

SECOND REGULAR SESSION

HOUSE BILL NO. 1305

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BYRD (Sponsor), HANAWAY, JETTON, CROWELL, JACKSON, JOHNSON (47), CRAWFORD, PRATT, PAGE, HUBBARD, BAKER, SCHAAF, BROWN, BEARDEN, SMITH (14), NIEVES, DAVIS (19), PORTWOOD, ICET, RUESTMAN, STEVENSON, QUINN, BEAN, KINGERY, ENGLER, ST. ONGE, SHOEMAKER, PEARCE, SCHLOTTACH, COOPER (155), THRELKELD, PHILLIPS, ERVIN, HOLAND, MAY, RICHARD, LIPKE, LEMBKE, RECTOR, DUSENBERG, GUEST, LUETKEMEYER, DETHROW, PURGASON, MILLER, RUPP, EMERY, SMITH (118), MUNZLINGER, DEMPSEY, KELLY (144), STEFANICK, DEEKEN, DIXON, BEHNEN, WILSON (119), WOOD, CUNNINGHAM (145), SANDER, YATES, BRUNS, COOPER (120), ROARK, HUNTER, MAYER, WRIGHT, SELF, ANGST, WALLACE, CUNNINGHAM (86), LAGER, HOBBS, WILSON (130), REINHART, MOORE, MARSH, WASSON, TOWNLEY, SUTHERLAND, BLACK, VIEBROCK, BIVINS AND TAYLOR (Co-sponsors).

Read 1st time January 28, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4174L.011

AN ACT

To amend chapter 538, RSMo, by adding thereto six new sections relating to insurance for health care providers in Missouri.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 538, RSMo, is amended by adding thereto six new sections, to be
2 known as sections 538.600, 538.601, 538.602, 538.603, 538.604, and 538.605, to read as
3 follows:

**538.600. 1. No insurance company, mutual insurance company, medical
2 malpractice association, or other entity providing any insurance to any health care
3 provider, as defined by section 538.205, practicing medicine in the state of Missouri,
4 against claims for malpractice or professional negligence shall, with regards to said
5 insurance:**

**6 (1) Charge an assessment or surcharge, or increase the premium charges for said
7 insurance without first providing written notice by United States mail to the insured at
8 least sixty days prior to the effective date of said actions;**

**9 (2) Fail or refuse to renew the aforesaid insurance without first providing written
10 notice by United States mail to the insured at least sixty days prior to the effective date of**

11 said actions, unless said failure or refusal to renew is based upon a failure to pay sums due
12 or a termination or suspension of the health care provider's license to practice medicine
13 in the state of Missouri; or

14 (3) Cease the issuance of said policies of insurance in the state of Missouri without
15 first providing written notice by United States mail to the insured and to the Missouri
16 division of insurance at least one hundred eighty days prior to the effective date of said
17 actions.

538.601. The Missouri division of insurance shall, prior to May 30, 2005, establish
2 between twelve and twenty risk-reporting categories for medical malpractice and
3 professional negligence insurance premiums and shall establish regulations for the
4 reporting of all premiums charged by said categories.

538.602. Any insurance company, mutual insurance company, medical malpractice
2 association, or other entity providing any insurance to any health care provider, as defined
3 by section 538.205, practicing medicine in the state of Missouri, against claims for
4 malpractice or professional negligence, shall, with regards to said insurance, provide to the
5 Missouri division of insurance, beginning on June 1, 2005, and not less than annually
6 thereafter, an accurate report as to the actual rates charged by said company for said
7 insurance, for each of the risk-reporting categories established pursuant to section 538.601.

538.603. Not later than December 31, 2006, and at least annually thereafter, the
2 Missouri division of insurance shall, utilizing the information provided pursuant to section
3 538.602 establish and publish, a market rate reflecting the median of the actual rates
4 charged for each of the aforesaid risk-reporting categories for the preceding year.

538.604. After January 1, 2007, insurance premium rates charged by any insurance
2 company, mutual insurance company, medical malpractice association, or other entity
3 providing any insurance to any health care provider, as defined by section 538.205,
4 practicing medicine in the state of Missouri, against claims for malpractice or professional
5 negligence which are no greater than twenty percent higher, or twenty percent lower than
6 the market rate established pursuant to section 538.603, shall be presumed to be
7 reasonable.

538.605. After January 1, 2007, insurance premium rates charged by any insurance
2 company, mutual insurance company, medical malpractice association, or other entity
3 providing any insurance to any health care provider, as defined by section 538.205,
4 practicing medicine in the state of Missouri, against claims for malpractice or professional
5 negligence which are greater than twenty percent higher, or twenty percent lower than the
6 market rate established pursuant to section 538.603, shall be presumed to be unreasonable.