

Kinder

(1)

89 LSO-1894

#7

# SENATE FILE

2254

SENATE FILE 2254

SF0254FT02

AN ACT relating to medical liability compensation; requiring public hearings on a plan for a medical liability compensation account; granting authority to the insurance commissioner to examine rates of medical malpractice insurers; providing funding as specified; and providing for an effective date.

Introduced by:

*[Handwritten signature]*

DATE	ACTION	DATE	ACTION
JAN 28 1989	INTRODUCED	FEB 17 1989	RETURNED
	READ FIRST TIME		Recommended Amend and Do Pass <i>8 ayes 12 noes</i>
	REFERRED TO COM. NO. <u>7</u>	FEB 22 1989	CONSIDERED IN COM. OF WHOLE
	DELIVERED TO COM. NO. <u>7</u>		Standing Com. Amendment SF 254 HSI /AE
FEB 2 1989	STANDING COMM. REPORT		Adopted
	<i>Recommended</i> AMEND AND DO PASS		Recommended do pass
FEB 3 1989	CONSIDERED IN COM. OF WHOLE	FEB 23 1989	READ SECOND TIME
	STANDING COM. AMDT. ADOPTED	FEB 24 1989	READ THIRD TIME <i>Consent List</i>
	<i>SF 0254551/A</i>		<b>PASSED</b>
	Amended as follows <i>SF 0254551/AC</i>		<i>Amended Nov 3, 1989 - R. H. H. 2</i>
	<b>DO PASS</b>	FEB 27 1989	Received Amended
FEB 6 1989	READ SECOND TIME		Senate did Concur on House Amendments
	<b>DO PASS</b>		Ayes <u>18</u> Noes <u>11</u> Excused <u>1</u> Absent <u>0</u>
FEB 7 1989	READ THIRD TIME		Delivered to Enrolling Section
	<i>Amended as follows SF 0254531/A</i>	FEB 28 1989	Received
	<b>PASSED</b>		Delivered to Enrolling Section
	Ayes <u>21</u> Noes <u>8</u> Excused <u>1</u> Absent <u>0</u>		SEA No. <u>100</u> Signed by President
	<i>Sent to LSG</i>		<u>3-1-89</u> Signed by Speaker
	<b>ENGROSSED</b>		<u>3-9-89</u> Approved by Governor
	<i>2-8-89 Sent to House</i>		Chapter No. <u>254</u> Session Laws of Wyoming
FEB 9 1989	<i>Received from LSG</i>		
	REFERRED TO COM. NO. <u>7</u>		
	DELIVERED TO COM. NO. <u>7</u>		
FEB 10 1989	RE-REFER TO COM. NO. <u>1..</u>		

CONTINUED ON BACK

# SF 254 3rd Date 2-7-89

# SENATE ROLL CALL

## FIFTIETH WYOMING LEGISLATURE

	Ayes	Noes	Excused	Absent
APPLEGATE		✓		
BURNETT	✓			
BYRD <i>Exc.</i>			✓	
COE	✓			
DIXON	✓			
DUSL	✓			
EDDINS		✓		
FANOS	✓			
GERINGER	✓			
GRIEVE	✓			
HEALY	✓			
HERBST	✓			
HICKEY	✓			
HOWARD	✓			
KINNEY	✓			
KINNISON	✓			
MADER	✓			
MALDONADO	✓			
NORRIS		✓		
PERRY		✓		
PREVEDEL	✓			
REESE			✓	
SCOTT			✓	
STROOCK	✓			
SULLIVAN, DAN			✓	
TRUE			✓	
TURNER	✓			
TWIFORD	✓			
VINICH				
<del>ZIMMER</del>	✓			
MR. PRESIDENT				

PRESENT \_\_\_\_\_

AYES 21  
 NOES 8  
 EXCUSED 1  
 ABSENT \_\_\_\_\_  
 TOTAL 30

# SF 254 Concur Date 2.27.89

# SENATE ROLL CALL

## FIFTIETH WYOMING LEGISLATURE

	Ayes	Noes	Excused	Absent
APPLEGATE	✓			
BURNETT	✓	✓		
BYRD	✓			
COE	✓			
DIXON	✓			
DUSL	✓			
EDDINS		✓		
FANOS	✓			
GERINGER	✓			
GRIEVE	✓			
HEALY	✓			
HERBST	✓			
HICKEY	✓			
HOWARD		✓		
KINNEY	✓			
KINNISON	✓			
MADER		✓		
MALDONADO	✓			
NORRIS	✓			
PERRY		✓		
PREVEDEL	✓			
REESE	✓			
SCOTT		✓		
STROOCK		✓		
SULLIVAN, DAN		✓		
TRUE		✓		
TURNER		✓		
TWIFORD		✓		
VINICH	✓			
<del>ZIMMER</del>				
MR. PRESIDENT			✓	

