.008	1.019	1.016	1.012	1.006	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	
5 yr W Avg		4.287	2.821	2.028	1.393	1.384	1.026	1.007	1.040	1.016	1.008	1.013	1.000	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	
7 yr W Avg		4.391	2.668	1.993	1.430	1.400	1.033	1.004	1.037	1.030	1.006	1.010	1.000	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	
5 yr Avg x Hi/Lo		4.264	2.761	1.971	1.356	1.447	1.020	1.001	1.014	1.002	1.000	1.009	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
7 yr Avg x Hi/Lo		4.296	2.516	1.953	1.441	1.474	1.031	1.001	1.016	1.013	1.000	1.005	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Prior	5.750	4.500	2.550	2.150	1.350	1.420	1.040	1.012	1.010	1.008	1.004	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	5.750	4.250	2.650	2.100	1.360	1.400	1.035	1.008	1.013	1.010	1.006	1.005	1.000	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
LDF to Ultimate	279.717	48.646	11.446	4.319	2.057	1.512	1.080	1.044	1.035	1.022	1.012	1.006	1.001	1.001	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000
% of Ultimate	0.4%	2.1%	8.7%	23.2%	48.6%	66.1%	92.6%	95.8%	96.6%	97.8%	98.8%	99.4%	99.9%	99.9%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Historical Claim Count Development

Claims Closed With Payment - Hospital & Practitioner Combined (Excluding Batch Claims)

Accident	Months of Development																					
Year	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180	192	204	216	228	240	252	264
1995	0	0	0	0	0	3	4	5	5	5	5	6	6	6	6	6	6	6	6	6	6	6
1996	0	0	0	0	4	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9
1997	0	0	0	6	10	13	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14	14
1998	0	0	2	6	8	10	12	12	12	12	12	13	13	13	13	13	13	13	13	13	13	13
1999	0	1	3	6	11	15	18	19	19	20	20	20	20	20	20	20	20	20	20	20	20	20
2000	0	3	7	10	16	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19	19
2001	1	5	10	14	22	28	31	32	32	32	32	32	32	32	32	32	32	32	32	32	32	32
2002	1	2	3	10	15	21	25	26	26	26	26	26	26	26	26	26	26	26	26	26	26	26
2003	0	1	7	12	18	20	22	25	26	26	26	26	26	26	26	26	26	26	26	26	26	26
2004	0	0	6	8	14	20	21	23	23	23	23	23	23	23	23	23	23	23	23	23	23	
2005	1	2	4	7	16	23	26	27	29	29	29	29	29	29	29	29	29	29	29	29		
2006	0	0	2	7	11	13	15	16	17	17	17	17	17	17	17	17	17	17	17			
2007	0	0	2	13	20	25	27	29	29	29	29	29	29	29	29	29	29	29				
2008	0	0	6	15	21	27	33	34	34	34	34	34	34	34	34	34	34					
2009	0	2	7	9	13	20	20	21	21	21	22	22	22	22	22	23						
2010	0	2	9	16	24	38	40	41	41	42	43	43	44	44	44							
2011	0	2	5	11	21	29	34	38	38	39	39	39	40	40								
2012	0	1	3	8	12	19	22	23	24	24	24	24	25									
2013	0	1	2	3	10	15	18	18	18	18	18	19										
2014	0	1	6	12	17	24	26	26	26	26	27											
2015	0	0	2	5	10	13	18	20	21	22												
2016	0	2	7	14	21	29	32	34	34													
2017	0	2	9	18	36	46	59	60														
2018	0	1	12	26	53	69	81															
2019	0	2	9	23	44	71																
2020	1	3	11	27	44																	
2021	0	0	9	27																		
2022	0	6	17																			
2023	0	1																				
2024	0																					

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Historical Claim Count Development

Claims Closed With Payment - Hospital & Practitioner Combined (Excluding Batch Claims)

Accident	Development Factors																					
Year	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180	180-192	192-204	204-216	216-228	228-240	240-252	252-264	264- Ult.
1995						1.333	1.250	1.000	1.000	1.000	1.200	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1996					2.250	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1997				1.667	1.300	1.077	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1998			3.000	1.333	1.250	1.200	1.000	1.000	1.000	1.000	1.083	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1999		3.000	2.000	1.833	1.364	1.200	1.056	1.000	1.053	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2000		2.333	1.429	1.600	1.188	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2001	5.000	2.000	1.400	1.571	1.273	1.107	1.032	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2002	2.000	1.500	3.333	1.500	1.400	1.190	1.040	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2003		7.000	1.714	1.500	1.111	1.100	1.136	1.040	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004			1.333	1.750	1.429	1.050	1.095	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000		
2005	2.000	2.000	1.750	2.286	1.438	1.130	1.038	1.074	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2006			3.500	1.571	1.182	1.154	1.067	1.063	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000				
2007			6.500	1.538	1.250	1.080	1.074	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000					
2008			2.500	1.400	1.286	1.222	1.030	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000						
2009		3.500	1.286	1.444	1.538	1.000	1.050	1.000	1.000	1.048	1.000	1.000	1.000	1.000	1.045							
2010		4.500	1.778	1.500	1.583	1.053	1.025	1.000	1.024	1.024	1.000	1.023	1.000	1.000								
2011		2.500	2.200	1.909	1.381	1.172	1.118	1.000	1.026	1.000	1.000	1.026	1.000									
2012		3.000	2.667	1.500	1.583	1.158	1.045	1.043	1.000	1.000	1.000	1.042										
2013		2.000	1.500	3.333	1.500	1.200	1.000	1.000	1.000	1.000	1.056											
2014		6.000	2.000	1.417	1.412	1.083	1.000	1.000	1.000	1.038												
2015			2.500	2.000	1.300	1.385	1.111	1.050	1.048													
2016		3.500	2.000	1.500	1.381	1.103	1.063	1.000														
2017		4.500	2.000	2.000	1.278	1.283	1.017															
2018		12.000	2.167	2.038	1.302	1.174																
2019		4.500	2.556	1.913	1.614																	
2020	3.000	3.667	2.455	1.630																		
2021			3.000																			
2022		2.833																				
2023																						
Avg	3.000	3.907	2.357	1.739	1.400	1.144	1.054	1.012	1.007	1.005	1.018	1.005	1.000	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	
W Avg	10.000	4.103	2.189	1.717	1.385	1.142	1.048	1.012	1.008	1.006	1.007	1.007	1.000	1.000	1.003	1.000	1.000	1.000	1.000	1.000	1.000	
5 yr W Avg		4.833	2.420	1.833	1.390	1.193	1.033	1.017	1.016	1.013	1.007	1.019	1.000	1.000	1.008	1.000	1.000	1.000	1.000	1.000	1.000	
7 yr W Avg		4.625	2.373	1.800	1.398	1.191	1.048	1.010	1.016	1.015	1.005	1.014	1.000	1.000	1.006	1.000	1.000	1.000	1.000	1.000	1.000	
5 yr Avg x Hi/Lo		4.222	2.392	1.848	1.328	1.187	1.026	1.014	1.009	1.008	1.000	1.016	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
7 yr Avg x Hi/Lo		4.433	2.335	1.809	1.379	1.184	1.047	1.009	1.010	1.012	1.000	1.010	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Prior	4.000	4.100	2.250	1.860	1.350	1.200	1.055	1.008	1.007	1.005	1.004	1.003	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Selected	4.000	4.100	2.350	1.860	1.380	1.190	1.048	1.010	1.008	1.007	1.006	1.005	1.000	1.000	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000
LDF to Ultimate	128.131	32.033	7.813	3.325	1.787	1.295	1.088	1.039	1.028	1.020	1.013	1.007	1.002	1.002	1.002	1.000	1.000	1.000	1.000	1.000	1.000	1.000
% of Ultimate	0.8%	3.1%	12.8%	30.1%	55.9%	77.2%	91.9%	96.3%	97.2%	98.0%	98.7%	99.3%	99.8%	99.8%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

New Mexico Patient's Compensation Fund

Development of Classification Assignments by Specialty - Review of Assigned Factors

