

HB 1937 - DIGEST

Creates a medical malpractice excess liability fund to pay for noneconomic damages claims that exceed three hundred fifty thousand dollars per medical malpractice claim. The fund shall only pay claims when there is an express allocation of damages between economic and noneconomic damages in a judgment or verdict.

Requires the commissioner to prepare an implementation plan for the fund. The implementation plan must include: (1) The independent actuarial assessment of costs required under this act;

(2) Recommendations on how to limit losses;

(3) Criteria for facility or provider eligibility for repayment from the fund;

(4) Recommendations for exclusions of specific acts from eligibility for repayment from the fund, if any;

(5) An assessment of possible funding mechanisms with recommendations; and

(6) Recommendations on legislative changes needed to administer the fund.

Provides that the implementation plan must be included in a report to the legislature by December 1, 2005.

Provides that, beginning April 1, 2006, every self-insurer or insuring entity that provides medical malpractice insurance to any facility or provider in Washington state must report to the commissioner any closed claim related to medical malpractice, if the claim resulted in a final: (1) Judgment in any amount;

(2) Settlement or payment in any amount; or

(3) Disposition of a medical malpractice claim resulting in no indemnity payment on behalf of an insured.

Provides that, if a claim is not reported by an insuring entity or self-insurer under this act due to limitations in the medical malpractice coverage of a facility or provider, the facility or provider must report the claim to the commissioner.

Authorizes the commissioner to impose a fine of up to two hundred fifty dollars per day per case against any insuring entity that violates the requirements of this act. The total fine per case may not exceed ten thousand dollars.

Authorizes the department of health to impose a fine of up to two hundred fifty dollars per day per case against any facility or provider that violates the requirements of this act. The total fine per case may not exceed ten thousand dollars.

Appropriates the sum of two million five hundred thousand dollars for fiscal year 2006 and two million five hundred thousand dollars for fiscal year 2007 from the general fund to the medical malpractice account for the purposes under this act. If the medical malpractice excess liability fund is not authorized under this act, the amounts appropriated in this provision shall lapse.