PRESENT

AYES 18  
NOES 11  
EXCUSED 1  
ABSENT  
TOTAL 30

*Handwritten:* # 9254 *Handwritten:* ~~Thurs~~ *Handwritten:* 2/24/89 Date \_\_\_\_\_

# HOUSE ROLL CALL

## FIFTIETH WYOMING LEGISLATURE

	Ayes	Noes	Excused	Absent		Ayes	Noes	Excused	Absent
ALDEN		/			PARKER	✓			
ARNOLD	✓				PERKINS, D.	✓			
BEBOUT	✓				PERKINS, J.	✓			
BLACKWELL	✓				PLANT	✓			
BOWRON	✓				RANKINE		/		
BUDD	✓				RATLIFF		/		
CAMERON	✓				ROHRBACH	✓			
CHAMBERLAIN	✓				RYCKMAN	✓			
CROSS	✓				SCHWOPE	✓			
CUBIN	✓				SHREVE	✓			
DEWITT	✓				SIMONS	✓			
DICKEY	✓				STAUFFER	✓			
DUNHAM	✓				SULLIVAN, DON	✓			
ENZI	✓				TEMPEST	✓			
FREUDENTHAL	✓				THOMAS	✓			
GAMS	✓				TIBBS	✓			
GOODENOUGH <i>etc</i>			/		TIPPETS	✓			
GRANT	✓				TIPTON	✓			
GUICE	✓				TYSDAL	✓			
HAGEMAN	✓				VASEY	✓			
HANSEN	✓				VLASTOS	✓			
HARRIS	✓				WALLIS	✓			
HARRISON	✓				WATSON	✓			
HINES	✓				WOLFLEY	✓			
HONAKER	✓				WRIGHT	✓			
HUMPHREY	✓				YORDY	✓			
JENSEN	✓				ZIMMERMAN <i>etc</i>			/	
LUMMIS	✓				ZUMBRUNNEN	✓			
MACMILLAN	✓				MR. SPEAKER	✓			
MARTON	✓								
<del>MARTON</del>									
MICHEL	✓								
MILLER	✓								
MURPHY	✓								
ODDE	✓								
O'TOOLE	✓								

PRESENT \_\_\_\_\_

AYES 59

NOES 3

EXCUSED 2

ABSENT \_\_\_\_\_

TOTAL 64

LESS \_\_\_\_\_

House of Intro  
To Com. No. \_\_\_\_\_  
Stand Report Do    Amd    Not     
Com Whole Do    Amd    Not     
2nd Reading Amd     
3rd Reading Amd    Pass    Fail   

Second House  
To Com No. \_\_\_\_\_  
Stand Report Do    Amd    Not     
Com Whole Do    Amd    Not     
2nd Reading Amd     
3rd Reading Amd    Pass    Fail   

## INTRODUCED

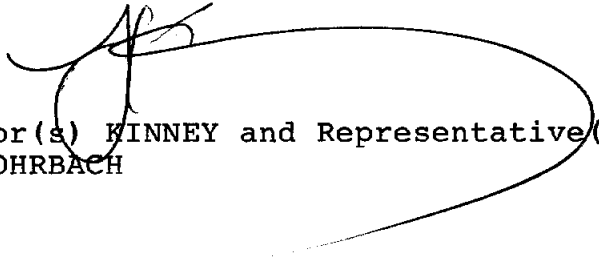
1989

STATE OF WYOMING

89LSO-0894.01

SENATE FILE NO. 0254

Medical liability insurance pool - 2.

Sponsored by: Senator(s)  KINNEY and Representative(s) HARRISON  
and ROHRBACH

A BILL

for

1 AN ACT to create W.S. 26-33-112 and 26-33-113; to amend  
2 W.S. 26-33-101(a)(iii), (v) and (vi), 26-33-104,  
3 26-33-105(a) and by creating new subsections (j) thru (m),  
4 26-33-106, 26-33-107 and 26-33-108; and to repeal W.S.  
5 26-33-102, 26-33-103, 26-33-105(b) through (h), 26-33-109  
6 and 26-33-110 relating to medical malpractice insurance;  
7 amending provisions relating to the creation of a medical  
8 liability compensation account; designating membership of  
9 the board of directors of the account and providing terms  
10 and compensation; providing powers and duties of the  
11 board; specifying expenditures which can be made from the

1 account; providing guidelines for operation of the  
2 account; authorizing an interfund loan to meet  
3 insufficiencies in the account; providing a statement of  
4 purpose; providing an appropriation; providing defini-  
5 tions; and providing for an effective date.

