

STABILIZATION FUND QUESTIONS

- (1) How much will it cost to capitalize this fund? How much are the physicians and other health care providers going to pay to make the fund actuarially sound? After the membership fees and surcharges are levied, will there truly be a significant savings for the providers?
- (2) There is fear that a Missouri fund will be just another unaffordable insurance policy if there isn't a good tort system underneath it. What if Missouri's new tort law - or even substantial parts of it - are struck down by the courts?
- (3) How would this impact health care providers that are state employees (e.g., psychiatrists who work in state mental health facilities)? Currently they are covered by the state legal expense fund and therefore are not self-insured and do not have insurance coverage per se. Would they be required to participate?
- (4) How will this impact physicians who are hospital employees (including physicians who are in residency training) and don't necessarily have their own insurance policy? The hospital may be self-insured, but are the individual employees considered self-insured?
- (5) What about out-of-state physicians who are licensed in Missouri - or retired physicians in Missouri who don't practice but maintain a license? The bill that was proposed this year required all licensed health care providers to participate whether or not they were actively practicing.
- (6) Regarding the fund's policies, will physicians have the right to consent to a settlement? Who controls the defense lawyers; the fund or the physician?
- (7) How do physicians transition from private insurance to the fund? Many will be in the middle of a policy year when the new law would go into effect. Will there be a phase-in period?
- (8) How would this impact prior acts/tail coverage? When Kansas created its fund, all of the physicians were coming off of occurrence policies. Tail coverage wasn't an issue. Now all the physicians will be coming off of claims-made policies, and tail coverage - with its considerable risks - will be a factor.
- (9) Would physicians who are self-insured or currently carry less than \$200,000 in insurance be required to buy more? (The "self-insured" providers might be exempt, but in Kansas it is primarily the large hospitals that are allowed to consider themselves "self-insured.")