
DIGEST

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Shadoin

HB No. 216

Abstract: Authorizes the Patient's Compensation Fund Oversight Board to invest any portion of private monies of the Patient's Compensation Fund while maintaining timely payment of expenses and to invest the segregated fund of the Residual Malpractice Insurance Authority.

Present law (Const. Art. XII, §16) authorizes the establishment of the Patient's Compensation Fund to hold private monies in trust for the use, benefit, and protection of medical malpractice claimants and private health care provider members.

Present law establishes the Patient's Compensation Fund Oversight Board to manage, administer, operate, and defend the Patient's Compensation Fund.

Present law authorizes the board to invest private monies making up the body of the fund if the private monies are not needed to pay one and one-half times the amount of budgeted expenditures for that fiscal year.

Proposed law changes present law by deleting the limitation that the board may only invest the private monies that exceed the amount of one and one-half times the budgeted expenditures. Proposed law authorizes the board to invest any portion of private monies making up the body of the fund as long as the board is able to maintain timely payment of claims, future medical care and related benefits, and other expenses.

Present law creates the Residual Malpractice Insurance Authority to make available medical malpractice insurance to health care providers who have been refused coverage by private insurers and establishes rules for administration of the authority.

Present law directs the authority to place the surplus of premiums over losses and expenses into a segregated fund and directs the risk manager, with concurrence by the Patient's Compensation Oversight Board, to invest and reinvest those funds.

Proposed law changes present law by authorizing the board to invest and reinvest those funds.

(Amends R.S. 40:1299.44(A)(1)(b) and 1299.46(H))