

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 343
SENATE BILL 246

AN ACT TO REINSTATE THE 1976 PROFESSIONAL LIABILITY REPORTING
ACT AND TO AUTHORIZE THE COMMISSIONER OF INSURANCE TO
CONDUCT STUDIES OF MEDICAL MALPRACTICE CLAIMS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 58-21.1 is rewritten to read:

"§ 58-21.1. **Annual statements by professional liability insurers; medical malpractice claim reports.**—(a) In addition to the financial statements required by G.S. 58-21, every insurer, self-insurer, and risk retention group that provides professional liability insurance in the State shall file with the Commissioner, on or before the first day of February in each year, in form and detail as the Commissioner prescribes, a statement showing the items set forth in subsection (b) of this section, as of the preceding 31st day of December. The annual statement shall not be reported or disclosed to the public in a manner or format which identifies or could reasonably be used to identify any individual health care provider or medical center. The statement shall be signed and sworn to by the chief managing agent or officer of the insurer, self-insurer, or risk retention group, before the Commissioner or some officer authorized by law to administer oaths. The Commissioner shall, in December of each year, furnish to each such person that provides professional liability insurance in the State forms for the annual statements. The Commissioner may, for good cause, authorize an extension of the report due date upon written application of any person required to file. An extension is not valid unless the Commissioner's authorization is in writing and signed by the Commissioner or one of his deputies.

- (b) The statement required by subsection (a) of this section shall contain:
- (1) Number of claims pending at beginning of year;
 - (2) Number of claims pending at end of year;
 - (3) Number of claims paid;
 - (4) Number of claims closed no payment;
 - (5) Number and amounts of claims in court in which judgment paid:
 - a. Highest amount
 - b. Lowest amount
 - c. Average amount
 - d. Median amount;
 - (6) Number and amounts of claims out of court in which settlement paid:
 - a. Highest amount
 - b. Lowest amount

- c. Average amount
- d. Median amount;
- (7) Average amount per claim set up in reserve;
- (8) Total premium collection;
- (9) Total expenses less reserve expenses; and
- (10) Total reserve expenses.

(c) Every insurer, self-insurer, and risk retention group that provides professional liability insurance to health care providers in this State shall file, within 90 days following the request of the Commissioner, a report containing information for the purpose of allowing the Commissioner to analyze claims. The report shall be in the form prescribed by the Commissioner. The form prescribed by the Commissioner shall be a form that permits the public inspection, examination, or copying of any information contained in the report: Provided, however, that any data or other characteristics that identify or could be used to identify the names or addresses of the claimants or the names or addresses of the individual health care provider or medical center against whom the claims are or have been asserted or any data that could be used to identify the dollar amounts involved in such claims shall be treated as privileged information and shall not be made available to the public. The Commissioner shall analyze these reports and shall file statistical and other summaries based on these reports with the General Assembly as soon as practicable after receipt of the reports. The Commissioner shall assess a penalty against any person that willfully fails to file a report required by this subsection. Such penalty shall be one thousand dollars (\$1,000) for each day after the due date of the report that the person willfully fails to file: Provided, however, the penalty for an individual who self insures shall be two hundred dollars (\$200.00) for each day after the due date of the report that the person willfully fails to file: Provided, however, that upon the failure of a person to file the report as required by this subsection, the Commissioner shall send by certified mail, return receipt requested, a notice to that person informing him that he has 10 business days after receipt of the notice to either request an extension of time or file the report. The Commissioner may, for good cause, authorize an extension of the report due date upon written application of any person required to file. An extension is not valid unless the Commissioner's authorization is in writing and signed by the Commissioner or one of his deputies.

(d) Every person that self-insures against professional liability in this State shall provide the Commissioner with written notice of such self-insurance, which notice shall include the name and address of the person self-insuring. This notice shall be filed with the Commissioner each year for the purpose of apprising the Commissioner of the number and locations of persons that self-insure against professional liability."

Sec. 2. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 12th day of June, 1987.