

HB 733 -- Missouri Health Care Stabilization Fund

Sponsor: Lager

This bill creates the Missouri Health Care Stabilization Fund to provide excess medical malpractice coverage to health care providers participating in the fund. Health care providers must carry primary medical malpractice coverage with liability limits of at least \$200,000 for each occurrence and at least \$600,000 for all claims in any one reporting year.

The fund will be administered by the Health Care Stabilization Board established within the Department of Insurance consisting of the department director and nine members representing health care providers, insurance representatives, attorneys handling medical malpractice insurance cases, and the public.

All health care providers must participate in the fund and pay the appropriate membership fees and premium surcharges that are adequate for paying the claims and expenses of the fund. The surcharge will be collected on the same basis as premiums by each insurer.

A person filing a claim may recover from the fund if they have coverage, the fund is a named party in the action, and the action is commenced within certain time limitations. The fund can retain counsel and appear and actively defend itself in any action.

The maximum amount recoverable under the fund for any single claim cannot exceed \$800,000 pursuant to any one judgment or settlement for any party against a health care provider and an aggregate cap of \$2.4 million for all judgments or settlements for any health care provider in one year. The fund will have no obligation for the payment of punitive damages rendered in any judgment.