

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

Senate Bill 711 (Senator Madaleno)
Judicial Proceedings

Local Government Tort Claims Act - Primary Care Coalition of Montgomery
County

This bill alters the definition of “local government” under the Local Government Tort Claims Act (LGTC) to include the Primary Care Coalition of Montgomery County (PCC) serving as a primary care agency for Montgomery County pursuant to a contract or memorandum of understanding with Montgomery County, but not including any hospital affiliated with the coalition. PCC is exempt from the notice requirement for actions for unliquidated damages under LGTC.

The bill applies prospectively and may not be applied to or have any effect on a cause of action arising before the bill’s October 1, 2013 effective date.

Fiscal Summary

State Effect: The bill does not materially affect State finances.

Local Effect: The bill does not materially affect local finances. Montgomery County advises that it does not anticipate a significant fiscal impact from the bill.

Small Business Effect: None.

Analysis

Current Law: LGTC defines local government to include counties, municipal corporations, Baltimore City, and various agencies and authorities of local governments such as community colleges, county public libraries, special taxing districts, nonprofit community service corporations, sanitary districts, housing authorities, and commercial district management authorities.

LGTCAs limits the liability of a local government to \$200,000 per individual claim and \$500,000 per total claims that arise from the same occurrence for damages from tortious acts or omissions (including intentional and constitutional torts). It further establishes that the local government is liable for the tortious acts or omissions of its employees acting within the scope of employment. Thus, LGTCA prevents local governments from asserting a common law claim of governmental immunity from liability for such acts or omissions of its employees.

LGTCA also requires that an action for unliquidated damages be brought within 180 days after the injury. However, this notice requirement does not apply to actions against specified nonprofit corporations covered under LGTCA.

As previously stated, if an individual is eligible for coverage under LGTCA, the local government's tort liability is capped at \$200,000 for an individual claim and \$500,000 per total claims that arise from the same occurrence. However, for causes of action arising during calendar 2010 that are not covered by LGTCA, State law limits noneconomic damages to \$725,000 for health care malpractice claims and \$906,250 for claims of wrongful death that meet certain criteria. These limits increase annually as specified in statute.

Background: PCC is an independent, nonprofit organization committed to providing health care to low-income uninsured, ethnically diverse residents of Montgomery County. PCC does not provide medical care. PCC provides access to health care by working with the county's health department, the county's five hospitals, a network of 11 nonprofit community clinics, school-based health centers, and other providers.

PCC's network has two major access programs: Montgomery Cares and Care for Kids. Montgomery Cares is a public/private program that provides primary health care services to uninsured adults in the county. Care for Kids provides health care services to children of low-income families who cannot afford private health insurance and are not eligible for federal or State health care programs. Sixty percent of the adults served by Montgomery Cares have incomes that are below the federal poverty level (\$23,550 for a family of four). Ninety-three percent of the families of children in the Care for Kids program have incomes below 185% of the federal poverty level.

According to the U.S. Census Bureau, the median household income in Montgomery County from 2007 to 2011 was \$95,660.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Montgomery County, Primary Care Coalition of Montgomery County, U.S. Census Bureau, Department of Legislative Services

Fiscal Note History: First Reader - February 17, 2013
mc/kdm

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