NM Class		Current	Proposed	Current Rate Factors					Proposed	Indicated
				Patient Compensation Funds			NM Primary Carriers			
Code	Specialty	Class	Class	NM	IN	WI	TDC	MedPro	Factor	Change
10002	Aerospace Medicine / Medical Director	1	1	0.75	0.70	1.00	N/A	0.85	0.75	0.0%
10003	Allergy/Immunology - No Surgery	1	1	0.75	0.70	1.00	0.47	0.43	0.75	0.0%
10024	Dermatology - No Surgery	1	1	0.75	0.70	1.00	0.49	0.62	0.75	0.0%
10026	Diabetes - No Surgery	1	1	0.75	1.00	1.00	N/A	N/A	0.75	0.0%
10031	Endocrinology - No Surgery	1	1	0.75	1.00	1.00	0.62	0.49	0.75	0.0%
10033	Family Practitioners - No Ob/ No Surgery	1	1	0.75	1.00	N/A	0.83	0.89	0.75	0.0%
10034	Forensic Medicine / Legal Medicine	1	1	0.75	0.70	1.00	N/A	0.67	0.75	0.0%
10039	General Practitioners - No Ob/ No Major Surgery	1	1	0.75	1.00	N/A	1.12	1.17	0.75	0.0%
10041	General Practitioners or Family Physicians - No Surgery - No Ob	1	1	0.75	1.00	1.00	0.83	0.89	0.75	0.0%
10042	General Preventive Medicine - No Surgery / No Ob	1	1	0.75	0.70	1.00	0.71	0.87	0.75	0.0%
10047	Geriatrics - No Surgery	1	1	0.75	1.00	1.00	0.83	0.87	0.75	0.0%
10050	Gynecology - No Surgery	1	1	0.75	1.00	1.00	N/A	0.83	0.75	0.0%
10057	Hypnosis	1	1	0.75	N/A	1.00	N/A	0.58	0.75	0.0%
10059	Infectious Diseases - No Surgery	1	1	0.75	1.00	1.00	0.63	1.17	0.75	0.0%
10066	Larynogology - No Surgery	1	1	0.75	1.00	1.00	N/A	N/A	0.75	0.0%
10068	Manipulator	1	1	0.75	N/A	1.00	N/A	N/A	0.75	0.0%
10072	Neoplastic Diseases - No Surgery	1	1	0.75	1.00	1.00	0.91	0.89	0.75	0.0%
10082	Nuclear Medicine - Excluding Radiation Therapy	1	1	0.75	1.00	1.00	0.93	0.74	0.75	0.0%
10084	Nutrition	1	1	0.75	0.70	1.00	N/A	N/A	0.75	0.0%
10087	Occupational Medicine	1	1	0.75	0.70	1.00	0.61	0.58	0.75	0.0%
10092	Ophthamology - No Surgery	1	1	0.75	0.70	1.00	0.49	0.58	0.75	0.0%
10096	Otology - No Surgery	1	1	0.75	1.00	1.00	N/A	N/A	0.75	0.0%
10099	Otorhinolaryngology - No Surgery	1	1	0.75	1.00	1.00	N/A	0.79	0.75	0.0%
10101	Pathology - All Other	1	1	0.75	1.00	1.00	0.77	0.87	0.75	0.0%
10103	Pathology - Blood Banking/Transfusion Medicine - No Surgery	1	1	0.75	1.00	1.00	0.77	0.87	0.75	0.0%
10105	Pathology - Cytopathology - No Surgery	1	1	0.75	1.00	1.00	0.77	0.87	0.75	0.0%
10107	Pathology - No Surgery	1	1	0.75	1.00	1.00	0.77	0.87	0.75	0.0%
10111	Pharmacology - Clinical	1	1	0.75	0.70	1.00	N/A	0.83	0.75	0.0%
10112	Physical Medicine and Rehabilitation - All Other	1	1	0.75	N/A	N/A	0.77	N/A	0.75	0.0%
10114	Physical Medicine and Rehabilitation / Physiatry	1	1	0.75	1.00	1.00	1.09	0.83	0.75	0.0%
10125	Preventive Medicine - No Surgery - Aerospace Medicine	1	1	0.75	N/A	N/A	N/A	0.85	0.75	0.0%
10126	Preventive Medicine - No Surgery - Medical Toxicology	1	1	0.75	N/A	N/A	N/A	0.87	0.75	0.0%
10127	Preventive Medicine - No Surgery - Occupational Medicine	1	1	0.75	N/A	N/A	0.61	0.58	0.75	0.0%
10128	Preventive Medicine - No Surgery - Public/General Health Medicine	1	1	0.75	N/A	N/A	0.71	0.67	0.75	0.0%
10129	Preventive Medicine - No Surgery - Undersea/Hyperbaric Medicine	1	1	0.75	N/A	N/A	N/A	0.87	0.75	0.0%
10130	Psychiatry - Addiction Psychiatry	1	1	0.75	0.70	1.00	0.75	0.59	0.75	0.0%
10131	Psychiatry - All Other	1	1	0.75	0.70	1.00	0.75	0.59	0.75	0.0%
10132	Psychiatry - Child and Adolescent Psychiatry	1	1	0.75	0.70	1.00	0.75	0.59	0.75	0.0%
10133	Psychiatry - Forensic Psychiatry	1	1	0.75	0.70	1.00	0.75	0.59	0.75	0.0%
10134	Psychiatry - Geriatric Psychiatry	1	1	0.75	0.70	1.00	0.75	0.59	0.75	0.0%
10135	Psychiatry - Including Child	1	1	0.75	0.70	1.00	0.75	0.59	0.75	0.0%
10136	Psychoanalysis	1	1	0.75	0.70	1.00	0.75	0.59	0.75	0.0%
10137	Psychosomatic Medicine	1	1	0.75	0.70	1.00	0.75	0.59	0.75	0.0%
10138	Public Health	1	1	0.75	0.70	1.00	N/A	0.67	0.75	0.0%
10149	Rheumatology - No Surgery	1	1	0.75	1.00	1.00	0.63	0.58	0.75	0.0%
10151	Rhinology - No Surgery	1	1	0.75	1.00	1.00	N/A	0.79	0.75	0.0%
10156	Shock Therapy - by Employed Physicians or Surgeons Involved with Major Surgery	1	1	0.75	N/A	4.00	N/A	N/A	0.75	0.0%
10155	Shock Therapy - by Insured Physicians or Surgeons Involved with Major Surgery	1	1	0.75	N/A	1.00	N/A	N/A	0.75	0.0%
10160	Teaching Physicians - No Surgery	1	1	0.75	N/A	N/A	N/A	N/A	0.75	0.0%
10012	Cardiovascular Disease - No Surgery	2	2	1.00	1.00	1.00	0.81	1.33	1.00	0.0%
10027	Discograms / Myleography / Pneumoencephalography	2	2	1.00	N/A	1.80	N/A	N/A	1.00	0.0%
10055	Hematology - No Surgery	2	2	1.00	1.00	1.00	0.99	0.89	1.00	0.0%
10062	Internal Medicine - No Surgery	2	2	1.00	1.00	1.00	1.00	1.00	1.00	0.0%
10063	Laparoscopy (Peritonescopy)	2	2	1.00	N/A	1.80	N/A	N/A	1.00	0.0%
10069	Needle Biopsy	2	2	1.00	N/A	1.80	N/A	N/A	1.00	0.0%
10076	Nephrology - No Surgery	2	2	1.00	1.00	1.00	0.60	0.91	1.00	0.0%
10089	Oncology - No Surgery	2	2	1.00	N/A	1.00	0.91	N/A	1.00	0.0%
10091	Ophthamology - Minor Surgery	2	2	1.00	1.30	1.80	0.98	0.88	1.00	0.0%
10110	Pediatrics - No Surgery	2	2	1.00	1.00	1.00	0.85	0.71	1.00	0.0%
10140	Radiation Therapy - by Employed Physicians or Surgeons Involved with Major Surgery	2	2	1.00	1.70	4.00	0.68	0.91	1.00	0.0%
10141	Radiation Therapy - by Insured Physicians or Surgeons Involved with Major Surgery	2	2	1.00	N/A	1.80	0.68	0.91	1.00	0.0%
10147	Radiology - Therapeutic - No Surgery	2	2	1.00	N/A	N/A	0.68	0.91	1.00	0.0%
10154	Shock Therapy	2	2	1.00	1.30	1.00	N/A	N/A	1.00	0.0%
10158	Sports Medicine - No Surgery	2	2	1.00	N/A	N/A	N/A	N/A	1.00	0.0%
10159	Teaching Physicians - Minor Surgery	2	2	1.00	N/A	N/A	N/A	N/A	1.00	0.0%
10167	Urology - No Surgery	2	2	1.00	N/A	1.00	2.09	N/A	1.00	0.0%
10001	Acupuncture - Other than Acupuncture Anesthesia	3	3	1.20	N/A	1.80	N/A	1.55	1.20	0.0%
10007	Anesthesiology - Pain Management	3	3	1.20	N/A	1.80	N/A	1.17	1.20	0.0%
	Certified Nurse Midwife	3	3	1.20	N/A	N/A	N/A	N/A	1.20	0.0%
10018	Colonoscopy/ERCP/Pneumatic or Mechanical Esophageal Dilation	3	3	1.20	N/A	1.80	N/A	N/A	1.20	0.0%
10020	Dermatology - All Other	3	3	1.20	N/A	N/A	1.30	0.87	1.20	0.0%
10021	Dermatology - Clinical and Dermatological Immunology	3	3	1.20	N/A	N/A	1.30	1.26	1.20	0.0%
10022	Dermatology - Dermatopathology	3	3	1.20	N/A	1.80	1.30	1.82	1.20	0.0%
10023	Dermatology - including X-Ray Therapy / Radiation Therapy	3	3	1.20	1.30	1.80	1.30	0.87	1.20	0.0%
10025	Diabetes - Minor Surgery	3	3	1.20	1.70	1.80	N/A	N/A	1.20	0.0%
10030	Endocrinology - Minor Surgery	3	3	1.20	1.70	1.80	0.62	1.38	1.20	0.0%
10036	Gastroenterology - No Surgery	3	3	1.20	1.00	1.00	1.42	1.39	1.20	0.0%
10040	General Practitioners or Family Physicians - Minor Surgery - No Ob	3	3	1.20	1.70	1.80	1.12	1.17	1.20	0.0%
10046	Geriatrics - Minor Surgery	3	3	1.20	1.70	1.80	N/A	1.05	1.20	0.0%
10054	Hematology - Minor Surgery	3	3	1.20	1.70	1.80	0.99	1.38	1.20	0.0%
10056	Hospitalism	3	3	1.20	N/A	1.80	1.48	N/A	1.20	0.0%
10058	Infectious Diseases - Minor Surgery	3	3	1.20	1.70	1.80	0.63	1.38	1.20	0.0%
10065	Larynogology - Minor Surgery	3	3	1.20	1.70	1.80	N/A	N/A	1.20	0.0%
10071	Neoplastic Diseases - Minor Surgery	3	3	1.20	1.70	1.80	N/A	N/A	1.20	0.0%