6 Be It Enacted by the Legislature of the State of Wyoming:

7 Section 1. W.S. 26-33-112 and 26-33-113 are created  
8 to read:

9 26-33-112. Initial assessments; assessments to repay  
10 interfund transfers.

11 (a) A health care provider who applies to partici-  
12 pate in the account created by this chapter shall be  
13 charged an initial assessment determined in accordance  
14 with actuarially sound principles.

15 (b) Each health care provider participating in the  
16 account on the date a claim arises which necessitates an  
17 interfund transfer under W.S. 26-33-113, shall remain lia-  
18 ble and shall be assessed for his proportionate share of  
19 the loan obligation whether or not the health care pro-  
20 vider continues to participate in the account.

21 26-33-113. Interfund transfer; repayment to account;

1     investment of funds.

2           (a) Upon certification by the board to the state  
3     treasurer that there are inadequate monies in the account  
4     to meet the obligations under W.S. 26-33-105, the state  
5     treasurer shall utilize an interfund transfer from the  
6     budget reserve account created by W.S. 9-2-1012 to the  
7     medical liability compensation account in an accumulated  
8     amount not to exceed five million dollars (\$5,000,000.00),  
9     to make payments authorized under W.S. 26-33-105 which  
10    cannot be paid due to the insufficiency of any other reve-  
11    nues available. Monies advanced to the account under this  
12    subsection shall be repaid from the account to the budget  
13    reserve account at a rate of interest and upon terms set  
14    by the board of deposits.

15           (b) The state treasurer shall invest any portion of  
16    the funds in the account, including reserves, which the  
17    board determines is not needed for immediate use. Invest-  
18    ments shall be made as authorized by W.S. 9-4-701.

19           Section 2. W.S. 26-33-101(a)(iii), (v) and (vi),  
20    26-33-104, 26-33-105(a) and by creating new subsections  
21    (j) through (m), 26-33-106, 26-33-107 and 26-33-108 are  
22    amended to read:

1           26-33-101. Definitions.

2           (a) As used in this chapter:

3                   (iii) "Health care" means any act or treatment  
4 performed or furnished, or which should have been per-  
5 formed or furnished, by any ~~physician~~ HEALTH CARE PROVIDER  
6 for, to, or on behalf of a patient during the patient's  
7 medical care, treatment or confinement;

8                   (v) "Malpractice" means the rendering of or  
9 failure to render professional medical services as a  
10 result of which the patient has a cause of action against  
11 a ~~licensed-physician~~ HEALTH CARE PROVIDER for monetary  
12 damages;

13                   (vi) ~~"Physician"--means--a--person--licensed--by~~  
14 ~~the-state-board-of-medical--examiners--to--provide--health~~  
15 ~~care--or--professional-services-as-a-physician~~ "HEALTH CARE  
16 PROVIDER" MEANS A PHYSICIAN, DENTIST, HEALTH CARE FACILITY  
17 OR ANY PERSON EMPLOYED BY A HEALTH CARE FACILITY WHO PRO-  
18 VIDES HEALTH CARE.

19           26-33-104. Advance payments. Any advance payment a  
20 defendant ~~physician-or~~ HEALTH CARE PROVIDER, his insurer  
21 OR THE BOARD makes to or for the plaintiff, or any other  
22 person, is not an admission of liability for injuries or



1 damages the plaintiff or anyone else suffers as to a claim  
2 for malpractice. Evidence of an advance payment is not  
3 admissible in a court proceeding concerning malpractice  
4 until there is final determination in the plaintiff's  
5 favor, in which case the final amount payable shall be  
6 reduced by any advance payments.

7 26-33-105. Medical liability compensation fund.

8 (a) There is created a THE medical liability compen-  
9 sation account within the trust and agency fund. ~~7-the~~  
10 ~~monies-of-which-shall-be-collected-by-the-commissioner-for~~  
11 ~~exclusive-use-for-the-purposes-stated-in-this-chapter.-The~~  
12 ~~account-and-any-investment-income-from-it-shall-be-held-in~~  
13 ~~trust-and-invested-and-reinvested-by-the--state--treasurer~~  
14 ~~pursuant--to--W.S.--9-4-701-~~ THE ACCOUNT SHALL BE IN SUCH  
15 AMOUNT AS THE BOARD DETERMINES TO BE ACTUARIALLY SUFFI-  
16 CIENT TO MEET ANTICIPATED CLAIMS AGAINST PARTICIPATING  
17 HEALTH CARE PROVIDERS. THE ACCOUNT SHALL INCLUDE ALL  
18 ASSESSMENTS PAID INTO THE ACCOUNT BY PARTICIPATING HEALTH  
19 CARE PROVIDERS, ALL INCOME FROM INVESTMENTS OF MONIES IN  
20 THE ACCOUNT AND PAYMENTS BY INSURANCE OR REINSURANCE  
21 COMPANIES. THE ACCOUNT MAY BE DIVIDED INTO SUBACCOUNTS  
22 FOR PURPOSES OF ADMINISTRATIVE MANAGEMENT.

