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By: **Delegate Flanagan**

Introduced and read first time: February 11, 2000

Assigned to: Economic Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Health Care Foundation - Medical Malpractice Insurance for**  
3 **Retired Volunteer Physicians Program**

4 FOR the purpose of requiring the Maryland Health Care Foundation to establish a  
5 program to purchase and maintain medical malpractice insurance for retired  
6 physicians who meet certain requirements; requiring the Foundation to contract  
7 only with certain medical malpractice insurers; authorizing the Foundation to  
8 monitor the claims experience of retired physicians covered by malpractice  
9 insurers that contract with the Foundation; establishing certain limitations on  
10 the provision of medical malpractice insurance under the program; providing for  
11 the effect of this Act; defining certain terms; and generally relating to the  
12 establishment of a program to purchase and maintain medical malpractice  
13 insurance for retired volunteer physicians.

14 BY adding to  
15 Article - Health - General  
16 Section 20-511  
17 Annotated Code of Maryland  
18 (1996 Replacement Volume and 1999 Supplement)

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

21 **Article - Health - General**

22 20-511.

23 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS  
24 INDICATED.

25 (2) "CHARITABLE ORGANIZATION" MEANS AN ORGANIZATION,  
26 INSTITUTION, ASSOCIATION, SOCIETY, OR CORPORATION THAT IS EXEMPT FROM  
27 TAXATION UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE, EXCEPT LICENSED  
28 HOSPITALS.

1           (3)    (I)    "COMPENSATION" MEANS ANY REMUNERATION OF VALUE TO A  
2 PHYSICIAN FOR HEALTH CARE SERVICES PROVIDED BY THE PHYSICIAN AT A CLINIC  
3 OWNED OR OPERATED BY A CHARITABLE ORGANIZATION.

4           (II)   "COMPENSATION" DOES NOT INCLUDE ACTUAL AND  
5 NECESSARY EXPENSES THAT ARE INCURRED BY A PHYSICIAN IN CONNECTION WITH  
6 THE HEALTH CARE SERVICES PROVIDED BY THE PHYSICIAN, AND THAT ARE  
7 REIMBURSED TO THE PHYSICIAN OR OTHERWISE PAID.

8           (4)    (I)    "PRIMARY CARE" MEANS FAMILY PRACTICE, GENERAL  
9 INTERNAL MEDICINE, AND GENERAL PEDIATRICS.

10           (II)   "PRIMARY CARE" INCLUDES INJECTIONS, SUTURING OF MINOR  
11 LACERATIONS, INCISIONS OF BOILS OR SUPERFICIAL ABSCESSSES, AND OTHER  
12 NONINVASIVE PROCEDURES.

13           (III)  "PRIMARY CARE" DOES NOT INCLUDE OBSTETRICAL CARE OR  
14 ANY SPECIALIZED CARE OR TREATMENT.

15    (B)    THIS SECTION DOES NOT REQUIRE A MEDICAL MALPRACTICE INSURER TO  
16 PROVIDE COVERAGE TO A PHYSICIAN IF THE INSURER DETERMINES THAT  
17 COVERAGE SHOULD NOT BE OFFERED TO THE PHYSICIAN BECAUSE OF PAST CLAIMS  
18 EXPERIENCE OR FOR OTHER APPROPRIATE REASONS.

19    (C)    THE FOUNDATION SHALL ESTABLISH A PROGRAM TO PURCHASE AND  
20 MAINTAIN MEDICAL MALPRACTICE INSURANCE FOR RETIRED PHYSICIANS WHO:

21           (1)    ARE LICENSED TO PRACTICE MEDICINE IN THE STATE;

22           (2)    PROVIDE HEALTH CARE SERVICES AT A CLINIC THAT IS OWNED OR  
23 OPERATED BY A CHARITABLE ORGANIZATION;

24           (3)    LIMIT THEIR SCOPE OF PRACTICE AT THE CLINIC TO PRIMARY CARE;

25           (4)    PROVIDE HEALTH CARE SERVICES AT THE CLINIC VOLUNTARILY  
26 AND WITHOUT COMPENSATION; AND

27           (5)    MEET ANY OTHER REQUIREMENTS THE FOUNDATION MAY  
28 ESTABLISH.

29    (D)    (1)    THE FOUNDATION SHALL CONTRACT ONLY WITH MEDICAL  
30 MALPRACTICE INSURERS AUTHORIZED TO ISSUE MEDICAL MALPRACTICE  
31 INSURANCE IN THE STATE.

32           (2)    THE FOUNDATION MAY MONITOR THE CLAIMS EXPERIENCE OF  
33 RETIRED PHYSICIANS COVERED BY MEDICAL MALPRACTICE INSURERS THAT  
34 CONTRACT WITH THE FOUNDATION.

1 (E) THE PROVISION OF MEDICAL MALPRACTICE INSURANCE COVERAGE  
2 UNDER THE PROGRAM SHALL NOT EXTEND TO ACTS OUTSIDE THE SCOPE OF  
3 RENDERING HEALTH CARE SERVICES PURSUANT TO THIS SECTION.

4 (F) THE FOUNDATION MAY PROVIDE MEDICAL MALPRACTICE INSURANCE  
5 COVERAGE UNDER THE PROGRAM ONLY TO THE EXTENT THAT FUNDS ARE  
6 PROVIDED FOR THIS PURPOSE IN THE STATE BUDGET.

7 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
8 October 1, 2000.