New Mexico Patient's Compensation Fund

Development of Classification Assignments by Specialty - Review of Assigned Factors

NM Class		Current	Proposed	Current Rate Factors					Proposed	Indicated
				Patient Compensation Funds			NM Primary Carriers			
Code	Specialty	Class	Class	NM	IN	WI	TDC	MedPro	Factor	Change
10078	Neurology - Including Child - No Surgery	3	3	1.20	1.30	1.00	1.24	1.35	1.20	0.0%
10079	Neurology - Including Child - No Surgery - All Other	3	3	1.20	N/A	N/A	1.24	1.35	1.20	0.0%
10080	Neurology - Including Child - No Surgery - Pain Management	3	3	1.20	N/A	1.80	1.24	1.26	1.20	0.0%
10093	Ophthamology Surgery	3	3	1.20	1.70	1.80	1.08	0.95	1.20	0.0%
10095	Otology - Minor Surgery	3	3	1.20	1.70	1.80	N/A	N/A	1.20	0.0%
10102	Pathology - Blood Banking/Transfusion Medicine - Minor Surgery	3	3	1.20	N/A	N/A	0.77	1.38	1.20	0.0%
10104	Pathology - Cytopathology - Minor Surgery	3	3	1.20	N/A	N/A	0.77	1.38	1.20	0.0%
10106	Pathology - Minor Surgery	3	3	1.20	1.30	1.80	0.77	1.38	1.20	0.0%
10109	Pediatrics - Minor Surgery	3	3	1.20	1.70	1.80	0.85	1.17	1.20	0.0%
10113	Physical Medicine and Rehabilitation - Pain Management	3	3	1.20	N/A	1.00	1.78	1.26	1.20	0.0%
10115	Physicians - Minor Surgery - No Ob	3	3	1.20	1.70	1.80	N/A	1.38	1.20	0.0%
10124	Podiatrists/Chiropodists - No Surgery	3	3	1.20	0.93	N/A	0.53	N/A	1.20	0.0%
10139	Pulmonary Diseases - No Surgery	3	3	1.20	1.00	1.00	1.01	1.58	1.20	0.0%
10144	Radiology - Diagnostic - No Surgery	3	3	1.20	1.30	1.00	1.42	1.70	1.20	0.0%
10150	Rhinology - Minor Surgery	3	3	1.20	1.70	1.80	N/A	1.26	1.20	0.0%
10153	Sclerotherapy	3	3	1.20	N/A	N/A	N/A	1.17	1.20	0.0%
10164	Urgent Care - No Surgery - No Ob	3	3	1.20	1.00	1.00	N/A	1.17	1.20	0.0%
10009	Broncho-Esophagology	4A	4A	1.50	2.00	1.80	N/A	N/A	1.50	0.0%
10035	Gastroenterology - Minor Surgery	4A	4A	1.50	1.70	1.80	1.42	1.48	1.50	0.0%
10067	Lymphangiography / Phlebography	4A	4A	1.50	N/A	1.80	N/A	1.17	1.50	0.0%
10157	Sports Medicine - Minor Surgery	4A	4A	1.50	N/A	N/A	N/A	N/A	1.50	0.0%
10166	Urology - Minor Surgery	4A	4A	1.50	N/A	1.00	2.09	1.38	1.50	0.0%
10008	Angiography / Arteriography / Catheterization	4	4	1.80	1.70	1.80	N/A	1.92	1.80	0.0%
10011	Cardiovascular Disease - Minor Surgery	4	4	1.80	1.70	1.80	N/A	1.78	1.80	0.0%
10019	Cryosurgery	4	4	1.80	N/A	N/A	N/A	N/A	1.80	0.0%
10049	Gynecology - Minor Surgery (including 1st trimester abortions)	4	4	1.80	2.00	1.80	2.45	1.48	1.80	0.0%
10060	Intensive Care Medicine	4	4	1.80	1.70	1.80	N/A	1.62	1.80	0.0%
10061	Internal Medicine - Minor Surgery	4	4	1.80	1.70	1.80	1.05	1.39	1.80	0.0%
10070	Neonatal/Perinatal Medicine	4	4	1.80	N/A	N/A	2.51	1.21	1.80	0.0%
10074	Nephrology - Including Child - Minor Surgery	4	4	1.80	1.70	1.80	N/A	1.45	1.80	0.0%
10075	Nephrology - Minor Surgery	4	4	1.80	1.70	1.80	N/A	1.26	1.80	0.0%
10098	Otorhinolaryngology - Minor Surgery	4	4	1.80	1.70	1.80	N/A	1.26	1.80	0.0%
10148	Radiopaque Dye Injections	4	4	1.80	N/A	1.00	N/A	1.70	1.80	0.0%
10044	General/Family Practitioners - No Major Surgery - < 40 Non-High-Risk Deliveries Yearly	5A	5A	1.70	1.70	N/A	2.20	1.73	1.70	0.0%
10088	Oncology - Minor Surgery	5A	5A	1.70	N/A	1.80	0.91	1.38	1.70	0.0%
10142	Radiation Therapy / Lasers - Used in Therapy	5A	5A	1.70	1.30	1.80	0.68	0.91	1.70	0.0%
10146	Radiology - Therapeutic - Minor Surgery	5A	5A	1.70	N/A	N/A	0.68	0.91	1.70	0.0%
10029	Emergency Medicine - No Major Surgery	5	5	2.20	2.75	1.80	1.99	2.70	2.20	0.0%
10038	General Practice or Family Practice Surgery	5	5	2.20	2.00	1.80	1.64	1.63	2.20	0.0%
10045	General/Family Practitioners - No Major Surgery - High-Risk or > 40 Deliveries Yearly	5	5	2.20	1.70	N/A	2.20	1.17	2.20	0.0%
10143	Radiology - Diagnostic - Minor Surgery	5	5	2.20	1.30	1.80	2.89	2.01	2.20	0.0%
10145	Radiology - Interventional	5	5	2.20	N/A	N/A	2.89	2.01	2.20	0.0%
10165	Urological Surgery	5	5	2.20	2.00	1.80	2.09	2.09	2.20	0.0%
10017	Colon and Rectal Surgery	6	6	2.60	2.00	1.80	3.05	2.79	2.60	0.0%
10037	Gastroenterology Surgery	6	6	2.60	2.75	1.80	1.42	3.73	2.60	0.0%
10052	Hand Surgery	6	6	2.60	4.25	4.00	1.61	1.92	2.60	0.0%
10100	Otorhinolaryngology Surgery	6	6	2.60	2.75	4.00	1.96	1.71	2.60	0.0%
10004	Anesthesiology	7A	7A	3.00	1.70	1.80	1.31	1.22	3.00	0.0%
10005	Anesthesiology - All Other	7A	7A	3.00	1.70	1.80	1.31	1.22	3.00	0.0%
10006	Anesthesiology - Critical Care Medicine	7A	7A	3.00	1.70	1.80	1.31	1.22	3.00	0.0%
10028	Emergency Medicine - Including Major Surgery	7A	7A	3.00	4.25	4.00	1.99	3.73	3.00	0.0%
10053	Head and Neck Surgery	7A	7A	3.00	4.25	4.00	4.32	3.73	3.00	0.0%
10064	Laryngology Surgery	7A	7A	3.00	2.75	4.00	4.32	3.73	3.00	0.0%
10073	Neoplastic Surgery	7A	7A	3.00	2.75	1.80	4.32	3.73	3.00	0.0%
10077	Nephrology Surgery	7A	7A	3.00	2.00	1.80	4.32	3.73	3.00	0.0%
10097	Otology Surgery	7A	7A	3.00	2.75	4.00	4.32	3.73	3.00	0.0%
10152	Rhinology Surgery	7A	7A	3.00	2.75	4.00	4.32	1.71	3.00	0.0%
10161	Teaching Physicians or Surgeons - Major Surgery	7A	7A	3.00	N/A	N/A	N/A	N/A	3.00	0.0%
10122	Podiatrists - Surgery	7	7	3.50	1.45	4.25	1.85	N/A	3.50	0.0%
10010	Cardiac Surgery	8	8	4.75	6.00	4.00	3.86	3.73	4.75	0.0%
10048	Geriatrics Surgery	8	8	4.75	2.75	1.80	4.32	1.55	4.75	0.0%
10051	Gynecology Surgery	8	8	4.75	6.00	4.00	1.69	2.23	4.75	0.0%
10086	Obstetrics Surgery (c-sections only)	8	8	4.75	7.50	6.60	4.43	4.38	4.75	0.0%
10090	Oncology Surgery	8	8	4.75	N/A	N/A	4.32	3.73	4.75	0.0%
10108	Pediatric Surgery	8	8	4.75	N/A	4.00	4.32	N/A	4.75	0.0%
10120	Plastic Surgery	8	8	4.75	4.25	4.00	2.34	1.92	4.75	0.0%
10121	Plastic-otorhino-laryngology Surgery	8	8	4.75	2.75	4.00	2.45	1.92	4.75	0.0%
10000	Abdominal Surgery	9	9	5.75	4.25	4.00	4.32	3.73	5.75	0.0%
10013	Cardiovascular Disease Surgery	9	9	5.75	6.00	4.00	1.33	3.73	5.75	0.0%
10032	Endocrinology Surgery	9	9	5.75	2.75	1.80	4.32	3.73	5.75	0.0%
10043	General Surgery	9	9	5.75	4.25	4.00	4.32	3.73	5.75	0.0%
10094	Orthopedic Surgery	9	9	5.75	6.00	4.00	2.58	3.36	5.75	0.0%
10162	Thoracic Surgery	9	9	5.75	6.00	4.00	3.86	3.73	5.75	0.0%
10163	Traumatic Surgery	9	9	5.75	6.00	4.00	4.32	3.92	5.75	0.0%
10168	Vascular Surgery	9	9	5.75	6.00	4.00	4.32	3.92	5.75	0.0%
10081	Neurology Surgery - Including Child	10	10	6.50	8.50	6.60	7.24	5.65	6.50	0.0%
10085	Obstetrics Surgery / Gynecology Surgery	10	10	6.50	7.50	6.60	3.87	4.38	6.50	0.0%

