

**Summary of 2021 KMS/KHA Proposed Legislation
Regarding the Health Care Stabilization Fund**

The proposed legislation makes some minor, technical changes to the HCSF statute, but also makes the two following significant changes:

- 1) Increases the basic coverage limit from \$200,000 to \$500,000 for all new and renewal policies on or after January 1, 2022; and
- 2) Changes the coverage options offered by the HCSF as follows:

	Current	Proposed
Option 1	\$100,000	\$500,000
Option 2	\$300,000	\$1,500,000
Option 3	\$800,000	

If adopted by the legislature, effective with all policies issued after January 1, 2022, the new structure would increase the minimum coverage required of healthcare providers from the current \$300,000 per claim (\$200,000 basic coverage + \$100,000 Fund coverage) to \$1,000,000 per claim (\$500,000 basic coverage + \$500,000 Fund coverage).

In addition, the HCSF would be authorized to offer a new, higher coverage option of \$1.5 million per claim, for a total per claim coverage limit of \$2 million (\$500,000 basic coverage + \$1,500,000 Fund coverage).

So, in the future healthcare providers would have a choice of securing total insurance coverage limits (including basic coverage, plus Fund coverage) of either \$1 million or \$2 million per claim.