
SENATE CONCURRENT RESOLUTION

REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO CONDUCT AN
INTERIM STUDY OF THE NEED FOR GREATER REGULATION OF THE
MEDICAL MALPRACTICE INSURANCE INDUSTRY IN HAWAII AND TO
PROPOSE NEEDED REFORMS.

1 WHEREAS, Hawaii is having difficulty attracting and
2 retaining physicians, particularly those with specialty
3 practices subject to high medical malpractice insurance premiums
4 such as obstetrics, gynecology, and trauma care; and

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6 WHEREAS, this problem is reaching crisis proportions,
7 especially on the Neighbor Islands, and is making it
8 increasingly likely that Hawaii residents will not receive the
9 timely, quality medical care that they need; and

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11 WHEREAS, the Legislature has in the past considered
12 measures to reduce the high cost of medical malpractice
13 insurance by addressing traditional tort reform issues, such as
14 joint and several liability, limits on non-economic damage
15 awards and attorneys' fees, and the admissibility of apology
16 statements by health care practitioners; and

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18 WHEREAS, there is a growing awareness among the states of a
19 need to make medical malpractice insurance providers more
20 accountable and to impose controls on insurance premium rates;
21 and

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23 WHEREAS, many other states are studying the problem of the
24 high cost of medical malpractice insurance and have proposed or
25 enacted legislation to address the need to increase the
26 regulation and transparency of the medical malpractice insurance
27 industry; and

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29 WHEREAS, the rising cost of medical malpractice insurance
30 in Hawaii must be addressed to ensure the availability of
31 timely, quality medical care; now, therefore,
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1 BE IT RESOLVED by the Senate of the Twenty-third
2 Legislature of the State of Hawaii, Regular Session of 2006, the
3 House of Representatives concurring, that the Legislative
4 Reference Bureau conduct a study of the rising cost of medical
5 malpractice insurance in Hawaii to evaluate the need to increase
6 the regulation and transparency of the Hawaii medical
7 malpractice insurance industry and to propose needed reforms;
8 and
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10 BE IT FURTHER RESOLVED that the study shall include a
11 comparison of recommendations and measures pending or adopted in
12 other states to address the problem, including measures:
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- 14 (1) Setting standards and criteria for medical malpractice
15 insurance rates and rate administration;
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- 17 (2) Providing an opportunity for insureds to request a
18 public hearing on medical malpractice insurers'
19 requests for rate increases;
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- 21 (3) Requiring medical malpractice insurers to file
22 specified reports with the Insurance Commissioner,
23 including reports about claims made and paid, and
24 imposing penalties for failure to file;
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- 26 (4) Requiring the Insurance Commissioner to make
27 information in medical malpractice insurers' reports
28 available to the public; and
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- 30 (5) Creating medical malpractice insurance assistance
31 funds, funded by medical professionals or the State;
32 and
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34 BE IT FURTHER RESOLVED that the study shall include
35 recommendations for proposed legislation, if any; and
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37 BE IT FURTHER RESOLVED that the Legislative Reference
38 Bureau is requested to confer with Hawaii health care
39 professionals, representatives of appropriate health care
40 organizations, and the legal community to obtain their
41 perspective and insights; and
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43 BE IT FURTHER RESOLVED that the Insurance Commissioner is
44 requested to consult with the Legislative Reference Bureau and



1 provide assistance to accomplish the purposes of this measure;
2 and

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4 BE IT FURTHER RESOLVED that the Legislative Reference
5 Bureau is requested to report findings and recommendations,
6 including any proposed legislation, to the Legislature no later
7 than thirty days prior to the convening of the Regular Session
8 of 2007; and

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10 BE IT FURTHER RESOLVED that certified copies of this
11 Concurrent Resolution be transmitted to the Acting Director of
12 the Legislative Reference Bureau and the Insurance Commissioner.