New Mexico Patient's Compensation Fund

Surcharge Impact of Classification Assignments

NM Class Code	Specialty	Current Class	Proposed Class	Exposures	Current Rate	Proposed Rate	Proposed Factor	Indicated Surcharge Impact	% of Surcharge Impact
10002	Aerospace Medicine / Medical Director	1	1	1	$5,171	$5,171	0.75	$0	0.0%
10003	Allergy/Immunology - No Surgery	1	1	12	5,171	5,171	0.75	0	0.0%
10024	Dermatology - No Surgery	1	1	40	5,171	5,171	0.75	0	0.0%
10026	Diabetes - No Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10031	Endocrinology - No Surgery	1	1	13	5,171	5,171	0.75	0	0.0%
10033	Family Practitioners - No Ob/ No Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10034	Forensic Medicine / Legal Medicine	1	1	0	5,171	5,171	0.75	0	0.0%
10039	General Practitioners - No Ob/ No Major Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10041	General Practitioners or Family Physicians - No Surgery - No Ob	1	1	370	5,171	5,171	0.75	0	0.0%
10042	General Preventive Medicine - No Surgery / No Ob	1	1	3	5,171	5,171	0.75	0	0.0%
10047	Geriatrics - No Surgery	1	1	5	5,171	5,171	0.75	0	0.0%
10050	Gynecology - No Surgery	1	1	5	5,171	5,171	0.75	0	0.0%
10057	Hypnosis	1	1	0	5,171	5,171	0.75	0	0.0%
10059	Infectious Diseases - No Surgery	1	1	12	5,171	5,171	0.75	0	0.0%
10066	Larynogology - No Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10068	Manipulator	1	1	0	5,171	5,171	0.75	0	0.0%
10072	Neoplastic Diseases - No Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10082	Nuclear Medicine - Excluding Radiation Therapy	1	1	1	5,171	5,171	0.75	0	0.0%
10084	Nutrition	1	1	0	5,171	5,171	0.75	0	0.0%
10087	Occupational Medicine	1	1	1	5,171	5,171	0.75	0	0.0%
10092	Ophthamology - No Surgery	1	1	8	5,171	5,171	0.75	0	0.0%
10096	Otology - No Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10099	Otorhinolaryngology - No Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10101	Pathology - All Other	1	1	44	5,171	5,171	0.75	0	0.0%
10103	Pathology - Blood Banking/Transfusion Medicine - No Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10105	Pathology - Cytopathology - No Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10107	Pathology - No Surgery	1	1	7	5,171	5,171	0.75	0	0.0%
10111	Pharmacology - Clinical	1	1	0	5,171	5,171	0.75	0	0.0%
10112	Physical Medicine and Rehabilitation - All Other	1	1	5	5,171	5,171	0.75	0	0.0%
10114	Physical Medicine and Rehabilitation / Physiatry	1	1	18	5,171	5,171	0.75	0	0.0%
10125	Preventive Medicine - No Surgery - Aerospace Medicine	1	1	0	5,171	5,171	0.75	0	0.0%
10126	Preventive Medicine - No Surgery - Medical Toxicology	1	1	0	5,171	5,171	0.75	0	0.0%
10127	Preventive Medicine - No Surgery - Occupational Medicine	1	1	6	5,171	5,171	0.75	0	0.0%
10128	Preventive Medicine - No Surgery - Public/General Health Medicine	1	1	0	5,171	5,171	0.75	0	0.0%
10129	Preventive Medicine - No Surgery - Undersea/Hyperbaric Medicine	1	1	0	5,171	5,171	0.75	0	0.0%
10130	Psychiatry - Addiction Psychiatry	1	1	1	5,171	5,171	0.75	0	0.0%
10131	Psychiatry - All Other	1	1	11	5,171	5,171	0.75	0	0.0%
10132	Psychiatry - Child and Adolescent Psychiatry	1	1	8	5,171	5,171	0.75	0	0.0%
10133	Psychiatry - Forensic Psychiatry	1	1	0	5,171	5,171	0.75	0	0.0%
10134	Psychiatry - Geriatric Psychiatry	1	1	0	5,171	5,171	0.75	0	0.0%
10135	Psychiatry - Including Child	1	1	55	5,171	5,171	0.75	0	0.0%
10136	Psychoanalysis	1	1	1	5,171	5,171	0.75	0	0.0%
10137	Psychosomatic Medicine	1	1	0	5,171	5,171	0.75	0	0.0%
10138	Public Health	1	1	0	5,171	5,171	0.75	0	0.0%
10149	Rheumatology - No Surgery	1	1	26	5,171	5,171	0.75	0	0.0%
10151	Rhinology - No Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10156	Shock Therapy - by Employed Physicians or Surgeons Involved with Major Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10155	Shock Therapy - by Insured Physicians or Surgeons Involved with Major Surgery	1	1	0	5,171	5,171	0.75	0	0.0%
10160	Teaching Physicians - No Surgery	1	1	2	5,171	5,171	0.75	0	0.0%
10012	Cardiovascular Disease - No Surgery	2	2	40	6,894	6,894	1.00	0	0.0%
10027	Discograms / Myleography / Pneumoencephalography	2	2	0	6,894	6,894	1.00	0	0.0%
10055	Hematology - No Surgery	2	2	9	6,894	6,894	1.00	0	0.0%
10062	Internal Medicine - No Surgery	2	2	271	6,894	6,894	1.00	0	0.0%
10063	Laparoscopy (Peritonescopy)	2	2	0	6,894	6,894	1.00	0	0.0%
10069	Needle Biopsy	2	2	0	6,894	6,894	1.00	0	0.0%
10076	Nephrology - No Surgery	2	2	38	6,894	6,894	1.00	0	0.0%
10089	Oncology - No Surgery	2	2	29	6,894	6,894	1.00	0	0.0%
10091	Ophthamology - Minor Surgery	2	2	3	6,894	6,894	1.00	0	0.0%
10110	Pediatrics - No Surgery	2	2	134	6,894	6,894	1.00	0	0.0%
10140	Radiation Therapy - by Employed Physicians or Surgeons Involved with Major Surgery	2	2	6	6,894	6,894	1.00	0	0.0%
10141	Radiation Therapy - by Insured Physicians or Surgeons Involved with Major Surgery	2	2	0	6,894	6,894	1.00	0	0.0%
10147	Radiology - Therapeutic - No Surgery	2	2	1	6,894	6,894	1.00	0	0.0%
10154	Shock Therapy	2	2	0	6,894	6,894	1.00	0	0.0%
10158	Sports Medicine - No Surgery	2	2	0	6,894	6,894	1.00	0	0.0%
10159	Teaching Physicians - Minor Surgery	2	2	0	6,894	6,894	1.00	0	0.0%
10167	Urology - No Surgery	2	2	0	6,894	6,894	1.00	0	0.0%
10001	Acupuncture - Other than Acupuncture Anesthesia	3	3	0	8,272	8,272	1.20	0	0.0%
10007	Anesthesiology - Pain Management	3	3	21	8,272	8,272	1.20	0	0.0%
	Certified Nurse Midwife	3	3	80	8,272	8,272	1.20	0	0.0%
10018	Colonoscopy/ERCP/Pneumatic or Mechanical Esophageal Dilation	3	3	0	8,272	8,272	1.20	0	0.0%
10020	Dermatology - All Other	3	3	8	8,272	8,272	1.20	0	0.0%
10021	Dermatology - Clinical and Dermatological Immunology	3	3	0	8,272	8,272	1.20	0	0.0%
10022	Dermatology - Dermatopathology	3	3	0	8,272	8,272	1.20	0	0.0%
10023	Dermatology - including X-Ray Therapy / Radiation Therapy	3	3	3	8,272	8,272	1.20	0	0.0%
10025	Diabetes - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10030	Endocrinology - Minor Surgery	3	3	10	8,272	8,272	1.20	0	0.0%
10036	Gastroenterology - No Surgery	3	3	4	8,272	8,272	1.20	0	0.0%
10040	General Practitioners or Family Physicians - Minor Surgery - No Ob	3	3	122	8,272	8,272	1.20	0	0.0%
10046	Geriatrics - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10054	Hematology - Minor Surgery	3	3	13	8,272	8,272	1.20	0	0.0%
10056	Hospitalism	3	3	309	8,272	8,272	1.20	0	0.0%
10058	Infectious Diseases - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10065	Larynogology - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10071	Neoplastic Diseases - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%

