

# MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1487

2005 HOUSE HUMAN SERVICES

HB 1487

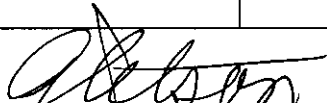
2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1487

House Human Services Committee

☐ Conference Committee

Hearing Date January 26, 2005

Tape Number	Side A	Side B	Meter #
#2	x		#2962- 4255
Committee Clerk Signature 			

Minutes:

**Chairman Price** opened hearing on HB 1487.

**Rep. J. Kerzman:** As the title of the bill states, an abortion facility needs liability insurance to perform professional services. I strongly believe that any medical facility should carry adequate liability coverage. Otherwise, a patient will not have any recourse, should something negligent happen. Rep. Sitte has put this piece of legislation, as the Insurance commission has been questioning the creditability of providing insurance to abortion facilities in this state.

**Rep. Sitte:** As long as physicians with hospital privileges have to have coverage that is only reasonable that abortion providers should have the same insurance to protect the consumers.

**Opposition:**

**Commissioner J. Poolman:**

I would like to give back round, we have a cease and desists order to a bogus company that did provide coverage to the abortion facility in Fargo. It was a company located in Bermuda but was

not basically registered there. We have a corresponding piece of legislation that will be heard that will increase the penalty for selling unauthorized insurance in ND to a class C felony. I believe that this idea came out of a pending investigation. The head of that company has been indicted on 26 counts of fraudulent selling and there will be more coming.

**Rep. Nelson:** Would this serve as physician malpractice insurance, or would this be an additional insurance.

**Comm. Poolman:** I believe actually it would be the facility that would carry the insurance.

**Rep. Nelson:** In testimony, each physician as well as the facility was mentioned.

**Comm. Poolman:** I think by AMA guidelines, each Dr. is required to have coverage for themselves, however I think this is the facility coverage. I believe all medical facilities have coverage.

**Chairman Price:** In the case you were investigating the bogus company, that was in regards to the abortion facility in Fargo?

**Comm. Poolman:** Yes, that is correct.

**Rep. Potter:** Could you tell me if it is state law for other facilities required to carry that insurance.

**Comm. Poolman:** I don't believe that is mandated that all medical facilities have to carry malpractice insurance for the facilities.

**Rep. Weisz:** Regarding Title 26.1.

**Comm. Poolman:** That is the Insurance code that sets out specific licensing requirements for companies to do business in ND. We have very specific guidelines to follow to allow companies to be licensed in ND. In regards to the other bill, we can issue all the cease/desist

orders we want, but as a criminal out selling bogus insurance, there is no impetus to pay attention to those orders, so that is why we are asking for increased criminal authority.

**Rep. Devlin:** On lines 8 & 9, is that the regular amount that physicians are required to have?

**Comm. Poolman:** Rep. Sitte has contacted the ND Medical Assn. and that is their guidelines for malpractice insurance.

**Chairman Price:** Your position is to regulate the insurance companies here not to regulate who buys insurance.

**Comm. Poolman:** Yes, that is correct but there is always discussion on who is to enforce the regulatory result of this bill. I guess that is a decision that lies before you also.

Close hearing on HB 1487.

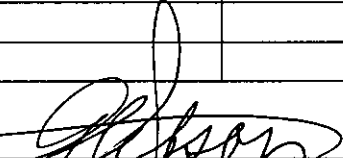
2005 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB 1487

House Human Services Committee

☐ Conference Committee

Hearing Date Feb.2, 2005

Tape Number	Side A	Side B	Meter #
#1	x		#1957- 2154
Committee Clerk Signature 			

Minutes:

**Chairman Price** open discussion on HB 1487.

**Rep. Devlin:** Move Do Not Pass.

**Rep. Weisz:** Second

**Chairman Price:** The initial problem was a bogus insurance scam. We don't mandate any other clinic's to have insurance.

**Vote:** 12- 0 - 0.

**Carrier:** Rep. Sandvig

Date: 1/2/05

Roll Call Vote #: 1

2005 HOUSE STANDING COMMITTEE ROLL CALL VOTES  
BILL/RESOLUTION NO. HB 1487

House Human Services Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number \_\_\_\_\_

Action Taken

Do Not Pass

Motion Made By

Rep Devlin

Seconded By

Rep Weisz

Representatives	Yes	No	Representatives	Yes	No
Chairman C.S.Price	/		Rep.L. Kaldor	/	
V Chrm.G. Kreidt	/		Rep.L. Potter	/	
Rep. V. Pietsch	/		Rep.S. Sandvig	/	
Rep.J.O. Nelson	/				
Rep.W.R. Devlin	/				
Rep.T. Porter	/				
Rep.G. Uglem	/				
Rep C. Damschen	/				
Rep.R. Weisz	/				

Total (Y) 12 No 0

Absent

0

Floor Assignment

Rep Sandvig

If the vote is on an amendment, briefly indicate intent:

**REPORT OF STANDING COMMITTEE (410)**  
February 3, 2005 5:30 p.m.

**Module No: HR-23-1791**  
**Carrier: Sandvig**  
**Insert LC: . Title: .**

**REPORT OF STANDING COMMITTEE**

**HB 1487: Human Services Committee (Rep. Price, Chairman)** recommends **DO NOT PASS** (12 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1487 was placed on the Eleventh order on the calendar.



2005 TESTIMONY

HB 1487

Testimony, HB 1487  
Rep. James Kerzman

Madam Chair Rep. Price,  
Members of the Human Services Committee,

As the title states, HB 1487 requires an abortion facility and each physician performing professional services at the clinic to carry liability insurance. Insurance coverage must be at least one million dollars per claim, three million aggregate to cover injuries to patients resulting from negligent acts or omissions. The insurance coverage must be from a reputable company as laid out under Title 26.1.

I strongly believe that any clinic or provider of medical services should carry adequate liability coverage; otherwise a patient may have little recourse if something negligent happens.

I can't take credit for this piece of legislation, although it has crossed my mind. Rep. Sitte has done a lot of work on this issue and developed this piece of legislation.

My understanding is that the North Dakota Insurance Department has been questioning the credibility of insurance provided to an abortion clinic in this state.

I'll try to answer any questions. Hopefully Rep. Sitte and/or the Insurance Department will be able to provide you with more accurate information.

Thank you,  
Rep. James Kerzman