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LB 998

exceed 50 percent of their malpractice premium, based on the required minimum coverage under Section 44-2829. In order to maintain the solvency of the Excess Liability Fund, it is apparent that the Legislature must raise the underlying coverage. LB 998 amends 44-2824 and raises the coverage requirement per occurrence from \$200,000 to \$500,000, the annual aggregate coverage for individual providers from \$600,000 to \$1 million, and for hospitals from \$1 million to \$3 million. This will affect the fund in two ways. Number one, the malpractice insurance company will pay the first \$500,000 per claim, rather than the current \$200,000. (Inaudible) funds will pay on fewer claims, and is consistent with the act holding individual physicians responsible for most claims and saving the pooled resources for excessive claims. Two, although physicians will pay more for their \$500,000 to \$1 million coverage, rates will remain relatively competitive. The increase in the solvency of the pooled resource will preclude the needs for the Department of Insurance to seek legislative authority to increase the allowed surcharge percentage above the current allowed maximum of 50 percent. LB 998 not only addresses the solvency issue of the fund, but also contains some cleanup provisions requested by the Department of Insurance for administrative purposes. It is critical for Nebraska physicians to keep the Excess Liability Fund viable. It is also in the best interest of the citizens of Nebraska for the Legislature to make these adjustments, so that they continue to be protected, the people continue to be protected and guaranteed continued access to quality health care. I selected LB 998 as my priority bill for the 2004 session because it is of importance to the state. I ask you for your support in advancing LB 998. Thank you.

SENATOR CUDABACK: Thank you, Senator Pederson. There are some committee amendments. Senator Brashear, as Chairman of the Judiciary Committee, you're recognized to open on those amendments.

SENATOR BRASHEAR: Mr. President, members of the body, the committee amendment to LB 998 makes clarifying changes to the bill, all of which further the intent and purposes of the bill, as outlined by Senator Don Pederson. First, the amendment