New Mexico Patient's Compensation Fund

Surcharge Impact of Classification Assignments

NM Class Code	Specialty	Current Class	Proposed Class	Exposures	Current Rate	Proposed Rate	Proposed Factor	Indicated Surcharge Impact	% of Surcharge Impact
10078	Neurology - Including Child - No Surgery	3	3	18	8,272	8,272	1.20	0	0.0%
10079	Neurology - Including Child - No Surgery - All Other	3	3	15	8,272	8,272	1.20	0	0.0%
10080	Neurology - Including Child - No Surgery - Pain Management	3	3	13	8,272	8,272	1.20	0	0.0%
10093	Ophthamology Surgery	3	3	53	8,272	8,272	1.20	0	0.0%
10095	Otology - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10102	Pathology - Blood Banking/Transfusion Medicine - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10104	Pathology - Cytopathology - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10106	Pathology - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10109	Pediatrics - Minor Surgery	3	3	51	8,272	8,272	1.20	0	0.0%
10113	Physical Medicine and Rehabilitation - Pain Management	3	3	7	8,272	8,272	1.20	0	0.0%
10115	Physicians - Minor Surgery - No Ob	3	3	18	8,272	8,272	1.20	0	0.0%
10124	Podiatrists/Chiropodists - No Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10139	Pulmonary Diseases - No Surgery	3	3	29	8,272	8,272	1.20	0	0.0%
10144	Radiology - Diagnostic - No Surgery	3	3	335	8,272	8,272	1.20	0	0.0%
10150	Rhinology - Minor Surgery	3	3	0	8,272	8,272	1.20	0	0.0%
10153	Sclerotherapy	3	3	0	8,272	8,272	1.20	0	0.0%
10164	Urgent Care - No Surgery - No Ob	3	3	27	8,272	8,272	1.20	0	0.0%
10009	Broncho-Esophagology	4A	4A	0	10,340	10,340	1.50	0	0.0%
10035	Gastroenterology - Minor Surgery	4A	4A	33	10,340	10,340	1.50	0	0.0%
10067	Lymphangiography / Phlebography	4A	4A	0	10,340	10,340	1.50	0	0.0%
10157	Sports Medicine - Minor Surgery	4A	4A	1	10,340	10,340	1.50	0	0.0%
10166	Urology - Minor Surgery	4A	4A	5	10,340	10,340	1.50	0	0.0%
10008	Angiography / Arteriography / Catheterization	4	4	2	12,409	12,409	1.80	0	0.0%
10011	Cardiovascular Disease - Minor Surgery	4	4	42	12,409	12,409	1.80	0	0.0%
10019	Cryosurgery	4	4	0	12,409	12,409	1.80	0	0.0%
10049	Gynecology - Minor Surgery (including 1st trimester abortions)	4	4	12	12,409	12,409	1.80	0	0.0%
10060	Intensive Care Medicine	4	4	35	12,409	12,409	1.80	0	0.0%
10061	Internal Medicine - Minor Surgery	4	4	14	12,409	12,409	1.80	0	0.0%
10070	Neonatal/Perinatal Medicine	4	4	24	12,409	12,409	1.80	0	0.0%
10074	Nephrology - Including Child - Minor Surgery	4	4	2	12,409	12,409	1.80	0	0.0%
10075	Nephrology - Minor Surgery	4	4	1	12,409	12,409	1.80	0	0.0%
10098	Otorhinolaryngology - Minor Surgery	4	4	4	12,409	12,409	1.80	0	0.0%
10148	Radiopaque Dye Injections	4	4	0	12,409	12,409	1.80	0	0.0%
10044	General/Family Practitioners - No Major Surgery - < 40 Non-High-Risk Deliveries Yearly	5A	5A	7	11,720	11,720	1.70	0	0.0%
10088	Oncology - Minor Surgery	5A	5A	3	11,720	11,720	1.70	0	0.0%
10142	Radiation Therapy / Lasers - Used in Therapy	5A	5A	9	11,720	11,720	1.70	0	0.0%
10146	Radiology - Therapeutic - Minor Surgery	5A	5A	2	11,720	11,720	1.70	0	0.0%
10029	Emergency Medicine - No Major Surgery	5	5	333	15,167	15,167	2.20	0	0.0%
10038	General Practice or Family Practice Surgery	5	5	37	15,167	15,167	2.20	0	0.0%
10045	General/Family Practitioners - No Major Surgery - High-Risk or > 40 Deliveries Yearly	5	5	14	15,167	15,167	2.20	0	0.0%
10143	Radiology - Diagnostic - Minor Surgery	5	5	51	15,167	15,167	2.20	0	0.0%
10145	Radiology - Interventional	5	5	6	15,167	15,167	2.20	0	0.0%
10165	Urological Surgery	5	5	22	15,167	15,167	2.20	0	0.0%
10017	Colon and Rectal Surgery	6	6	3	17,924	17,924	2.60	0	0.0%
10037	Gastroenterology Surgery	6	6	34	17,924	17,924	2.60	0	0.0%
10052	Hand Surgery	6	6	5	17,924	17,924	2.60	0	0.0%
10100	Otorhinolaryngology Surgery	6	6	15	17,924	17,924	2.60	0	0.0%
10004	Anesthesiology	7A	7A	17	20,682	20,682	3.00	0	0.0%
10005	Anesthesiology - All Other	7A	7A	42	20,682	20,682	3.00	0	0.0%
10006	Anesthesiology - Critical Care Medicine	7A	7A	0	20,682	20,682	3.00	0	0.0%
10028	Emergency Medicine - Including Major Surgery	7A	7A	36	20,682	20,682	3.00	0	0.0%
10053	Head and Neck Surgery	7A	7A	2	20,682	20,682	3.00	0	0.0%
10064	Laryngology Surgery	7A	7A	0	20,682	20,682	3.00	0	0.0%
10073	Neoplastic Surgery	7A	7A	0	20,682	20,682	3.00	0	0.0%
10077	Nephrology Surgery	7A	7A	0	20,682	20,682	3.00	0	0.0%
10097	Otology Surgery	7A	7A	1	20,682	20,682	3.00	0	0.0%
10152	Rhinology Surgery	7A	7A	0	20,682	20,682	3.00	0	0.0%
10161	Teaching Physicians or Surgeons - Major Surgery	7A	7A	0	20,682	20,682	3.00	0	0.0%
10122	Podiatrists - Surgery	7	7	0	24,129	24,129	3.50	0	0.0%
10010	Cardiac Surgery	8	8	11	32,745	32,745	4.75	0	0.0%
10048	Geriatrics Surgery	8	8	0	32,745	32,745	4.75	0	0.0%
10051	Gynecology Surgery	8	8	14	32,745	32,745	4.75	0	0.0%
10086	Obstetrics Surgery (c-sections only)	8	8	1	32,745	32,745	4.75	0	0.0%
10090	Oncology Surgery	8	8	4	32,745	32,745	4.75	0	0.0%
10108	Pediatric Surgery	8	8	12	32,745	32,745	4.75	0	0.0%
10120	Plastic Surgery	8	8	10	32,745	32,745	4.75	0	0.0%
10121	Plastic-otorhino-laryngology Surgery	8	8	3	32,745	32,745	4.75	0	0.0%
10000	Abdominal Surgery	9	9	0	39,640	39,640	5.75	0	0.0%
10013	Cardiovascular Disease Surgery	9	9	17	39,640	39,640	5.75	0	0.0%
10032	Endocrinology Surgery	9	9	1	39,640	39,640	5.75	0	0.0%
10043	General Surgery	9	9	116	39,640	39,640	5.75	0	0.0%
10094	Orthopedic Surgery	9	9	112	39,640	39,640	5.75	0	0.0%
10162	Thoracic Surgery	9	9	14	39,640	39,640	5.75	0	0.0%
10163	Traumatic Surgery	9	9	1	39,640	39,640	5.75	0	0.0%
10168	Vascular Surgery	9	9	7	39,640	39,640	5.75	0	0.0%
10081	Neurology Surgery - Including Child	10	10	10	44,809	44,809	6.50	0	0.0%
10085	Obstetrics Surgery / Gynecology Surgery	10	10	153	44,809	44,809	6.50	0	0.0%

