



To: Health Care Stabilization Fund Oversight Committee

From: Rachelle Colombo
Executive Director
Kansas Medical Society

Date: November 21, 2024

Re: Health Care Stabilization Fund

The Kansas Medical Society appreciates the opportunity to appear before the Health Kansas physicians. We joined in our comments today by the Kansas Hospital Association. KMS and KHA strongly support continuation of the oversight committee and affirms the fund's actuarial soundness.

The Health Care Stabilization Fund was established at the height of the medical malpractice crisis more than forty years ago. The cost of coverage was prohibitive to Kansas physicians and as a result, the legislature implemented two key policies to stabilize the medical malpractice market. A cap on non-economic damages was set at \$250,000 to limit liability exposure. That was balanced with the previous establishment of the fund and the policy that all physicians and defined health care providers participate in purchasing liability coverage as a condition of licensure. By establishing a cap on non-economic damages and requiring all medical providers to carry coverage, premium prices came down and reduced the existing barrier to practicing in Kansas. The intent was to ensure all providers were able to acquire adequate insurance coverage so that patients had access to care and a guaranteed right to recovery in the event of an adverse outcome.

The fund has performed exactly as it was intended. This rare public/private partnership achieves a balance in the market that protects patients and reduces barriers to practice for providers. The oversight committee plays a vital role in protecting the public by ensuring that the Fund remains solvent and independent.

We urge your support for continuing the committee for the next year and do not believe an additional outside actuarial analysis is necessary at this time. Thank you for your service on this committee and to protecting the Fund which has so consistently achieved its intended purpose.