23 (j) THE ACCOUNT SHALL MAINTAIN SUFFICIENT RESERVES

1 FOR INCURRED BUT UNPAID CLAIMS AND ASSOCIATED ADMINISTRA-  
2 TIVE EXPENSES.

3 (k) UPON THE APPROVAL OF THE BOARD, EXPENDITURES  
4 SHALL BE MADE OUT OF THE ACCOUNT FOR CLAIMS AGAINST PAR-  
5 TICIPATING HEALTH CARE PROVIDERS WHICH HAVE BEEN SETTLED  
6 OR REDUCED TO FINAL JUDGMENT. EXPENDITURES MAY ALSO BE  
7 MADE OUT OF THE ACCOUNT FOR:

8 (i) COSTS OF INSURANCE OR REINSURANCE PREMIUMS  
9 CONSISTENT WITH MARKET AVAILABILITY;

10 (ii) COSTS OF PURCHASING SERVICES INCLUDING  
11 LEGAL, ACTUARIAL, INVESTIGATIVE, SUPPORT AND ADJUSTMENT  
12 SERVICES;

13 (iii) EXPENSES RELATED TO CLAIMS UNDER THIS  
14 SECTION;

15 (iv) ADMINISTRATIVE EXPENSES INCURRED BY THE  
16 BOARD UNDER THIS CHAPTER; AND

17 (v) REPAYMENT OF INTERFUND TRANSFERS AUTHO-  
18 RIZED BY W.S. 26-33-113.

19 (m) TO CREATE THE ACCOUNT, ALL PARTICIPATING HEALTH  
20 CARE PROVIDERS SHALL PAY AN ANNUAL SURCHARGE IN AN AMOUNT  
21 DETERMINED BY THE BOARD BASED UPON SOUND ACTUARIAL PRINCI-

1 PLES USING DATA OBTAINED FROM WYOMING EXPERIENCE.

2 26-33-106. Board created; membership; removal;  
3 terms; duties; compensation.

4 (a) There is created a medical liability compensa-  
5 tion account board which shall consist of ~~six-(6)~~ NINE (9)  
6 members. The governor shall appoint ~~four-(4)~~ SEVEN (7)  
7 members with the advice and consent of the senate. The  
8 state treasurer and the commissioner are the other voting  
9 members. The governor may remove any member he appoints as  
10 provided in W.S. 9-1-202.

11 (b) Of the members the governor appoints:

12 (i) One (1) shall be a physician licensed to  
13 practice in Wyoming by the state board of medical examin-  
14 ers;

15 (ii) One (1) shall be a practicing attorney  
16 licensed to practice in Wyoming by the Wyoming state bar;

17 (iii) One (1) shall be a health care consumer;  
18 and

19 (iv) One (1) shall be a licensed insurance  
20 agent in Wyoming;

1           (v) ONE (1) SHALL BE A REGISTERED NURSE  
2 LICENSED TO PRACTICE IN WYOMING BY THE STATE BOARD OF  
3 NURSING;

4           (vi) ONE (1) SHALL BE A DENTIST LICENSED TO  
5 PRACTICE IN WYOMING BY THE STATE BOARD OF DENTAL EXAMIN-  
6 ERS; AND

7           (vii) ONE (1) SHALL BE A HOSPITAL ADMINISTRA-  
8 TOR OR A MEMBER OF A HOSPITAL BOARD OF TRUSTEES.

9           (c) ~~Two-(2)~~ OF THE MEMBERS THE GOVERNOR APPOINTS,  
10 FOUR (4) members shall serve for terms ending two (2)  
11 years from January 1 immediately following their appoint-  
12 ment and ~~two-(2)~~ THREE (3) members shall serve for a term  
13 of four (4) years from that date. Their successors shall  
14 serve for terms of three (3) years each. ~~Effective-July-1,~~  
15 ~~1979,~~ Appointments and terms shall be in accordance with  
16 W.S. 28-12-101 through 28-12-103.

17           (d) MEMBERS OF THE BOARD SHALL RECEIVE NO COMPENSA-  
18 TION BUT SHALL RECEIVE TRAVEL AND PER DIEM IN THE SAME  
19 MANNER AND AMOUNT AS STATE EMPLOYEES.

