SENATE BILL 895

C4, L6   1lr0475

By: **Senator Madaleno**
Introduced and read first time: February 21, 2011
Assigned to: Rules

A BILL ENTITLED

1   AN ACT concerning

2   **Medical Professional Liability Insurance for Nonprofit Health Care**
3   **Providers**

4   FOR the purpose of requiring counties to provide certain minimum amounts of
5   medical professional liability insurance coverage for certain nonprofit health
6   care providers; providing for the construction of certain provisions of this Act;
7   defining certain terms; and generally relating to medical professional liability
8   insurance for certain nonprofit health care providers.

9   BY adding to
10   Article – Insurance
11   Section 19–104.1
12   Annotated Code of Maryland
13   (2006 Replacement Volume and 2010 Supplement)

14   SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
15   MARYLAND, That the Laws of Maryland read as follows:

16   **Article – Insurance**

17   **19–104.1.**

18   (A)   IN THIS SECTION, "NONPROFIT HEALTH CARE PROVIDER" MEANS
19   AN ORGANIZATION, INSTITUTION, ASSOCIATION, SOCIETY, OR CORPORATION
20   THAT IS EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL
21   REVENUE CODE, EXCEPT A LICENSED HOSPITAL, THAT:

22   (1)   PROVIDES HEALTH CARE SERVICES;

23   (2)   IS NOT COVERED BY THE FEDERAL TORT CLAIMS ACT; AND

1   **(3)   HAS BEEN APPROVED BY THE COUNTY.**

2   **(B)   A COUNTY SHALL PROVIDE A NONPROFIT HEALTH CARE PROVIDER**
3 **WITHIN   ITS   JURISDICTION   WITH   MEDICAL   PROFESSIONAL   LIABILITY**
4 **INSURANCE THAT PROVIDES COVERAGE IN THE AMOUNT OF:**

5   **(1) $200,000 PER OCCURRENCE OR CLAIM; AND**

6   **(2) $500,000 PER TOTAL CLAIMS THAT ARISE FROM THE SAME**
7 **OCCURRENCE.**

8   **(C)   THIS SECTION MAY NOT BE CONSTRUED AS LIMITING THE LIABILITY**
9 **OF A NONPROFIT HEALTH CARE PROVIDER TO THE AMOUNT OF COVERAGE**
10 **DESIGNATED IN SUBSECTION (B) OF THIS SECTION.**

11   SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2011.