

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1934 Session of
1977

INTRODUCED BY KOWALYSHYN, DECEMBER 5, 1977

REFERRED TO COMMITTEE ON INSURANCE, DECEMBER 5, 1977

AN ACT

1 Amending the act of October 15, 1975 (P.L.390, No.111), entitled
2 "An act relating to medical and health related malpractice
3 insurance, prescribing the powers and duties of the Insurance
4 Department; providing for a joint underwriting plan; the
5 Arbitration Panels for Health Care, compulsory screening of
6 claims; collateral sources requirement; limitation on
7 contingent fee compensation; establishing a Catastrophe Loss
8 Fund; and prescribing penalties," further defining "primary
9 health center" and further providing for the authority of the
10 insurance commissioner.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. The definition of "primary health center" in
14 section 103, act of October 15, 1975 (P.L.390, No.111), known as
15 the "Health Care Services Malpractice Act," amended July 15,
16 1976 (P.L.1028, No.207), is amended to read:

17 Section 103. Definitions.--As used in this act:

18 * * *

19 "Primary health center" means a community-based nonprofit
20 corporation meeting standards prescribed by the Department of
21 Health, which provides preventive, diagnostic, therapeutic, and
22 basic emergency health care by licensed practitioners who are

employees of the corporation or under contract to the corporation and shall also include, but not be limited to, all mental health and retardation and drug and alcoholism service providers contracting with counties as part of the counties' mental health and retardation or drug and alcoholism plan, or both, providing that the contract agencies are approved or licensed, as appropriate, by either the Department of Public Welfare or the Governor's Council on Drug and Alcohol Abuse.

* * *

Section 2. Section 804 of the act is amended to read:

Section 804. Authority of Insurance Commissioner.--To carry out the objectives of this article, the commissioner may adopt rules, make orders, enter into agreements with other governmental or private entities and individuals and form and operate or authorize the formation and operation of bureaus and other legal entities. Whenever the commissioner finds after review of the professional liability insurance market that health care professionals, primary health centers, or non-health care facilities included in the State plans of the Department of Public Welfare and the Governor's Council on Drug and Alcohol Abuse cannot conveniently obtain professional liability insurance through ordinary methods at rates not in excess of those applicable to similarly situated health care providers under the plan, he may direct the plan to provide basic limits professional liability insurance coverage in the amount of \$100,000 per occurrence and \$300,000 per annual aggregate or in other amounts as he may deem appropriate. For the purposes of this section, other health care professionals shall include but are not limited to licensed or approved providers of health and non-health care services of any nature, including but not

1 limited to mental health/mental retardation/drug and alcoholism
2 services, and those providers of health care services which are
3 not licensed but which in the commissioner's judgment contribute
4 substantially to the public welfare through the delivery of or
5 which support the delivery of health care services.

6 Section 3. This act shall take effect in 30 days.