20           ~~(d)~~(e) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION  
21 (f) OF THIS SECTION, the board shall:

1           (i) Administer and govern the account; and  
2   ~~shall file rules and regulations therefor with the secre-~~  
3   ~~tary of state.~~

4           (ii) ADMINISTER, SUPERVISE AND MANAGE THE  
5   INVESTIGATION AND ADJUSTMENT OF CLAIMS COVERED BY THIS  
6   CHAPTER;

7           (iii) PROVIDE LEGAL SERVICES FOR THE DEFENSE  
8   OF CLAIMS COVERED BY THIS CHAPTER;

9           (iv) APPROVE AND SUPERVISE PERSONS WHO MAY  
10   CONTRACT TO PROVIDE SERVICES;

11          (v) PROCURE INSURANCE, INCLUDING REINSURANCE,  
12   CONSISTENT WITH MARKET AVAILABILITY;

13          (vi) PURCHASE LOSS PREVENTION, ACTUARIAL AND  
14   OTHER PROFESSIONAL SERVICES AS REQUIRED;

15          (vii) PROVIDE EVIDENCE OF INSURANCE UNDER THIS  
16   CHAPTER BY ISSUANCE OF A CERTIFICATE OR POLICY TO EACH  
17   PARTICIPATING HEALTH CARE PROVIDER;

18          (viii) ESTABLISH ASSESSMENTS AS NECESSARY TO  
19   OPERATE THE ACCOUNT ON AN ACTUARIALLY SOUND BASIS.  
20   ASSESSMENTS SHALL BE COMPUTED TO PROVIDE FOR:

1                    (A) EXPENDITURES AUTHORIZED UNDER W.S.  
2       26-33-105;

3                    (B) STABILIZATION CHARGES TO DEVELOP  
4       ADEQUATE RESERVES; AND

5                    (C) REPAYMENT OF INTERFUND TRANSFERS  
6       AUTHORIZED BY W.S. 26-33-113.

7                    (ix) DETERMINE WHETHER OR NOT TAIL COVERAGE  
8       CAN BE INCLUDED;

9                    (x) ESTABLISH CLASSIFICATIONS OF HEALTH CARE  
10      PROVIDERS ELIGIBLE TO PARTICIPATE IN THE ACCOUNT;

11                   (xi) APPORTION AND COLLECT ASSESSMENTS FROM  
12      EACH PARTICIPATING HEALTH CARE PROVIDER WHICH, TO THE  
13      EXTENT POSSIBLE, SHALL BE BASED UPON THE HEALTH CARE  
14      PROVIDER'S RISK AND LOSS EXPERIENCE;

15                   (xii) APPORTION AND COLLECT ASSESSMENTS FROM  
16      EACH ELIGIBLE HEALTH CARE PROVIDER WHO CHOOSES TO PARTICI-  
17      PATE IN THE FUND IN ORDER TO COVER AN APPORTIONED SHARE OF  
18      ESTIMATED START-UP COSTS. THE START-UP COST ASSESSMENTS  
19      SHALL BE CREDITED AGAINST FUTURE ASSESSMENTS AUTHORIZED  
20      UNDER PARAGRAPH (a)(x) OF THIS SECTION;

21                   (xiii) ESTABLISH LIMITS ON CLAIMS WHICH SHALL

1 BE PAID FROM THE ACCOUNT;

2           (xiv) DETERMINE WHETHER COVERAGE WILL BE ON A  
3 CLAIMS MADE BASIS, OCCURRENCE BASIS OR OTHER ACTUARIALLY  
4 SOUND BASIS;

5           (xv) DETERMINE WHETHER THE ACCOUNT WILL OFFER  
6 REINSURANCE COVERAGE TO ELIGIBLE HEALTH CARE PROVIDERS;

7           (xvi) ADOPT RULES GOVERNING THE ADMINISTRATION  
8 OF THE ACCOUNT.

9           (f) IF THE BOARD DETERMINES IT IS ECONOMICALLY FEA-  
10 SIBLE, IT MAY CONTRACT WITH ANY FIRM OR FIRMS TO PROVIDE  
11 ANY ADMINISTRATIVE OR OTHER SERVICES DEEMED NECESSARY  
12 UNDER THIS CHAPTER.

13           26-33-107. Settlements. Any-settlement--of--a--claim  
14 against--a--physician--exceeding--fifty--thousand--dollars  
15 (\$50,000.00)--or--limits--of--other--underlying--coverage--if  
16 greater--shall--be--carried--out--through--agreement--jointly--by  
17 the--claimant,--the--insurance--carrier--and--the--commissioner.  
18 If--the--claimant--settles--with--the--insurance--carrier,--with-  
19 out--including--the--commissioner--in--the--settlement--agree-  
20 ment,--the--claimant--waives--any--claim--for--damages--exceeding  
21 fifty--thousand--dollars--(\$50,000.00)--or--limits--of--other  
22 underlying--coverage--if--greater--arising--from--the--incident

1     ~~for-which-the-claim-is-made~~ CLAIMS SHALL NOT BE SETTLED  
2     WITHOUT THE APPROVAL OF THE BOARD.

