
A BILL FOR AN ACT

RELATING TO MEDICAL LIABILITY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 PART I

2 SECTION 1. Chapter 671, Hawaii Revised Statutes, is
3 amended by adding a new section to be appropriately designated
4 and to read as follows:

5 "§671- Limitation on noneconomic damages. (a)

6 Notwithstanding section 663-8.7, noneconomic damages as defined
7 in section 663-8.5 shall be limited in medical tort actions to a
8 maximum award of \$250,000; provided that a plaintiff may
9 petition the court for consideration of catastrophic damages.
10 If catastrophic damages are granted, such noneconomic damages
11 shall be limited to a maximum award of \$3,000,000.

12 (b) As used in this section, "catastrophic damages" means
13 irreversible, life-altering injuries to an individual, such as
14 anoxic brain injury, permanent paralysis, or other conditions as
15 determined by the department of health."

16 PART II

17 SECTION 2. (a) The legislature finds that the limitation
18 on noneconomic damages in Part I of this Act will result in



1 significant reductions in the cost of medical malpractice
2 insurance. More specifically, the legislature finds that this
3 limitation should yield a reduction of per cent in
4 medical malpractice insurance premium costs.

5 (b) By December 1, 2011, all authorized insurers providing
6 medical malpractice insurance shall:

7 (1) Implement a per cent reduction on the amount
8 paid for medical malpractice insurance premiums; and

9 (2) Lower the premium cost for all applicable insurance
10 coverages to reflect the amendments made in Part I of
11 this Act.

12 (c) All rates for medical malpractice insurance shall
13 comply with the provisions of the casualty rating law contained
14 in chapter 431, Hawaii Revised Statutes.

15 (d) No medical malpractice insurance policy to which the
16 reductions under this section apply shall be canceled by the
17 insurer prior to the expiration of the agreed term of the policy
18 or one year after the effective date of the policy or renewal,
19 whichever is less, solely because of the enactment of this Act.



1 PART III
2 SECTION 3. This Act does not affect rights and duties that
3 matured, penalties that were incurred, and proceedings that were
4 begun before its effective date.

5 SECTION 4. New statutory material is underscored.

6 SECTION 5. This Act shall take effect upon its approval.
7

INTRODUCED BY: Cindy Evans
JAN 21 2011

Report Title:

Medical Liability; Noneconomic Damages; Malpractice Insurance

Description:

Generally limits noneconomic damages in medical tort actions to \$250,000, with a limit of \$3,000,000 in actions involving catastrophic damages; requires the reduction of medical malpractice insurance premiums.

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