

**HOUSE** \_\_\_\_\_ **AMENDMENT NO.** \_\_\_\_\_

**Offered By**

AMEND House Committee Substitute for Senate Committee Substitute for Senate Bill No. 0583,  
Page 65, Section 376.1450, Line 11, by inserting after all of said line the following:

“383.155. 1. A joint underwriting association may be created upon determination by the  
director after a public hearing that medical malpractice liability insurance is not reasonably  
available for health care providers in the voluntary market. The association shall contain as  
members all companies authorized to write and engaged in writing, on a direct basis, any  
insurance or benefit, the premium for which is included under the definition of "net direct  
premiums". Membership in the association shall be a condition of continued authority to do  
business in this state.

2. A plan of operation shall be adopted to be effective concurrently with the effective date  
of the association.

3. The association shall, pursuant to the provisions of sections 383.150 to 383.195 and the  
plan of operation, with respect to medical malpractice insurance, have the authority on behalf of  
its members:

(1) To issue, or to cause to be issued, policies of insurance to applicants, including  
incidental coverages, which shall not include general liability coverage, and subject to limits as  
specified in the plan of operation but not to exceed one million dollars for each claimant under  
one policy and three million dollars for all claimants under one policy in any one policy year;

(2) To underwrite such insurance and to adjust and pay losses with respect thereto, or to  
appoint a service company to perform those functions;

(3) To assume reinsurance from its members; and

(4) To cede reinsurance.

4. Within forty-five days following the creation of the association, the directors of the  
association shall submit to the director for his review, a proposed plan of operation, consistent  
with the provisions of sections 383.150 to 383.195.

5. The plan of operation shall provide for economic, fair and nondiscriminatory  
administration and for the prompt and efficient distribution of medical malpractice insurance, and  
shall contain other provisions including, but not limited to, preliminary assessment of all members  
for initial expenses to commence operations, establishment of necessary facilities, management of

1 the association, assessment of members to defray losses and expenses, reasonable and objective  
2 underwriting standards, acceptance and cession of reinsurance, appointment of a servicing  
3 company and procedures for determining amounts of insurance to be provided by the association.  
4 The preliminary assessment shall be an advance to be recouped under the provisions of subsection  
5 5 of section 383.160.

6 6. The plan of operation shall be subject to approval by the director after consultation with  
7 the members of the association, representatives of the public and other affected individuals and  
8 organizations. If the director disapproves all or any part of the proposed plan of operation, the  
9 directors shall within fifteen days submit for review a revised plan of operation. If the directors  
10 fail to do so, the director shall promulgate a plan of operation or part thereof, as the case may be.  
11 The plan of operation approved or promulgated by the director shall become effective and  
12 operational upon his order.

13 7. Amendments to the plan of operation may be made by the directors of the association,  
14 subject to the approval of the director or shall be made at his direction.

15 383.165. Each policyholder shall pay to the association in the first policy year, in addition  
16 to the premium payment due for insurance through the association, an amount equal to said  
17 premium payment. Such additional charge shall be due and paid in full within the first policy year  
18 and shall be separately stated in the policy.

19 383.170. 1. [Any] A health care provider shall be entitled to apply to the association for  
20 medical malpractice liability insurance[. Such application may be made on behalf of an applicant  
21 by a broker or agent authorized by the applicant] only after the health care provider has been  
22 declined for insurance coverage by at least two of any three admitted medical professional liability  
23 insurance companies that collectively hold over thirty-five percent of the admitted market share in  
24 Missouri as measured by the direct written premium volume in a given year with respect to the  
25 medical malpractice coverage issued for physicians and surgeons. The applicant must submit the  
26 copies of the two declinations with the application for coverage by the association.

27 2. If the association determines that;

28 \_\_\_\_\_ (1) The applicant meets the underwriting standards of the association as prescribed in the  
29 plan of operation [and];

30 \_\_\_\_\_ (2) The applicant has provided copies of the two declinations by other carriers as required  
31 in subsection 1 of this section; and

32 \_\_\_\_\_ (3) There is no unpaid, uncontested premium due from the applicant for prior insurance,  
33 then the association, upon receipt of the premium, or such portion thereof as is prescribed in the  
34 plan of operation, shall cause to be issued a policy of medical malpractice liability insurance.  
35 Further amend said bill by amending the title, enacting clause, and intersectional references  
36 accordingly.