3             26-33-108. Payments from account. The state trea-  
4     surer shall issue a warrant in satisfaction of each claim  
5     submitted to him against the account after receipt of a  
6     certified copy of a final judgment from a court having  
7     jurisdiction, or a settlement agreement signed by a claim-  
8     ant, ~~---a---qualified-representative-of-the-insurance-carrier~~  
9     and the ~~commissioner~~ BOARD, with original signatures. The  
10    warrant shall be for the amount ~~exceeding-fifty-thousand~~  
11    ~~dollars-(\$50,000.00)-or-limits-of-other-underlying--cover-~~  
12    ~~age,--if-greater,--set-forth-in-the-judgment-or-settlement,~~  
13    ~~subject-to-the-limitation-that-the-amounts-paid--from--the~~  
14    ~~account----shall----not---exceed---one---million---dollars~~  
15    ~~(\$1,000,000.00)-in-any-calendar-year-for-one-(1)--or--more~~  
16    ~~awards--or-settlements-against-an-individual-physician~~ SET  
17    BY THE BOARD.

18            Section 3. W.S. 26-33-102, 26-33-103, 26-33-105(b)  
19    through (h), 26-33-109 and 26-33-110 are repealed.

20            Section 4. Purpose.

21            (a) The legislature finds and declares:

22                (i) That the availability of commercial lia-



1     bility insurance coverage for health care providers in  
2     this state is extremely limited;

3             (ii) That the lack of available insurance cov-  
4     erage or the high costs of available coverage has and will  
5     continue to result in health care providers leaving this  
6     state or refusing to provide certain medical services;

7             (iii) That it is essential to the public  
8     health, safety, welfare and interest of the citizens of  
9     this state to ensure the continued availability of health  
10    care services; and

11            (iv) This act constitutes a valid public pur-  
12    pose of primary benefit to all the citizens of the state  
13    of Wyoming.

14            Section 5. There is appropriated not to exceed five  
15    million dollars (\$5,000,000.00) from the budget reserve  
16    account to the medical liability compensation account upon  
17    certification by the board to the state treasurer under  
18    the provisions of W.S. 26-33-113.



FISCAL NOTE

<u>Anticipated REVENUE to:</u>	<u>FY 1990</u>	<u>FY 1991</u>	<u>FY 1992</u>
_____	_____	_____	_____
_____	_____	_____	_____
TOTAL ESTIMATED REVENUE	_____	_____	_____

<u>Anticipated COST to:</u>	<u>FY 1989</u>	<u>FY 1990</u>	<u>FY 1991</u>
Budget Reserve Account	\$5,000,000.00		
TOTAL ESTIMATED COST	\$5,000,000.00		

=====

The bill provides for an appropriation as indicated above and creates a nonsalaried nine (9) member board who will receive per diem and travel reimbursements at the same rate as state employees.

House of Intro	Second House
_____ To Com. No. _____	_____ To Com No. _____
_____ Stand Report Do ___ Amd ___ Not ___	_____ Stand Report Do ___ Amd ___ Not ___
_____ Com Whole Do ___ Amd ___ Not ___	_____ Com Whole Do ___ Amd ___ Not ___
_____ 2nd Reading Amd ___	_____ 2nd Reading Amd ___
_____ 3rd Reading Amd ___ Pass ___ Fail ___	_____ 3rd Reading Amd ___ Pass ___ Fail ___

1989

STATE OF WYOMING

89LSO-0894/eng

SENATE FILE NO. 0254

**ENGROSSED**

Medical liability insurance pool - 2.

Sponsored by: Senator(s) KINNEY and Representative(s) HARRISON  
and ROHRBACH

A BILL

for

1 AN ACT relating to medical liability compensation; requir-  
2 ing public hearings on a plan for a medical liability com-  
3 pensation account; granting authority to the insurance  
4 commissioner to examine rates of medical malpractice  
5 insurers; providing funding as specified; and providing  
6 for an effective date.

7 Be It Enacted by the Legislature of the State of Wyoming:

8 Section 1. The Joint Corporations, Elections and  
9 Political Subdivisions Interim Committee shall in conjunc-  
10 tion with the insurance commissioner hold no fewer than

1     six (6) public hearings regarding "A Report on the Feasi-  
2     bility of a Medical Liability Compensation Account for the  
3     State of Wyoming" prepared by the Wyatt Company in order  
4     to receive public input regarding implementation of such a  
5     plan in Wyoming. A final report shall be submitted to the  
6     legislature no later than December 1, 1989.

