

IC 34-18-17

Chapter 17. Residual Malpractice Insurance Authority

IC 34-18-17-1

Purpose of chapter

Sec. 1. The purpose of this chapter is to make malpractice liability insurance available to risks (as defined in this article).

As added by P.L.1-1998, SEC.13.

IC 34-18-17-2

Residual malpractice authority created

Sec. 2. (a) The residual malpractice insurance authority is created.

(b) The department of insurance is designated as the residual malpractice insurance authority for the purposes of this article.

(c) The authority may engage in making malpractice liability insurance, as described in IC 27-1-5-1, Class 2(h), in Indiana.

As added by P.L.1-1998, SEC.13.

IC 34-18-17-3

Appointment of risk manager; liability limit

Sec. 3. The commissioner shall appoint a risk manager for the authority. The separate, personal, or independent assets of the risk manager are not liable for or subject to use or expenditure for the purpose of providing insurance by the authority.

As added by P.L.1-1998, SEC.13.

IC 34-18-17-4

Powers and duties of risk manager

Sec. 4. In the administration and provision for malpractice liability insurance by the authority, the risk manager shall do the following:

- (1) Obey all Indiana statutes and rules that apply to insurance described in IC 27-1-5-1, Class 2(h).
- (2) Prepare and file appropriate forms with the department of insurance.
- (3) Prepare and file premium rates with the department of insurance.
- (4) Perform the underwriting function.
- (5) Dispose of all claims and litigations arising out of insurance policies.
- (6) Maintain adequate books and records.
- (7) File an annual financial statement regarding its operations under this chapter with the department of insurance on forms prescribed by the commissioner.
- (8) Obtain private reinsurance for the authority, if necessary.
- (9) Prepare and file for approval of the commissioner a schedule of agent's compensation.
- (10) Prepare and file a plan of operations with the commissioner for approval.

As added by P.L.1-1998, SEC.13.

IC 34-18-17-5

Compensation of risk manager

Sec. 5. The risk manager shall receive, as compensation for services, a percentage of all premiums received by the risk manager under this chapter, as determined by the commissioner. The rate of compensation may be adjusted by the commissioner.

As added by P.L.1-1998, SEC.13.

IC 34-18-17-6

Applications for insurance

Sec. 6. If a risk, after diligent effort, has been declined by at least two (2) insurers, the risk may forward an application to the risk manager, together with evidence of the two (2) declinations.

As added by P.L.1-1998, SEC.13.

IC 34-18-17-7

Rejection of risk by manager; appeal

Sec. 7. If the risk manager declines to accept the risk, notice of declination, together with the reasons, shall be sent to the applicant and the commissioner. The applicant has ten (10) days after the date of notice to file an appeal for review by the commissioner. On appeal, the commissioner shall review the decision of the risk manager and enter an appropriate order.

As added by P.L.1-1998, SEC.13.

IC 34-18-17-8

Investment of surplus premiums over losses; segregation of funds

Sec. 8. All money appropriated by the state and any surplus of premiums over losses and expenses received by the authority shall be placed in a segregated fund and shall be invested and reinvested by the commissioner within the limitations set forth in IC 27-1-13. Investment income generated shall remain in the segregated fund.

As added by P.L.1-1998, SEC.13.