



## *Synopsis of Senate Committee Amendments\**

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### **Sub. H.B. 282**

125th General Assembly  
(S. Insurance, Commerce and Labor)

Grants the Governor the authority to appoint all nine (instead of just two) members of the Medical Liability Underwriting Association's ("MLUA") Board of Governors, rather than having the Superintendent of Insurance appoint seven members as in the As Passed by the House version.

Specifically adds podiatrists as a class of health care providers (along with physicians and hospitals) eligible for malpractice insurance from the MLUA.

Prohibits an applicant physician, podiatrist, or hospital from obtaining medical liability insurance from the MLUA unless the applicant already has been turned down for medical liability insurance by two insurers authorized to write medical liability insurance in Ohio.

Permits an MLUA policy covering a physician to be cancelled during the term of the policy if fraud or material misrepresentation is discovered in connection with the physician's application or a submitted claim. Likewise, permits an MLUA policy covering a hospital to be cancelled during the term of the policy if fraud or material misrepresentation is discovered in connection with the hospital's application or a claim; also permits the policy to be cancelled if the hospital fails to meet minimum underwriting standards. These reasons for cancellation are in addition to reasons previously listed in the bill.

Authorizes the Superintendent of Insurance, or the Superintendent's designee, to visit and examine the operation of the Stabilization Reserve Fund at any time and requires the Fund to give the Superintendent or the designee free access to the Fund's books, records, files, papers, and documents as relates to the Fund's operation. Permits the Fund to summon and examine persons having knowledge of the Fund's operations, including its officers, agents, and employees, as witnesses. Continues to authorize similar examinations and actions in connection with the MLUA.

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\* This synopsis does not address amendments that may have been adopted on the Senate floor.

Allows the Superintendent of Insurance to dissolve the MLUA or to suspend its operations if the MLUA's continued operations would undermine its statutory purpose or threaten the MLUA's ability to meet its contractual obligations.

Requires the Stabilization Reserve Fund to file statements with the Superintendent of Insurance before the first day of March of each year concerning the Fund's transactions, conditions, operations, and affairs during the preceding year. Continues to require the MLUA to file similar statements.

Limits the state's liability with respect to insurance issued by the MLUA, contracts executed by the MLUA or the Stabilization Reserve Fund, and actions related to the MLUA and the Fund, to the amount paid into or earned by the MLUA and the Stabilization Reserve Fund.

Requires the Superintendent of Insurance to certify to the Director of Budget and Management the amount of cash deposited from the remaining funds of the Joint Underwriting Association to the General Revenue Fund. Requires the Director to transfer that amount from the General Revenue Fund to the Medical Liability Fund and makes appropriations for the years 2004 and 2005 that are not subject to referendum.

Declares an emergency as a result of the need to maintain physicians', podiatrists', and hospitals' access to medical liability insurance as well as Ohio residents' access to medical care providers, putting the act into immediate effect.

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