7             Section 2. The insurance commissioner shall examine  
8     the experience, data, statistics and other pertinent  
9     information of the major insurers writing medical malprac-  
10    tice insurance in this state to determine if the premium  
11    rates charged by these companies are excessive, inadequate  
12    or unfairly discriminatory. The commissioner may require  
13    these insurers to submit actuarial and expense data and  
14    may contract the services of an actuarial consultant. The  
15    reasonable cost of the examination shall be paid by the  
16    examined party upon presentation of a detailed account of  
17    the costs. A final report shall be submitted to the leg-  
18    islature on or before December 1, 1989.

19            Section 3. The expenses incurred under this act  
20    shall be funded from the appropriation authorized by Sec-  
21    tion 044, Footnote 1, Chapter 89, 1988 Wyoming Session  
22    Laws.

1           Section 4. This act is effective immediately upon  
2 completion of all acts necessary for a bill to become law  
3 as provided by Article 4, Section 8 of the Wyoming Consti-  
4 tution.

5 (END)

## THE LEGISLATURE OF THE STATE OF WYOMING

Senate

Cheyenne, February 2, 1989

Mr. President:

z Your Committee No. 7 on CORPORATIONS, ELECTIONS & POLITICAL SUBDIVNS.  
 to whom was referred SF No. 0254

respectfully reports same back to the Senate with the recommendation that

it DO PASS with the following amendments:

See Schedule "A" attached.

*RLB*

*in the report  
 SF 0254331/*

AYES: Senators Burnett, Herbst, Maldonado and Sullivan

NO: Senator Scott

*Charles K. Scott*

Charles K. Scott,

Chairman

## Schedule "A"

Page 1-lines 1 through 11 Delete entirely and insert:

"AN ACT relating to medical liability compensation; requiring public hearings on a plan for a medical liability compensation account; and providing for an effective date.".

Page 2-lines 1 through 5 Delete entirely.

Page 2-lines 7 through 21 Delete entirely.

Page 3-lines 1 through 22 Delete entirely.

Page 4-lines 1 through 22 Delete entirely.

Page 5-lines 1 through 23 Delete entirely.

Page 6-lines 1 through 21 Delete entirely.

Page 7-lines 1 through 20 Delete entirely.

Page 8-lines 1 through 21 Delete entirely.

Page 9-lines 1 through 20 Delete entirely.

Page 10-lines 1 through 21 Delete entirely.

Page 11-lines 1 through 22 Delete entirely.

Page 12-lines 1 through 22 Delete entirely.

Page 13-lines 1 through 18 Delete entirely and insert:

"Section 1. The Joint Corporations, Elections and Political Subdivisions Interim Committee shall in conjunction with the insurance commissioner hold no fewer than six (6) public hearings regarding "A Report on the Feasibility of a Medical Liability Compensation Account for the State of Wyoming" prepared by the Wyatt Company in order to receive public input regarding implementation of such a plan in Wyoming. A final report shall be submitted to the legislature no later than December 1, 1989.".

Page 14-line 1 Delete "6" insert "2". SCOTT, CHAIRMAN



FEB 3 1989

SF254

①

SF0254SS1/A

Page 1-lines 1 through 11 Delete entirely and insert:

"AN ACT relating to medical liability compensation; requiring public hearings on a plan for a medical liability compensation account; and providing for an effective date."

See 531/A → See SW1/AC

Page 2-lines 1 through 5 Delete entirely.

Page 2-lines 7 through 21 Delete entirely.

Page 3-lines 1 through 22 Delete entirely.

Page 4-lines 1 through 22 Delete entirely.

Page 5-lines 1 through 23 Delete entirely.

Page 6-lines 1 through 21 Delete entirely.

Page 7-lines 1 through 20 Delete entirely.

Page 8-lines 1 through 21 Delete entirely.

Page 9-lines 1 through 20 Delete entirely.

Page 10-lines 1 through 21 Delete entirely.

Page 11-lines 1 through 22 Delete entirely.

Page 12-lines 1 through 22 Delete entirely.

Page 13-lines 1 through 18 Delete entirely and insert:

"Section 1. The Joint Corporations, Elections and Political Subdivisions Interim Committee shall in conjunction with the insurance commissioner hold no fewer than six (6) public hearings regarding "A Report on the Feasibility of a Medical Liability Compensation Account for the State of Wyoming" prepared by the Wyatt Company in order to receive public input regarding implementation of such a plan in Wyoming. A final report shall be submitted to the legislature no later than December 1, 1989."

