

1 SENATE JOINT RESOLUTION NO. 32

2 INTRODUCED BY GRIMES

3 BY REQUEST OF THE SENATE JUDICIARY STANDING COMMITTEE

4
 5 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF
 6 MONTANA REQUESTING THE LEGISLATIVE COUNCIL TO APPOINT AN INTERIM COMMITTEE OR DIRECT
 7 STAFF RESOURCES TO STUDY THE ~~RELATIONSHIP BETWEEN COSTS AND AVAILABILITY OF~~
 8 ~~PROFESSIONAL LIABILITY INSURANCE FOR HEALTH CARE FACILITIES AND HEALTHCARE PROVIDERS~~
 9 ~~ASSOCIATED WITH HEALTH CARE FACILITIES; EXISTING OR POTENTIAL RELATED TORT REFORM~~
 10 ~~MEASURES, AND ACCESS TO AFFORDABLE HEALTH CARE IN MONTANA; AND REQUIRING A REPORT~~
 11 OF THE FINDINGS OF THE STUDY TO THE 59TH LEGISLATURE.
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13 WHEREAS, many health care providers in Montana are alarmed at the rising cost of ~~professional~~ liability
 14 insurance; and

15 WHEREAS, the Legislature has determined that a shortage of health care providers in the state and an
 16 inability to attract health care providers to the state would pose a serious threat to the health, welfare, and safety
 17 of the people of the state; and

18 WHEREAS, the number of insurance carriers that provide ~~professional~~ liability insurance for hospitals,
 19 clinics, and nursing homes has declined significantly in the past few years; and

20 WHEREAS, dramatic hikes in the prices paid by hospitals, clinics, and nursing homes for ~~professional~~
 21 liability insurance, in some cases by as much as 1,000% over the past 2 years, ~~are~~ MAY BE a major contributor
 22 to the escalation in the cost of providing medical treatment; and

23 WHEREAS, increased premiums for ~~professional~~ liability insurance for health care facilities and HEALTH
 24 CARE providers ASSOCIATED WITH HEALTH CARE FACILITIES ~~are~~ MAY BE forcing physicians and other providers in
 25 ~~rural areas~~ of Montana to consider curtailing certain medical services; and

26 ~~WHEREAS, the National Council of State Legislatures has identified seven methods of cost~~
 27 ~~containment, of which Montana does not have two -- limits on attorney fees and expert witness criteria; and~~

28 WHEREAS, the State of Montana has a compelling state interest in ensuring that affordable health care
 29 is available for its citizens, and stabilization of premiums for ~~professional~~ liability insurance for health care
 30 facilities and HEALTH CARE providers ASSOCIATED WITH HEALTH CARE FACILITIES will contribute toward cost

1 containment for health care for Montana citizens.

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3 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF
4 THE STATE OF MONTANA:

5 That the Legislative Council be requested to designate an appropriate interim committee, pursuant to
6 section 5-5-217, MCA, or direct sufficient staff resources to study the ~~relationship between~~ costs AND AVAILABILITY
7 of ~~professional~~ liability insurance for health care facilities and HEALTH CARE providers, ~~existing or potential related~~
8 ~~tort reform measures, and access to affordable health care in Montana~~ ASSOCIATED WITH HEALTH CARE FACILITIES.

9 The study must include:

10 (1) a review of measures adopted by other states to address the ~~professional~~ liability insurance
11 problems related to ~~professional~~ liability insurance for health care facilities and HEALTH CARE providers
12 ASSOCIATED WITH HEALTH CARE FACILITIES;

13 (2) strategies for increasing ~~access to~~ AVAILABILITY OF affordable liability coverage, including alternative
14 sources of liability coverage, ~~especially for health care facilities and providers in rural communities~~;

15 (3) the ~~relationship between~~ FACTORS AFFECTING the cost of liability insurance for health care facilities
16 and HEALTH CARE providers ASSOCIATED WITH HEALTH CARE FACILITIES; and ~~potential related tort reform measures~~;

17 (4) ~~additions to the state's liability reforms already in place~~; and

18 (5)(4) strategies for resolving liability claims outside of the court system ~~and for preventing the filing of~~
19 ~~frivolous claims, including revisions to the Montana Medical Legal Panel~~.

20 BE IT FURTHER RESOLVED, that the study committee or staff be directed to request information and
21 assistance from representatives of the insurance industry related to professional liability insurance for health
22 care facilities and HEALTH CARE providers ASSOCIATED WITH HEALTH CARE FACILITIES, medical services facilities and
23 providers, associations of trial and defense attorneys, and other interested persons.

24 BE IT FURTHER RESOLVED, that the committee or staff be directed to develop a specific list of options
25 for consideration, including an option of no action, to be considered for recommendation to the 59th Legislature.

26 BE IT FURTHER RESOLVED, that, if the study is assigned to staff, any findings or conclusions be
27 presented to and reviewed by an appropriate committee designated by the Legislative Council.

28 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review
29 requirements, be concluded prior to September 15, 2004.

30 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,

1 comments, or recommendations of the appropriate committee, be reported to the 59th Legislature.

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