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FISCAL IMPACT REPORT

| SVONSOR: | Adair | DATE TYPED: | 1/22/02 | HB | |
|--------------|---------------------------|-------------|---------|----|--------|
| SHORT TITLE: | Amend Medical Malpractice | | | SB | 60 |
| | ANALYST: | | | | Wilson |

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|------|-----------------------------|------|-------------------------|------------------|
| FY02 | FY03 | FY02 | FY03 | | |
| NFI | | | | | |

SOURCES OF INFORMATION

Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

SB 60 relates to Medical Malpractice, amending the Medical Malpractice Act to include certified nurse practitioners within the definition of "Health Care Provider."

Significant Issues

SB 60 may provide additional protections to certified nurse practitioners in malpractice claims. If a nurse practitioners chooses to participate in the Medical Malpractice Act, it may increase the financial burden on certified nurse practitioners in small or independent practices, because the act requires the purchase of malpractice insurance that may impose a higher premium. Providers are required to pay a surcharge assessed for the Patients Compensation Fund.

OTHER SUBSTANTIVE ISSUES

The Health Policy Commission has provided the following:

- SB 60 may encourage more individuals to train and practice as certified nurse practitioners by reducing the burden of malpractice risk to both the individual provider and to potential employers.
- SB 60 may encourage employers to hire certified nurse practitioners, (who may currently be perceived as performing duties that increase risk of malpractice

Senate Bill 60-- Page 2

claims without the availability of protection under the Malpractice Act), thereby, reducing overall health care costs.

• SB 60 may potentially discourage the hiring of nurse practitioners by employers if they perceive the increased malpractice premiums for those employees to qualify under the Medical Malpractice Act as a financial burden.

DW/prr