

HB 2256 -- Medical Malpractice Insurance

Sponsor: Schaaf

This bill changes the laws regarding the reporting of information related to medical malpractice insurance. In its main provisions, the bill:

(1) Requires insurers providing medical malpractice insurance to Missouri health care providers to quarterly report to the Director of the Department of Insurance, Financial Institutions, and Professional Registration the following information:

- (a) Written and earned premium at filed base rates;
- (b) Written and earned premium;
- (c) Written and earned exposures;
- (d) Paid and incurred losses;
- (e) Paid and incurred loss adjustment expenses;
- (f) Basic limits paid and incurred losses;
- (g) Assessments;
- (h) Loss and expense reserves, including case basis reserves, total reserves, and basic limits reserves;
- (i) Open claims, closed claims, open occurrences, and closed occurrences;
- (j) Cancellations and nonrenewals; and
- (k) Policies renewed and new policies issued;

(2) Requires all collected information and data derived from the information to be confidential unless the data meets certain criteria. Any employee of the department disclosing information to a non-employee without authorization will be guilty of a class B misdemeanor;

(3) Requires the department by December 31, 2009, to post on its web site the average of actual rates charged for medical malpractice insurance. The database may distinguish between rates for different types of coverage;

(4) Requires the department, beginning September 30, 2008, to annually establish reporting standards for insurers to report

base rates for health care provider classifications and for any modification to its base rates between annual filings. By January 1, 2009, and annually thereafter, the director will publish comparisons of the base rates charged by each insurer;

(5) Prohibits insurers from selling policies with rates which are excessive, inadequate, or unfairly discriminatory. Any insurer violating this provision may be issued an administrative order as authorized under Section 374.046, RSMo; and

(6) Allows insurers to group risks by classifications for the establishment of base rates and minimum premiums and to modify actual rates based on individual risks for variations in hazards or expense provisions.