

State Corporation Commission 2005 Fiscal Impact Statement

1. Bill Number HB2718

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Morgan

3. Committee Commerce and Labor

4. Title Reporting medical malpractice claims to State Corporation Commission.

5. Summary/Purpose: Requires all medical malpractice claims settled or adjudicated to final judgment as well as all claims closed without payment to be reported annually to the Commission. These claims must be reported by the insurer. A statistical summary must be provided as well as individual reports on each claim. The bill requires these reports to be submitted in an electronic format prescribed by the Commission.

6. Minimal Fiscal Impact on the State Corporation Commission: see Line 8.

7. Budget amendment necessary: No

8. Fiscal implications: House Bill 2718 requires the State Corporation Commission Bureau of Insurance to develop data calls, collect and aggregate data. The cost for the Bureau's consulting actuaries to analyze the data would increase Bureau actuarial costs approximately \$15,000 to \$20,000 per year for the analysis of the closed claims data. The Bureau of Insurance would pay the increased actuarial costs out of its existing actuarial budget.

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: House Bill 2718 would add to the Code of Virginia language very similar to what was § 38.2-2228.1, which was repealed a number of years ago. The information reported would assist the Bureau of Insurance in determining how claims frequency and severity is trending over time with regard to certain medical specialties. House Bill 2718 is similar to 2005 House Bill 1903, House Bill 1953, House Bill 2659, and Senate Bill 1173.

Date: 01/17/05 / V. Tompkins

cc: Secretary of Commerce and Trade

cc: Secretary of Health and Human Resources