

SENATE BILL REPORT

ESHB 2337

**AS REPORTED BY COMMITTEE ON HEALTH & LONG-TERM CARE,
FEBRUARY 26, 1992**

Brief Description: Providing malpractice insurance for retired physicians serving low-income patients.

SPONSORS: House Committee on Health Care (originally sponsored by Representatives Morris, Moyer, Paris, Casada, Franklin, Braddock, Ebersole, H. Myers, Schmidt, Appelwick, Ogden, Locke, Hargrove, Edmondson, D. Sommers, Cantwell, Hochstatter, Rasmussen, Forner, R. Johnson, Zellinsky, Rayburn, Nealey, Heavey, Wineberry, Chandler, Roland, J. Kohl, Ludwig, Mitchell, Orr, Spanel, May, Leonard, Haugen, Ferguson, Sprenkle, Miller, O'Brien and Anderson)

HOUSE COMMITTEE ON HEALTH CARE

HOUSE COMMITTEE ON APPROPRIATIONS

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: Do pass as amended.

Signed by Senators West, Chairman; M. Kreidler, Niemi, Sumner, and Wojahn.

Staff: Scott Plack (786-7409)

Hearing Dates: February 24, 1992; February 26, 1992

BACKGROUND:

The current shortage of primary health care providers has produced an acute shortage of these practitioners in low income clinics which include nonprofit community health centers and public health department clinics. These facilities provide care on a sliding scale fee basis to patients who contribute financially according to their income. In some communities, retired physicians have provided their services to clinics without compensation. In doing so, these physicians are providing needed health care services to the low income populations who might otherwise be unable to afford medical care through a private physician. One barrier to the further use of retired physicians in these settings is the high cost of malpractice liability insurance.

SUMMARY:

The Department of Health (DOH) is directed to purchase and maintain liability insurance for retired physicians who provide primary care without compensation to low income persons at community clinics. The department is required to contract with an insurer for providing the coverage, but the insurer may refuse to cover the physician for claims

experience or other appropriate reasons. The state is immune from suit for claims against clinics or physicians, and claims based upon the performance of official acts within its responsibilities.

DOH is required to monitor the claims experience of participating physicians and may provide liability insurance to the extent funds are appropriated by the Legislature.

The department is authorized to establish by rule the conditions for participation by physicians in the liability program. In addition, there are several mandated conditions. The physician must be currently licensed as a retiree and must limit practice to primary non-invasive care procedures. However, injections, incisions and suturing are included. The liability insurance provided covers only acts within this scope of practice. Participating physicians must serve low income individuals through community clinics without compensation.

Mediation and arbitration agreements for resolving questions of liability may be used. However, any format must be on one page and clear enough for a person with a sixth grade education to understand.

The act is null and void if it is not specifically funded in the supplemental operating budget by June 30, 1992.

Appropriation: none

Revenue: none

Fiscal Note: available

SUMMARY OF PROPOSED SENATE AMENDMENTS:

The Department of Health is granted permissive authority to establish the program subject to funding through a legislative appropriation. The immunity provisions are clarified to specifically exclude physicians or clinics who participate in the program. The null and void clause is removed.

TESTIMONY FOR:

There is a shortage of physicians who serve low-income population. Retired physicians can help address this shortage, but liability insurance costs discourage many from offering their services.

TESTIMONY AGAINST: None

TESTIFIED: PRO: Samuel T. Beall, M.D., Community Health Clinic, Vancouver, WA; Vern Gibbs, Dept. of Health; Roy Pearson, M.D.; Cliff Webster, WSMA; Michele Radosevich, WSTLA; Jeff Larsen, WA Osteopathic Medical Assn.