

## HB 1196 -- Medical Malpractice Mutual Insurance Company

Sponsor: Behnen

This bill creates a mutual insurance company, a nonprofit corporation, to provide medical malpractice insurance coverage to health care professionals in the state. The bill establishes the Missouri Medical Malpractice Mutual Insurance Company Loan Fund, to be administered by the State Treasurer. The corporation will be capitalized through a loan from this fund, from which the corporation may borrow up to \$10 million. The corporation will also have the authority to issue revenue bonds, not to exceed \$50 million. The interest on these bonds will be exempt from state income tax.

The bill sets the process for creating a seven-member board of directors to oversee the corporation and hire an executive director. Board members cannot be employed by, or have any financial interest in, any hospital, health maintenance organization, or insurance entity. Board members will be reimbursed for necessary expenses and may be paid a stipend of up to \$1,000 per board meeting. Among the board's duties will be the formulation and implementation of a program designed to decrease medical negligence by physicians and their staff, via training seminars.