

House Study Bill 747

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
JUDICIARY BILL BY
CHAIRPERSON PAULSEN)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to medical malpractice insurance closed claim
2 reporting by an insurer providing medical malpractice
3 insurance coverage in Iowa.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 6493YC 81
6 rh/cf/24

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1 1 Section 1. NEW SECTION. 519B.1 DEFINITIONS.
1 2 1. "Claim" means a request for indemnification filed by a
1 3 health care provider.
1 4 2. "Closed claim" means a claim that has been settled or
1 5 otherwise disposed of, where the insurer has made all
1 6 indemnity and expense payments on the claim.
1 7 3. "Commissioner" means the commissioner of insurance or a
1 8 designee.
1 9 4. "Health care provider" means and includes a physician
1 10 and surgeon, osteopath, osteopathic physician and surgeon,
1 11 dentist, podiatric physician, optometrist, pharmacist,
1 12 chiropractor, or nurse licensed pursuant to chapter 147, a
1 13 hospital licensed pursuant to chapter 135B, and a nursing
1 14 facility licensed pursuant to chapter 135C.
1 15 5. "Medical malpractice insurance" means insurance
1 16 coverage against the legal liability of the insured and
1 17 against loss, damage, or expense incident to a claim arising
1 18 out of the death or injury of any person as the result of
1 19 negligence or malpractice in rendering professional service by
1 20 any health care provider.
1 21 Sec. 2. NEW SECTION. 519B.2 REPORT REQUIRED.
1 22 An insurer providing medical malpractice insurance coverage
1 23 to a health care provider or a health care provider who
1 24 maintains professional liability insurance through a self=
1 25 insurance plan shall file annually on or before March 15 a
1 26 report with the commissioner of all medical malpractice
1 27 insurance closed claims during the preceding calendar year.
1 28 Sec. 3. NEW SECTION. 519B.3 REPORT INFORMATION.
1 29 1. A report filed pursuant to section 519B.2 shall be in
1 30 writing and shall contain the following information regarding
1 31 each individual closed claim:
1 32 a. The name and address of the insured and the person
1 33 working for the insured who rendered the service which gave
1 34 rise to the claim.
1 35 b. Any specialty coverage of the insured.
2 1 c. The nature and substance of the claim.
2 2 d. The date and place of the incident giving rise to the
2 3 claim.
2 4 e. The name, address, and age of the claimant or
2 5 plaintiff.
2 6 f. The total indemnity paid categorized according to
2 7 whether the damages awarded were compensatory, or punitive.
2 8 g. The total allocated loss adjustment expenses paid.
2 9 h. The type of injury suffered by the plaintiff based upon
2 10 the following categories:
2 11 (1) Temporary emotional injury, including nervous system
2 12 injuries without physical injury.
2 13 (2) Temporary insignificant physical injury, including
2 14 lacerations, contusions, minor scars, and skin rashes.
2 15 (3) Temporary minor physical injury, including infections,
2 16 fractures, minor burns, missed or delayed diagnoses or
2 17 recoveries without complication, and hospital falls.

- 2 18 (4) Temporary major injury, including burns, retained
2 19 surgical material, and side effects from medication.
2 20 (5) Permanent minor injury, including loss of fingers and
2 21 loss of or damage to organs.
2 22 (6) Permanent significant injury, including hearing loss,
2 23 and loss of a limb, eye, kidney, or lung.
2 24 (7) Permanent major injury, including paraplegia,
2 25 blindness, loss of two limbs, and brain damage.
2 26 (8) Permanent grave injury including quadriplegia, severe
2 27 brain damage, and any injury requiring life care or with a
2 28 fatal prognosis.

2 29 (9) Death.
2 30 2. The report shall contain the following aggregate
2 31 information:

2 32 a. The number of insured health care providers and written
2 33 premiums, paid losses, earned premiums, and incurred losses
2 34 for such providers for the preceding year by medical specialty
2 35 classified according to the number of incidents, as follows:

- 3 1 (1) No incidents within the preceding five-year period.
3 2 (2) One incident within the preceding five-year period.
3 3 (3) Two incidents within the preceding five-year period.
3 4 (4) Three or more incidents within the preceding five=
3 5 year period.

