

# HOUSE BILL REPORT

## SHB 2380

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As Passed Legislature

**Title:** An act relating to mandated malpractice coverage for health care practitioners.

**Brief Description:** Modifying malpractice insurance coverage.

**Sponsors:** By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Dellwo and Dyer).

**Brief History:**

Reported by House Committee on:  
Financial Institutions & Insurance, January 26, 1994,  
DPS;  
Passed House, February 8, 1994, 89-0.  
Senate amended;  
House concurred;  
Passed Legislature, March 8, 1994, 88-0.

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### HOUSE COMMITTEE ON FINANCIAL INSTITUTIONS & INSURANCE

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 16 members: Representatives Zellinsky, Chair; Scott, Vice Chair; Mielke, Ranking Minority Member; Dyer, Assistant Ranking Minority Member; Anderson; Dellwo; Dorn; Grant; R. Johnson; Kessler; Kremen; Lemmon; R. Meyers; Schmidt; Tate; and L. Thomas.

**Staff:** Charlie Gavigan (786-7340).

**Background:** In 1993, Washington passed health care reform legislation. Several provisions relating to health care providers' liability take effect prior to when the major reforms occur.

One of the health service malpractice changes made by health care reform requires that every licensed health care practitioner whose services are included in the Uniform Benefits Package must have malpractice insurance coverage by January 1, 1994, unless this insurance is not available. The Department of Health must designate by rule the health professions that include independent practice and whether malpractice insurance is available to these practitioners. The Uniform Benefits Package takes effect in 1995.

In order to obtain or renew medical malpractice insurance after July 1, 1994, health care practitioners must complete liability risk management training every three years.

**Summary of Bill:** Health care practitioners who are licensed, certified or registered must have malpractice insurance by July 1, 1995 if this insurance is available. The department must designate by rule what types of malpractice insurance coverage are acceptable.

Health care practitioners who complete risk management training anytime in 1994 meet the statutory requirement and do not have to repeat this training for three years.

The Department of Health must report to the Legislature by December 1, 1994 on recommendations for implementing health care practitioner malpractice insurance requirements, especially: (1) whether exemptions should be provided; and (2) whether malpractice coverage provided by an employer is satisfactory.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** Since the Uniform Benefits Package (UBP) will not be developed until 1995, the effective date of malpractice insurance requirements based on the content of the UBP cannot occur before mid-1995. Clarification is needed regarding implementation of the risk management training requirement.

**Testimony Against:** None.

**Witnesses:** Patti Rathbun, Department of Health (supports); Cliff Webster, Washington State Medical Association (supports with amendment); and Ken Bertrand, Group Health (neutral).