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As of: June 1, 2012 (4:23pm)

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**** Bill No. ***

Introduced By *****

By Request of the ***

**ECONOMIC AFFAIRS IC
JUNE 12, 2012
EXHIBIT 1**

A Bill for an Act entitled: "An Act removing a statutory requirement for an advisory council appointed by the insurance commissioner whenever conditions in the medical malpractice insurance voluntary market indicate a lack of competition; amending 33-23-520; and providing an immediate effective date."

Be it enacted by the Legislature of the State of Montana:

Section 1. Section 33-23-520, MCA, is amended to read:

"33-23-520. Risk management. (1) The association shall establish a risk management program for persons or entities insured by the association.

(2) The risk management program must include:

(a) standards for systematic investigation and reporting of claims and incidents; and

(b) a loss control program. The loss control program must include procedures for:

(i) analysis of claim frequency, severity, and causes of loss;

(ii) identification of situations that may produce large losses;

(iii) development of measures to control losses;

(iv) monitoring of the effectiveness of the loss control

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measures that are implemented; and

(v) education of insured health care providers and health care facilities on methods to reduce or prevent losses.

(3) The commissioner ~~shall~~ may appoint an advisory council ~~consisting of three health care providers and three professional insurance risk managers~~ to provide advice to the association on risk management activities."

{Internal References to 33-23-520: None.}

NEW SECTION. Section 2. {standard} Effective date. [This act] is effective on passage and approval.

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