Total Surcharge Impact 0

New Mexico Patient's Compensation Fund

Review of Classification Factors by Assigned Class

		Current Rate Factors Evaluated Over Proposed Class*					
	Current	Patient Compensation Funds			NM Primary Carriers		Proposed
Class	Factor	NM	IN	WI	TDC	MedPro	Factor
1	0.75	0.75	0.86	1.08	0.75	0.74	0.75
2	1.00	1.00	1.16	1.50	0.93	0.94	1.00
3	1.20	1.20	1.49	1.62	1.10	1.30	1.20
4A	1.50	1.50	1.85	1.60	1.76	1.34	1.50
4	1.80	1.80	1.74	1.71	2.00	1.51	1.80
5A	1.70	1.70	1.50	1.80	1.12	1.23	1.70
5	2.20	2.20	1.95	1.80	2.28	1.93	2.20
6	2.60	2.60	2.94	2.90	2.01	2.54	2.60
7A	3.00	3.00	2.66	2.90	3.18	2.78	3.00
7	3.50	3.50	1.45	4.25	1.85		3.50
8	4.75	4.75	4.88	4.06	3.47	2.78	4.75
9	5.75	5.75	5.16	3.73	3.67	3.73	5.75
10	6.50	6.50	8.00	6.60	5.56	5.02	6.50

*Incorporates impact of changes in classification for physician classes

New Mexico Patient's Compensation Fund

Development of Relativities by Allied Class

			Relativity to Internal Medicine No Surgery - 80257						
			Patient Compensation Funds			NM Primary Carrier			
NM Class Code	Description	Class	NM	IN	WI	TDC	MedPro	Proposed Factor	Indicated Change
10015	Chiropractor	99	0.60	N/A	0.40	0.24	0.16	0.60	0.0%
10083	Nurse Anesthetists	CRNA	0.25	0.45	0.25	0.52	0.31	0.25	0.0%
10014	Certified Nurse Specialist/Certified Nurse Practitioner	CN	0.16	0.35	0.25	0.18	0.07	0.16	0.0%
10117	Physicians Assistants - Supervised by Non-Invasive Specialist	PA-1	0.34	0.35	0.20	0.27	0.24	0.34	0.0%
10119	Physicians Assistants - Supervised by Specialists Performing Minor Surgery	PA-2	0.45	0.35	0.20	0.27	0.36	0.45	0.0%
10118	Physicians Assistants - Supervised by Specialists Performing Major Surgery	PA-3	0.54	0.35	0.20	0.27	0.36	0.54	0.0%

New Mexico Patient's Compensation Fund

Surcharge Impact of New Relativities by Allied Class

NM Class Code	Description	Class	Exposures	Current Factor	Proposed Factor	Current Rate	Proposed Rate	Indicated Surcharge Impact	% of Surcharge Impact
10015	Chiropractor	99	0	0.60	0.60	4,137	4,137	0	0.0%
10083	Nurse Anesthetists	CRNA	317	0.25	0.25	1,724	1,724	0	0.0%
10014	Certified Nurse Specialist/Certified Nurse Practitioner	CN	1066	0.16	0.16	1,104	1,104	0	0.0%
10117	Physicians Assistants - Supervised by Non-Invasive Specialist	PA-1	339	0.34	0.34	2,344	2,344	0	0.0%
10119	Physicians Assistants - Supervised by Specialists Performing Minor Surgery	PA-2	97	0.45	0.45	3,102	3,102	0	0.0%
10118	Physicians Assistants - Supervised by Specialists Performing Major Surgery	PA-3	147	0.54	0.54	3,723	3,723	0	0.0%
							Total	0	

New Mexico Patient's Compensation Fund

Entity Coverage Evaluation

NM Class Code	Description	Class	Exposures (1)	Indicated Rate Per Provider (2)	Current Surcharge (3)	Proposed Rate per Provider (4)	Weighted Average Provider Surcharge (5)	Estimated Rate Per Provider (6)	Estimated Surcharge (7)	Estimated Surcharge Impact (8)	% of Surcharge Impact (9)
10116	Physicians and Surgeons - Corporate or Partnership Liability	51	565	$4,794	$2,708,608	10% of provider surcharge	$13,413	$1,341	$757,819	$0	0.0%
10123	Podiatrists/Chiropodists - Corporate or Partnership Liability	52	3	7,169	21,506	10% of provider surcharge	8,272	827	2,482	0	0.0%
10016	Chiropractors - Corporate or Partnership Liability	53	0		0	10% of provider surcharge	4,137	414	0	0	0.0%
				Total	$2,730,114				Total	0	0.0%

Notes

(1),(3),(4) Provided by New Mexico PCF
(2) Col (3) / Col (1)
(5) Weighted average of exposures and proposed rate on Exhibit 2 for physicians
For podiatrists/chiropodists and chiropractors, using actual Proposed rate
(6) Col (5) x 10% (note that actual rate will differ based on individual provider specialty)
(7) Col (1) x Col (6)
(8) Col (9) x Col (3)
(9) Based on overall Indicated Rate Change

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Allocation of Ultimate & Outstanding Losses by Hospital

	Christus St. Vincent Hospital										
Accident Year	Hospital Surcharges	Load for Employer Provider Surcharges	Estimated Total Surcharges	Paid Losses	Paid Loss Ratio	% Total Surcharges	% Total Paid Losses	Selected	Allocated Reserves	Discounted Reserves	Selected Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2009	565,000	0.625	918,297	2,075,000	226.0%	100.0%	100.0%	100.0%	0	0	2,075,000
2010	1,130,000	0.487	1,680,228	1,605,000	95.5%	100.0%	100.0%	100.0%	2,005	1,519	1,607,005
2011	1,152,600	0.583	1,825,004	2,547,500	139.6%	100.0%	100.0%	100.0%	2,547	1,931	2,550,048
2012	1,137,371	0.598	1,817,812	3,475,000	191.2%	100.0%	100.0%	100.0%	3,475	2,634	3,478,475
2013	1,174,771	0.696	1,992,604	2,607,237	130.8%	100.0%	100.0%	100.0%	15,656	15,531	2,622,894
2014	1,300,000	0.651	2,146,331	6,688,260	311.6%	100.0%	100.0%	100.0%	80,534	79,723	6,768,794
2015	1,350,000	0.648	2,224,828	4,504,980	202.5%	100.0%	97.3%	97.3%	121,292	119,874	4,626,272
2016	1,325,000	0.877	2,486,641	6,127,679	246.4%	42.0%	61.8%	61.8%	217,223	214,214	6,344,903
2017	1,375,000	0.877	2,580,476	682,500	26.4%	15.3%	3.6%	3.6%	34,378	33,746	716,878
2018	1,635,000	0.877	3,068,421	2,457,414	80.1%	9.9%	9.0%	9.1%	596,535	586,731	3,053,949
2019	1,820,000	0.877	3,415,612	141,875	4.2%	10.1%	0.7%	4.0%	642,034	636,575	783,909
2020	1,709,923	0.877	3,209,029	1,395,000	43.5%	9.4%	10.6%	10.0%	2,200,537	2,173,641	3,595,537
2021	1,599,979	0.877	3,002,696	1,411,139	47.0%	8.6%	13.2%	9.5%	3,127,994	3,081,889	4,539,133
2022	1,861,735	1.104	3,917,327	50,000	1.3%	11.3%	0.8%	10.3%	4,237,419	4,154,623	4,287,419
2023	2,436,431	1.104	5,126,560	0	0.0%	11.4%	0.0%	11.4%	6,528,249	6,361,761	6,528,249
2024	3,088,587	1.130	6,579,443	0	0.0%	10.9%	0.0%	10.9%	9,005,393	8,714,157	9,005,393
Total	24,661,396		45,991,308	35,768,585	77.8%	14.9%	27.7%		26,815,273	26,178,548	62,583,857

Column	
(2), (3), (5)	Based on data provided by client
(4)	Col (2) x [1.0 + Col (3)]
(6)	Col (5) / Col (4)
(7)	Col (4) / Total Surcharges
(8)	Col (5) / Total Paid Losses
(9)	Judgmentally Selected based on columns Cols (7) & (8)
(10)	Col (9) x Undiscounted Reserves from Exhibit 1, Page 5
(11)	Col (10) x Discount Factors from Exhibit 1, Page 2
(12)	Col (5) + Col (10)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Allocation of Ultimate & Outstanding Losses by Hospital

