

1 IN THE HOUSE

BY DONLEY AND GRUENBERG

2

HOUSE BILL NO. 350

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

SIXTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act creating the Alaska medical malpractice
7 matching fund; and providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. FINDINGS AND PURPOSE. (a) The legislature finds that

10 (1) it is in the best interest of the state that health care
11 providers be insured in order to provide adequate compensation in cases of
12 medical malpractice and to ensure that health care providers are not re-
13 quired to bear unreasonable financial risks imposed by an uninsured claim;

14 (2) the cost of medical malpractice insurance has forced many
15 health care providers to become uninsured, which exposes the health care
16 provider and patients to unreasonable risk, forces some health care provid-
17 ers to cease their medical practice, and also acts as a general disincen-
18 tive to practicing medicine in the state;

19 (3) the number of health care providers in the state on a per
20 capita basis is among the lowest in the nation, particularly in the rural
21 areas, and that the shortage of health care providers is increasing; and

22 (4) in rural areas of the state the high cost of medical mal-
23 practice insurance poses a serious threat to public health and safety.

24 (b) It is the purpose of this Act to provide immediate and substan-
25 tial relief to health care providers by making adequate malpractice insur-
26 ance available, while the legislature continues to develop legislation
27 intended to reduce the cost of medical malpractice insurance.

28 * Sec. 2. AS 21.88 is amended by adding a new section to article 3 to
29 read:

1 a physician who practices in obstetrics and gynecology in a rural area
2 of the state, and acts as the attending physician in at least one but
3 fewer than 10 births a year in a rural area of the state or provides
4 prenatal care to at least one but fewer than 20 patients a year in a
5 rural area of the state. The premium paid under this subsection may
6 not be included in the premium used to calculate a state payment under
7 (c) of this section.

8 (e) The corporation shall establish procedures for applying for
9 matching funds provided under this section. Upon request of the
10 corporation, a health care provider who applies for a payment under
11 this section shall submit a copy of the health care provider's federal
12 income tax return to the corporation.

13 (f) In this section, "net income" means that amount received as
14 income from providing health care services, minus the cost of provid-
15 ing those services in the previous calendar year.

16 * Sec. 3. AS 21.88.310 is repealed July 1, 1995.

17 * Sec. 4. This Act takes effect immediately under AS 01.10.070(c).