

HB 1305 -- Medical Malpractice Insurance

Sponsor: Byrd

This bill makes changes to the laws governing medical malpractice insurance. In its main provisions, the bill:

(1) Prohibits insurance companies and other entities providing malpractice insurance to health care providers in Missouri from:

(a) Increasing charges without 60 days' prior notice to the insured;

(b) Refusing to renew policies without 60 days' prior notice, unless the refusal to renew is based upon nonpayment of insurance premiums or license termination or suspension; and

(c) Ceasing to issue insurance policies without 180 days' prior notice to the Division of Insurance;

(2) Requires the division to establish 12 to 24 risk-reporting categories for medical malpractice premiums and regulations for reporting premiums by category by May 30, 2005;

(3) Requires insurance companies and other entities providing malpractice insurance to health care providers in Missouri to provide the division, by June 1, 2005, and annually thereafter, with reports on premium rates charged by category;

(4) Requires the division, by December 31, 2006, and annually thereafter, to establish and publish a market rate reflecting the median of the actual rates charged for each risk-reporting category for the preceding year; and

(5) Provides that, after January 1, 2007, insurance premium rates charged by insurance companies and other entities providing malpractice insurance to health care providers in Missouri which are no greater than 20% higher or lower than published market rate will be presumed reasonable, and rates greater than 20% higher or lower will be presumed unreasonable.