	Community Health Systems										
Accident Year	Hospital Surcharges	Load for Employer Provider Surcharges	Estimated Total Surcharges	Paid Losses	Paid Loss Ratio	% Total Surcharges	% Total Paid Losses	Selected	Allocated Reserves	Discounted Reserves	Selected Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2009	0	0.178	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2010	0	0.178	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2011	0	0.178	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2012	0	0.178	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2013	0	0.178	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2014	0	0.178	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2015	0	0.178	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2016	851,834	0.178	1,003,413	1,425,000	142.0%	17.0%	14.4%	14.4%	50,516	49,816	1,475,516
2017	2,484,173	0.180	2,930,698	2,350,000	80.2%	17.3%	12.4%	12.4%	118,372	116,196	2,468,372
2018	2,549,394	0.184	3,018,407	3,001,604	99.4%	9.7%	11.0%	10.9%	713,234	701,512	3,714,837
2019	2,933,227	0.209	3,546,727	3,938,073	111.0%	10.5%	20.4%	17.0%	2,709,249	2,686,214	6,647,322
2020	3,696,474	0.227	4,534,267	1,567,956	34.6%	13.3%	11.9%	12.6%	2,773,203	2,739,307	4,341,159
2021	5,185,528	0.190	6,169,388	1,142,000	18.5%	17.7%	10.7%	16.3%	5,348,902	5,270,062	6,490,902
2022	6,351,059	0.035	6,575,251	1,735,000	26.4%	19.0%	27.3%	19.8%	8,184,280	8,024,365	9,919,280
2023	6,354,834	0.060	6,737,528	0	0.0%	15.0%	0.0%	15.0%	8,579,685	8,360,878	8,579,685
2024	8,012,301	0.127	9,030,056	0	0.0%	14.9%	0.0%	14.9%	12,359,587	11,959,876	12,359,587
Total	38,418,825		43,545,735	15,159,633	34.8%	14.1%	11.7%		40,837,027	39,908,224	55,996,659

<u>Column</u>

(2), (3), (5)	Based on data provided by client
(4)	Col (2) x [1.0 + Col (3)]
(6)	Col (5) / Col (4)
(7)	Col (4) / Total Surcharges
(8)	Col (5) / Total Paid Losses
(9)	Judgmentally Selected based on columns Cols (7) & (8)
(10)	Col (9) x Undiscounted Reserves from Exhibit 1, Page 5
(11)	Col (10) x Discount Factors from Exhibit 1, Page 2
(12)	Col (5) + Col (10)

New Mexico Patients' Compensation Fund
Reserves as of 12/31/2024
Allocation of Ultimate & Outstanding Losses by Hospital

	LifePoint Health Group										
Accident Year	Hospital Surcharges	Load for Employer Provider Surcharges	Estimated Total Surcharges	Paid Losses	Paid Loss Ratio	% Total Surcharges	% Total Paid Losses	Selected	Allocated Reserves	Discounted Reserves	Selected Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2009	0	0.472	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2010	0	0.472	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2011	0	0.472	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2012	0	0.472	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2013	0	0.472	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2014	0	0.472	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2015	0	0.472	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2016	578,804	0.472	851,759	0	0.0%	14.4%	0.0%	0.0%	0	0	0
2017	1,636,047	0.470	2,405,315	3,740,000	155.5%	14.2%	19.7%	19.7%	188,387	184,924	3,928,387
2018	1,579,852	0.464	2,313,680	0	0.0%	7.5%	0.0%	0.7%	48,850	48,047	48,850
2019	1,854,324	0.462	2,711,091	1,666,500	61.5%	8.0%	8.7%	8.4%	1,346,886	1,335,434	3,013,386
2020	1,750,203	0.470	2,573,587	932,956	36.3%	7.5%	7.1%	7.3%	1,609,885	1,590,208	2,542,841
2021	1,612,758	0.484	2,392,698	575,000	24.0%	6.9%	5.4%	6.6%	2,155,509	2,123,738	2,730,509
2022	1,995,133	0.445	2,883,428	1,392,300	48.3%	8.3%	21.9%	9.7%	3,998,925	3,920,788	5,391,225
2023	2,390,372	0.235	2,951,093	0	0.0%	6.6%	0.0%	6.6%	3,757,972	3,662,133	3,757,972
2024	3,107,049	0.347	4,183,733	0	0.0%	6.9%	0.0%	6.9%	5,726,344	5,541,153	5,726,344
Total	16,504,543		23,266,384	8,306,756	35.7%	7.5%	6.4%		18,832,759	18,406,426	27,139,515

Column	
(2), (3), (5)	Based on data provided by client
(4)	Col (2) x [1.0 + Col (3)]
(6)	Col (5) / Col (4)
(7)	Col (4) / Total Surcharges
(8)	Col (5) / Total Paid Losses
(9)	Judgmentally Selected based on columns Cols (7) & (8)
(10)	Col (9) x Undiscounted Reserves from Exhibit 1, Page 5
(11)	Col (10) x Discount Factors from Exhibit 1, Page 2
(12)	Col (5) + Col (10)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Allocation of Ultimate & Outstanding Losses by Hospital

	Lovelace Health System LLC										
Accident Year	Hospital Surcharges	Load for Employer Provider Surcharges	Estimated Total Surcharges	Paid Losses	Paid Loss Ratio	% Total Surcharges	% Total Paid Losses	Selected	Allocated Reserves	Discounted Reserves	Selected Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2009	0	0.343	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2010	0	0.343	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2011	0	0.343	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2012	0	0.343	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2013	0	0.343	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2014	0	0.343	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2015	0	0.343	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2016	836,900	0.343	1,123,617	814,167	72.5%	19.0%	8.2%	8.2%	28,862	28,462	843,029
2017	2,368,533	0.343	3,179,979	10,299,453	323.9%	18.8%	54.2%	54.2%	518,793	509,256	10,818,246
2018	2,249,428	0.343	3,020,069	10,406,629	344.6%	9.7%	38.2%	35.4%	2,315,611	2,277,553	12,722,240
2019	2,392,625	0.343	3,212,325	6,535,317	203.4%	9.5%	33.9%	25.4%	4,053,348	4,018,884	10,588,665
2020	2,791,008	0.343	3,747,191	990,000	26.4%	11.0%	7.5%	9.2%	2,036,889	2,011,993	3,026,889
2021	3,720,065	0.343	4,994,538	2,452,500	49.1%	14.3%	22.9%	16.1%	5,267,530	5,189,889	7,720,030
2022	2,652,787	0.145	3,037,924	1,539,286	50.7%	8.8%	24.2%	10.3%	4,260,176	4,176,935	5,799,462
2023	5,394,790	0.145	6,178,015	0	0.0%	13.7%	0.0%	13.7%	7,867,190	7,666,555	7,867,190
2024	5,177,635	0.233	6,383,516	0	0.0%	10.6%	0.0%	10.6%	8,737,225	8,454,662	8,737,225
Total	27,583,771		34,877,173	33,037,351	94.7%	11.3%	25.5%		35,085,624	34,334,189	68,122,976

Column	
(2), (3), (5)	Based on data provided by client
(4)	Col (2) x [1.0 + Col (3)]
(6)	Col (5) / Col (4)
(7)	Col (4) / Total Surcharges
(8)	Col (5) / Total Paid Losses
(9)	Judgmentally Selected based on columns Cols (7) & (8)
(10)	Col (9) x Undiscounted Reserves from Exhibit 1, Page 5
(11)	Col (10) x Discount Factors from Exhibit 1, Page 2
(12)	Col (5) + Col (10)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Allocation of Ultimate & Outstanding Losses by Hospital

	Quorum Health Corporation										
Accident Year	Hospital Surcharges	Load for Employer Provider Surcharges	Estimated Total Surcharges	Paid Losses	Paid Loss Ratio	% Total Surcharges	% Total Paid Losses	Selected	Allocated Reserves	Discounted Reserves	Selected Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2009	0	0.145	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2010	0	0.145	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2011	0	0.145	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2012	0	0.145	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2013	0	0.145	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2014	0	0.145	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2015	0	0.145	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2016	265,408	0.145	303,931	0	0.0%	5.1%	0.0%	0.0%	0	0	0
2017	783,373	0.148	899,570	0	0.0%	5.3%	0.0%	0.0%	0	0	0
2018	796,295	0.155	919,928	400,000	43.5%	3.0%	1.5%	1.6%	105,977	104,236	505,977
2019	891,291	0.157	1,030,901	750,000	72.8%	3.1%	3.9%	3.6%	574,828	569,941	1,324,828
2020	860,883	0.161	999,207	0	0.0%	2.9%	0.0%	1.5%	323,062	319,113	323,062
2021	699,687	0.167	816,631	0	0.0%	2.3%	0.0%	1.9%	615,303	606,234	615,303
2022	654,257	0.005	657,225	0	0.0%	1.9%	0.0%	1.7%	705,483	691,698	705,483
2023	721,639	0.011	729,302	0	0.0%	1.6%	0.0%	1.6%	928,706	905,021	928,706
2024	1,084,049	0.219	1,321,109	0	0.0%	2.2%	0.0%	2.2%	1,808,224	1,749,746	1,808,224
Total	6,756,880		7,677,805	1,150,000	15.0%	2.5%	0.9%		5,061,583	4,945,988	6,211,583

Column

(2), (3), (5) Based on data provided by client
(4) Col (2) x [1.0 + Col (3)]
(6) Col (5) / Col (4)
(7) Col (4) / Total Surcharges
(8) Col (5) / Total Paid Losses
(9) Judgmentally Selected based on columns Cols (7) & (8)
(10) Col (9) x Undiscounted Reserves from Exhibit 1, Page 5
(11) Col (10) x Discount Factors from Exhibit 1, Page 2
(12) Col (5) + Col (10)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Allocation of Ultimate & Outstanding Losses by Hospital

