

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 747

PRINTER NO. 1077

AMOUNT

No Adverse Fiscal Impact

FUND

General Fund

DATE INTRODUCED

April 20, 2015

PRIME SPONSOR

Senator Vogel

DESCRIPTION AND PURPOSE OF BILL

Senate Bill 747 Amends the Medical Care Availability and Reduction of Error (MCARE) Act to amend the total amount of punitive damages and require the Insurance Commissioner to conduct a punitive damages study.

SB 747 states that punitive damages against a personal care home or an assisted living community; a long-term care nursing facility; or an officer, employee or agent of said entities shall not exceed 250% of the compensatory damages awarded nor be less than \$100,000 unless a lower verdict amount is returned by the judge or jury.

The bill adds a new chapter 13 to the MCARE Act to require the Insurance Commissioner to study the amount of punitive damages paid by physicians, long-term care nursing facilities licensed by the Department of Health, and personal care homes and assisted living facilities licensed by the Department of Human Services since March 20, 2005.

The bill requires the Insurance Commissioner to complete the study one year after the chapter takes effect and submit it to the chairman and minority chairman of the Banking and Insurance Committee of the Senate and the Insurance Committee of the House.

The section dealing with the total amount of damages shall take effect in 60 days. The addition of chapter 13 shall take effect immediately.

FISCAL IMPACT:

SB 747 will have no adverse fiscal impact to the Commonwealth.