3 6 b. If a verdict in a civil malpractice lawsuit has been
3 7 rendered in connection with a medical malpractice insurance
3 8 claim, the amount of the verdict shall be included in the
3 9 report filed pursuant to this section and shall provide
3 10 specific information as to whether the damages awarded were
3 11 compensatory or punitive.

3 12 c. Any other additional information as required by the
3 13 commissioner.

3 14 Sec. 4. NEW SECTION. 519B.4 PUBLIC RECORD == EXCEPTION.

3 15 A report prepared pursuant to this chapter shall be open to
3 16 the public, except that any identifying information of a
3 17 claimant shall remain confidential.

3 18 Sec. 5. NEW SECTION. 519B.5 APPLICABILITY.

3 19 As used in this chapter, "insurer" includes an insurance
3 20 company authorized to transact insurance business in this
3 21 state, an unauthorized insurance company transacting business
3 22 with an insured person in this state, a risk retention group,
3 23 an insurance company issuing insurance to or through a
3 24 purchasing group, and any other person providing insurance
3 25 coverage in this state. With respect to an unauthorized
3 26 insurer transacting business with an insured person in this
3 27 state, a surplus lines insurance broker or licensee
3 28 originating or accepting insurance in this state shall file a
3 29 report pursuant to this chapter.

3 30 EXPLANATION

3 31 This bill relates to medical malpractice insurance closed
3 32 claim reporting by an insurer providing medical malpractice
3 33 insurance coverage in Iowa.

3 34 The bill provides that an insurer providing medical
3 35 malpractice insurance coverage to a health care provider and a
4 1 health care provider who maintains professional liability
4 2 insurance through a self-insurance plan shall file annually on
4 3 or before March 15 a report with the commissioner of insurance
4 4 of all medical malpractice insurance closed claims during the
4 5 preceding calendar year which shall contain certain
4 6 individualized information, including the name and address of
4 7 the insured and the person working for the insured who
4 8 rendered the service which gave rise to the claim, specialty
4 9 coverage of the insured, the nature and substance of the
4 10 claim, the date and place of the incident giving rise to the
4 11 claim, the name, address, and age of the claimant or
4 12 plaintiff, the total indemnity paid categorized according to
4 13 whether the damages awarded were compensatory or punitive, the
4 14 total allocated loss adjustment expenses paid, and the type of
4 15 injury suffered by the plaintiff based upon certain categories
4 16 of injury.

4 17 The bill provides that the report shall contain certain
4 18 aggregate information, including the number of insured health
4 19 care providers, and written premiums, paid losses, earned
4 20 premiums, and incurred losses for such providers for the
4 21 preceding year by medical specialty classified according to
4 22 the number of incidents within the preceding five-year period.

4 23 The bill provides that if a verdict in a civil malpractice
4 24 lawsuit has been rendered in connection with a medical
4 25 malpractice insurance claim, the amount of the verdict shall
4 26 be included in the report filed pursuant to the bill and shall
4 27 provide specific information as to whether the damages awarded
4 28 were compensatory or punitive.

4 29 The bill provides that the commissioner of insurance may
4 30 require additional information in the report.
4 31 The bill provides that a report prepared pursuant to the
4 32 bill shall be open to the public, except that any identifying
4 33 information of a claimant shall remain confidential.
4 34 The bill provides that an "insurer" includes an insurance
4 35 company authorized to transact insurance business in this
5 1 state, an unauthorized insurance company transacting business
5 2 with an insured person in this state, a risk retention group,
5 3 an insurance company issuing insurance to or through a
5 4 purchasing group, and any other person providing insurance
5 5 coverage in this state. The bill provides that an
5 6 unauthorized insurer transacting business with an insured
5 7 person in this state shall also file a report pursuant to the
5 8 bill.
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5 10 rh:nh/cf/24