



Alaska State Legislature

Senate Majority Web: www.akrepublicans.org

Sponsor: Senator Ralph Seekins
Current Version: HCS CSSB 67 (FIN) (efd fld)
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Fact Sheet for: Senate Bill 67

Short Title: CLAIMS AGAINST HEALTH CARE PROVIDERS

Summary:

- Caps noneconomic damage awards made against health care providers based on a two-step scale: damage awards arising out of wrongful death or severe permanent physical impairment that is more than 70% disabling are limited to \$400,000 while all other noneconomic damage awards are limited to \$250,000.
- A single course of treatment resulting in multiple injuries is treated as a single injury.
- Expands the meaning of "health care provider" to include state agencies and municipalities where health care services may be subject to an action falling within the scope of the bill.

Benefits:

- Helps control health care costs for all sectors.
- Helps the state attract and maintain a qualified pool of physicians.
- Promotes prompt resolution of claims, thereby reducing the costs of protracted litigation.
- Helps ensure the availability of malpractice insurance by controlling costs and encouraging malpractice carriers to do business in the state.

Background:

- Limiting nonquantifiable damages provides more reasonable and uniform awards and a more stable base on which to calculate medical liability insurance rates. Alaska has recently lost all but two of its medical malpractice insurance carriers. The remaining companies regularly re-evaluate the business case for continuing to offer med-mal insurance in this state. Loss of one or both carriers would devastate the health care industry in Alaska. What's more, as we attempt to attract a new generation of physicians to Alaska, our current med-mal rates place us at a comparative disadvantage to other states.