	HealthSouth Corporation										
Accident Year	Hospital Surcharges	Load for Employer Provider Surcharges	Estimated Total Surcharges	Paid Losses	Paid Loss Ratio	% Total Surcharges	% Total Paid Losses	Selected	Allocated Reserves	Discounted Reserves	Selected Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2009	0	0.000	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2010	0	0.000	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2011	0	0.000	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2012	0	0.000	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2013	0	0.000	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2014	0	0.000	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2015	0	0.000	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2016	69,377	0.000	69,377	1,550,000	2234.2%	1.2%	15.6%	15.6%	54,947	54,186	1,604,947
2017	185,142	0.000	185,142	175,000	94.5%	1.1%	0.9%	0.9%	8,815	8,653	183,815
2018	205,783	0.000	205,783	0	0.0%	0.7%	0.0%	0.1%	4,345	4,273	4,345
2019	339,028	0.000	339,028	0	0.0%	1.0%	0.0%	0.4%	56,139	55,662	56,139
2020	280,768	0.000	280,768	0	0.0%	0.8%	0.0%	0.4%	90,777	89,668	90,777
2021	156,600	0.000	156,600	0	0.0%	0.4%	0.0%	0.4%	117,992	116,253	117,992
2022	238,918	0.000	238,918	0	0.0%	0.7%	0.0%	0.6%	256,461	251,450	256,461
2023	267,446	0.000	267,446	0	0.0%	0.6%	0.0%	0.6%	340,570	331,885	340,570
2024	237,947	0.000	237,947	0	0.0%	0.4%	0.0%	0.4%	325,681	315,149	325,681
Total	1,981,008		1,981,008	1,725,000	87.1%	0.6%	1.3%		1,255,728	1,227,178	2,980,728

Column	
(2), (3), (5)	Based on data provided by client
(4)	Col (2) x [1.0 + Col (3)]
(6)	Col (5) / Col (4)
(7)	Col (4) / Total Surcharges
(8)	Col (5) / Total Paid Losses
(9)	Judgmentally Selected based on columns Cols (7) & (8)
(10)	Col (9) x Undiscounted Reserves from Exhibit 1, Page 5
(11)	Col (10) x Discount Factors from Exhibit 1, Page 2
(12)	Col (5) + Col (10)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Allocation of Ultimate & Outstanding Losses by Hospital

	Otero County Hospital Association										
Accident Year	Hospital Surcharges	Load for Employer Provider Surcharges	Estimated Total Surcharges	Paid Losses	Paid Loss Ratio	% Total Surcharges	% Total Paid Losses	Selected	Allocated Reserves	Discounted Reserves	Selected Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2009	0	0.229	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2010	0	0.229	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2011	0	0.229	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2012	0	0.229	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2013	0	0.229	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2014	0	0.229	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2015	0	0.229	0	125,000	0.0%	0.0%	2.7%	2.7%	3,366	3,326	128,366
2016	61,733	0.229	75,882	0	0.0%	1.3%	0.0%	0.0%	0	0	0
2017	226,634	0.229	278,580	1,600,000	574.3%	1.6%	8.4%	8.4%	80,593	79,112	1,680,593
2018	338,156	0.229	415,663	3,736,042	898.8%	1.3%	13.7%	12.5%	817,203	803,772	4,553,245
2019	372,906	0.229	458,378	307,619	67.1%	1.4%	1.6%	1.5%	241,657	239,602	549,276
2020	568,392	0.229	698,672	1,065,306	152.5%	2.0%	8.1%	5.1%	1,114,030	1,100,414	2,179,336
2021	1,017,375	0.229	1,250,564	837,098	66.9%	3.6%	7.8%	4.4%	1,455,717	1,434,261	2,292,815
2022	0	0.381	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2023	595,820	0.381	823,012	0	0.0%	1.8%	0.0%	1.8%	1,048,038	1,021,310	1,048,038
2024	1,686,712	0.794	3,026,162	0	0.0%	5.0%	0.0%	5.0%	4,141,958	4,008,006	4,141,958
Total	4,867,728		7,026,914	7,671,065	109.2%	2.3%	5.9%		8,902,561	8,689,802	16,573,626

Column	
(2), (3), (5)	Based on data provided by client
(4)	Col (2) x [1.0 + Col (3)]
(6)	Col (5) / Col (4)
(7)	Col (4) / Total Surcharges
(8)	Col (5) / Total Paid Losses
(9)	Judgmentally Selected based on columns Cols (7) & (8)
(10)	Col (9) x Undiscounted Reserves from Exhibit 1, Page 5
(11)	Col (10) x Discount Factors from Exhibit 1, Page 2
(12)	Col (5) + Col (10)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Allocation of Ultimate & Outstanding Losses by Hospital

	Presbyterian Health Systems LLC										
Accident Year	Hospital Surcharges	Load for Employer Provider Surcharges	Estimated Total Surcharges	Paid Losses	Paid Loss Ratio	% Total Surcharges	% Total Paid Losses	Selected	Allocated Reserves	Discounted Reserves	Selected Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2009	0	0.816	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2010	0	0.816	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2011	0	0.816	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2012	0	0.816	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2013	0	0.816	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2014	0	0.816	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2015	0	0.816	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2016	0	0.816	0	0	0.0%	0.0%	0.0%	0.0%	0	0	0
2017	2,441,225	0.816	4,433,016	169,684	3.8%	26.2%	0.9%	0.9%	8,547	8,390	178,231
2018	9,945,033	0.816	18,059,167	7,239,941	40.1%	58.2%	26.6%	29.7%	1,947,914	1,915,900	9,187,855
2019	10,485,433	0.816	19,040,480	5,925,085	31.1%	56.4%	30.8%	39.7%	6,345,502	6,291,550	12,270,587
2020	9,937,397	0.816	18,045,302	7,268,616	40.3%	52.9%	55.0%	54.0%	11,894,159	11,748,780	19,162,775
2021	8,843,545	0.816	16,058,977	4,282,088	26.7%	46.1%	40.0%	44.9%	14,726,436	14,509,376	19,008,524
2022	8,485,738	1.034	17,263,848	1,636,000	9.5%	49.9%	25.8%	47.5%	19,593,441	19,210,599	21,229,441
2023	10,894,433	1.034	22,164,230	0	0.0%	49.3%	0.0%	49.3%	28,224,312	27,504,512	28,224,312
2024	14,692,171	1.018	29,643,136	0	0.0%	49.1%	0.0%	49.1%	40,573,052	39,260,913	40,573,052
Total	75,724,973		144,708,155	26,521,414	18.3%	46.8%	20.5%		123,313,363	120,450,019	149,834,777

Column

(2), (3), (5)	Based on data provided by client
(4)	Col (2) x [1.0 + Col (3)]
(6)	Col (5) / Col (4)
(7)	Col (4) / Total Surcharges
(8)	Col (5) / Total Paid Losses
(9)	Judgmentally Selected based on columns Cols (7) & (8)
(10)	Col (9) x Undiscounted Reserves from Exhibit 1, Page 5
(11)	Col (10) x Discount Factors from Exhibit 1, Page 2
(12)	Col (5) + Col (10)

New Mexico Patients' Compensation Fund

Reserves as of 12/31/2024

Allocation of Ultimate & Outstanding Losses by Hospital

	All Hospitals										
Accident Year	Hospital Surcharges	Load for Employer Provider Surcharges	Estimated Total Surcharges	Paid Losses	Paid Loss Ratio	% Total Surcharges	% Total Paid Losses	Selected	Allocated Reserves	Discounted Reserves	Selected Ultimate Losses
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
2009	565,000	0.625	918,297	2,075,000	367.3%				0	0	2,075,000
2010	1,130,000	0.487	1,680,228	1,605,000	142.0%				2,005	1,519	1,607,005
2011	1,152,600	0.583	1,825,004	2,547,500	221.0%				2,547	1,931	2,550,048
2012	1,137,371	0.598	1,817,812	3,475,000	305.5%				3,475	2,634	3,478,475
2013	1,174,771	0.696	1,992,604	2,607,237	221.9%				15,656	15,531	2,622,894
2014	1,300,000	0.651	2,146,331	6,688,260	514.5%				80,534	79,723	6,768,794
2015	1,350,000	0.648	2,224,828	4,629,980	343.0%				124,658	123,200	4,754,638
2016	3,989,055	0.483	5,914,620	9,916,846	248.6%				351,548	346,677	10,268,394
2017	11,500,127	0.469	16,892,776	19,016,636	165.4%				957,886	940,276	19,974,522
2018	19,298,940	0.607	31,021,119	27,241,629	141.2%				6,549,669	6,442,023	33,791,297
2019	21,088,834	0.601	33,754,542	19,264,470	91.3%				15,969,642	15,833,861	35,234,112
2020	21,595,047	0.579	34,088,022	13,219,834	61.2%				22,042,543	21,773,124	35,262,377
2021	22,835,535	0.526	34,842,092	10,699,825	46.9%				32,815,384	32,331,702	43,515,208
2022	22,239,628	0.555	34,573,921	6,352,586	28.6%				41,236,185	40,430,457	47,588,771
2023	29,055,764	0.548	44,977,185	0	0.0%				57,274,722	55,814,054	57,274,722
2024	37,086,451	0.629	60,405,101	0	0.0%				82,677,466	80,003,663	82,677,466
Total	196,499,125		309,074,483	129,339,803	65.8%				260,103,918	254,140,375	389,443,721

Column
(2) - (12) Sum of Appendix 16, Page 1 through Appendix 16, Page 8