

**2021 Montana
67th Legislative Session**

**House Bill 74
Repeal Medical
Malpractice Joint
Underwriting
Association**



TROY DOWNING
CSI
COMMISSIONER OF SECURITIES AND INSURANCE

DESCRIPTION

HB 74 repeals the Medical Malpractice Joint Insurance Underwriting Association.

OBJECTIVES

Following September 11, 2001, there was concern that the reinsurance market was drying up and insurers would not be able to purchase reinsurance to cover high claims. In response, a law was passed in 2005 that would allow medical malpractice insurers to pool their risk in a joint underwriting association.

However, the association has not been instituted with membership, commenced operations, issued policies, or otherwise carried out any duty or function. The private insurance marketplace has adapted to meet customer needs and is no longer needed for consumers.

DEFINITIONS

“Joint Underwriting Association” allows insurers to join together to provide coverage for a particular type of risk or size of exposure, when there are difficulties in obtaining coverage in the regular market, and which share in the profits and losses associated with the program.

CONTACT

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