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# HOUSE COMMITTEE REPORT

(7)

Date Referred: May 4, 1989

FURTHER REFERRALS: JUDICIARY

Date of Committee Action: 2/8/90

The LABOR & COMMERCE Committee considered:

HB 337

HOUSE BILL NO. 337

[MALPRACTICE INSURANCE]

"An Act relating to malpractice insurance for health care providers."

### RECOMMENDATIONS:

- [ ] be replaced with CS HB 337 (LHC) [ ] the same title  
[ ] a new title  
[ ] have attached amendment(s)  
[ ] do pass  
[ ] do not pass  
[ ] no recommendation  
[ ] individual recommendations  
[ ] additional referral to the \_\_\_\_\_ Committee

ADOPTS: \_\_\_\_\_ letter of intent

ATTACHES NEW FISCAL NOTE(s):  
(Dept)

APPROVES PREVIOUS:

(Date/Dept)

- [ ] fiscal impact \_\_\_\_\_  
[ ] zero fiscal note \_\_\_\_\_  
[ ] zero with analysis \_\_\_\_\_

- [ ] fiscal note(s) \_\_\_\_\_  
[ ] zero fiscal note(s) \_\_\_\_\_  
[ ] zero fn/analysis \_\_\_\_\_

### SIGNING DO PASS:

David Douley  
[Signature]  
[Signature]  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### SIGNING:

(Check appropr column)

	Do Not Pass	No Rec	Amend
<u>[Signature]</u>	X		
<u>[Signature]</u>	✓		
<u>[Signature]</u>		X	
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David Douley  
Chairman's Signature

**FISCAL NOTE**

**REQUEST:**

Revision Date: \_\_\_\_\_ Agency Affected: Commerce & Econ. Dev.  
 Title: An Act relating to malpractice insurance for health care providers  
 BRU: Insurance  
 Sponsor: House Labor and Commerce Committee Components: Operations  
 Requestor: House Labor and Commerce Committee

**EXPENDITURES/REVENUES: (Thousands of Dollars)**

OPERATING	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL	50.0					
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
<b>TOTAL OPERATING</b>	<b>50.0</b>					

CAPITAL						
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REVENUE						
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**FUNDING: (Thousands of Dollars)**

GENERAL FUND	50.0					
FEDERAL FUNDS						
OTHER						
<b>TOTAL</b>						

**POSITIONS:**

FULL-TIME						
PART-TIME						
TEMPORARY						

**ANALYSIS :** (Attach a separate page if necessary)

Due to the substantial number of malpractice coverage filings that would be received and the time that would be required to adequately review them, the division would contract out for the review.

Prepared by: Joan Brown, Administrative Officer Phone: 465-2597  
 Division: Insurance Date: 11/30/89

Approved by Commissioner: Larry Merculieff Date: 1 Jan 90  
 Agency: Department of Commerce & Economic Development

Distribution (by preparer):  
 Legislative Finance  
 Legislative Sponsor  
 Requestor  
 Office of Management and Budget  
 Impacted Agency(ies)  
 5849D/120189b

HB 337

HOUSE LABOR AND COMMERCE COMMITTEE

ALASKA STATE LEGISLATURE

P.O. BOX Y, JUNEAU 99811

(907) 465-3892



February 6, 1990

M E M O R A N D U M

To: Members, House Labor and Commerce Committee

From: Representative Dave Donley, Chair  
House Labor and Commerce Committee

Re: Proposed CS for HB 337 (L&C)  
Work Order # 6-1322E, by Ford, dated 2/5/90

The proposed CS for HB 337 (L&C) requires all hospitals in the state to be insured under a malpractice insurance policy when the hospital:

- a. receives public funding or
- b. is required to obtain a certificate of need under AS 18.07.031 or
- c. acts under a certificate of need issued under AS 18.07.040 or 18.07.071.

Required insurance under the Act must provide minimum coverage of \$500,000 for injury or death to one person resulting from one incident and \$1,000,000 for injury or death to more than one person resulting from one incident.

dd/gbs90  
b/hb337-1

6-1322E  
Ford  
2/5/90

Original sponsor(s): Labor & Commerce Committee

1 IN THE HOUSE BY THE LABOR & COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 337 (L&C)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 SIXTEENTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act relating to malpractice insurance for hos-  
7 pitals."

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

9 \* Section 1. AS 18.20 is amended by adding a new section to read:

0 Sec. 18.20.065. MALPRACTICE INSURANCE REQUIRED. A hospital  
1 shall be insured under a malpractice insurance policy if the hospital  
2 receives public funds during the calendar year, or the hospital is  
3 required to obtain a certificate of need under AS 18.07.031, and is  
4 acting under a certificate of need issued under AS 18.07.041 or 18.-  
5 07.071. The insurance required under this section must provide cover-  
6 age in an amount not less than \$500,000 for injury or death to one  
7 person resulting from one incident, and \$1,000,000 for injury or death  
8 to two or more persons resulting from one incident.  
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