X Insert from 531/A Section 2

Page 14-line 1 Delete "6" insert "2". SCOTT, CHAIRMAN

SF0254SW1/AC

CORRECTED COPY

In the Standing Committee Amendment to Page 1-lines 1 through 11, after "account;" insert "providing funding as specified;"

Page 14-Before line 1 insert the following section and renumber subsequent section accordingly:

"Section 2. The expenses incurred under this act shall be funded from the appropriation authorized by Section 044, Footnote 1, Chapter 89, 1988 Wyoming Session Laws". KINNEY

FEB 7 1989

SF254 ②

SF0254S31/A

✓ In the Standing Committee Amendment (SF0254SS1/A) to Page 1-lines 1 through 11, after "account;" and before the Kinney Committee of the Whole Amendment (SF0254SW1/AC) to this line insert "granting authority to the insurance commissioner to examine rates of medical malpractice insurers;".

✓ Page 13-After line 18 and following the Standing Committee Amendment (SF0254SS1/A) to Page 13-lines 1 through 18, insert the following section and renumber subsequent sections accordingly:

✓ "Section 2. The insurance commissioner shall examine the experience, data, statistics and other pertinent information of the major insurers writing medical malpractice insurance in this state to determine if the premium rates charged by these companies are excessive, inadequate or unfairly discriminatory. The commissioner may require these insurers to submit actuarial and expense data and may contract the services of an actuarial consultant. The reasonable cost of the examination shall be paid by the examined party upon presentation of a detailed account of the costs. A final report shall be submitted to the legislature on or before December 1, 1989." BURNETT

# THE LEGISLATURE OF THE STATE OF WYOMING

## House of Representatives

SF0254HS1/ (tec)

Cheyenne, February 16, 19 89

Mr. Speaker:

Your Committee No. 1 on JUDICIARY

to whom was referred SF No. 0254 ENGROSSED

respectfully reports same back to the House with the recommendation that it

DO PASS with the following amendments:

Page 1 - line 8 After "Joint" insert "Judiciary" delete balance of line.

Page 1 - line 9 Delete "Political Subdivisions".

Page 2 - line 11 After "are" insert "appropriate and fair." delete balance of line.

Page 2 - line 12 Delete "or unfairly discriminatory".

### AYES

Rep. Alden  
Harrison  
Honaker  
Murphy  
Odde  
Rohrbach  
Yordy  
Tipton

### NOES

Goodenough

Harry B. Tipton,

Chairman

119, 149, 151, 161N, 173, 184, 187,  
 207, 223, *Consent* Date 8/24/80

225, 228, 229, HOUSE ROLL CALL

242, 254, FIFTIETH WYOMING LEGISLATURE  
 256, 262, 264

	Ayes	Noes	Excused	Absent		Ayes	Noes	Excused	Absent
ALDEN	/				PARKER	/			
ARNOLD	/				PERKINS, D.	/			
BEBOUT	/				PERKINS, J.	/			
BLACKWELL	/				PLANT	/			
BOWRON	/				RANKINE	/			
BUDD	/				RATLIFF	/			
CAMERON	/				ROHRBACH	/			
CHAMBERLAIN	/				RYCKMAN	/			
CROSS	/				SCHWOPE	/			
CUBIN	/				SHREVE	/			
DEWITT	/				SIMONS	/			
DICKEY	/				STAUFFER	/			
DUNHAM	/				SULLIVAN, DON	/			
ENZI	/				TEMPEST	/			
FREUDENTHAL	/				THOMAS	/			
GAMS	/				TIBBS	/			
GOODENOUGH	/		/		TIPPETS	/			
GRANT	/				TIPTON	/			
GUICE	/				TYSDAL	/			
HAGEMAN	/				VASEY	/			
HANSEN	/				VLASTOS	/			
HARRIS	/				WALLIS	/			
HARRISON	/				WATSON	/			
HINES	/				WOLFLEY	/			
HONAKER	/				WRIGHT	/			
HUMPHREY	/				YORDY	/			
JENSEN	/				ZIMMERMAN	/		/	
LUMMIS	/				ZUMBRUNNEN	/			
MACMILLAN	/				MR. SPEAKER	/			
MARTON	/				PRESENT _____ AYES <u>62</u> NOES _____ EXCUSED <u>2</u> ABSENT _____ TOTAL <u>64</u> LESS _____				
<del>MONTGOMERY</del>									
MICHEL	/								
MILLER	/								
MURPHY	/								
ODDE	/								
O'TOOLE	/								

1 SF0254HS1/AE TO ENGROSSED COPY

2 ✓ Page 1-line 8 After "Joint" insert "Judiciary" delete  
3 balance of line.

4 ✓ Page 1-line 9 ✓ Delete "Political Subdivisions".

5 ✓ Page 2-line 11 ✓ After "are" insert "appropriate and fair."  
6 and delete balance of line.

7 ✓ Page 2-line 12 Delete "or unfairly discriminatory."  
8 TIPTON, CHAIRMAN Adopted

on