

**Local Mandate Fiscal Impact Estimate
Kentucky Legislative Research Commission
2016 Regular Session**

Part I: Measure Information

Bill Request #: 1019

Bill #: SB 6

Bill Subject/Title: AN ACT relating to medical review panels.

Sponsor: Senator Damon D. Thayer

Unit of Government: X City X County X Urban-County
 X Charter County X Consolidated Local X Unified Local
Government

Office(s) Impacted: Government owned health facilities.

Requirement: X Mandatory Optional

Effect on
Powers & Duties: Modifies Existing X Adds New Eliminates Existing

Part II: Purpose and Mechanics

SB 6 establishes medical review panels to review malpractice complaints against health care providers. All complaints must be reviewed by the panel which in turn provides an opinion. Only by agreement of all parties may a complaint bypass a panel and proceed directly to a court of law. The statute of limitations is suspended until 90 days after an opinion is given.

The panel will consist of an attorney who also acts as chairperson and three health care providers. The selection and removal processes for panel members are mandated within this proposal as well as procedural requirements and pay / expense reimbursement requirements for the panel.

The panel’s opinion shall state one of three possible outcomes:

- Failure to comply with appropriate standards and the conduct was a substantial Factor in producing a negative outcome for the patient;
- Failure to comply with appropriate standards and the conduct was NOT a substantial factor in producing a negative outcome for the patient; and

-Evidence does not support the conclusion that there was a failure to meet the applicable standard of care.

The admissibility of the panel's opinion in a subsequent lawsuit is dependent on the weight and admissibility of the evidence produced during pretrial discovery. In addition, panel members could be called as witnesses in a civil action.

Part III: Fiscal Explanation, Bill Provisions, and Estimated Cost

The fiscal impact of SB 6 local governments is expected to be minimal.

For purposes of this local government mandate analysis, only hospitals and long term care facilities owned, operated or contracted for by local governments were considered.

The Cabinet for Health and Family Services (CHFS) shows 4 hospitals owned, operated, or contracted by local governments. The hospitals all happen to be owned by county governments. Those hospitals are listed below:

- Casey County Hospital
- Hardin Memorial Hospital
- Knox County Hospital
- Russell County Hospital

There are three long term care facilities owned, operated, or contracted by local governments. Those facilities are listed below:

- Cumberland Valley Manor
- Metcalf HealthCare Center
- Spring Creek Health Care

All cost associated with the panel including compensation to the members, reasonable travel expenses, and any other expenses are to be paid for by the party or parties in whose favor the opinion is written.

Whereas government employees are not excluded as possible panel members, there may be cost to cover the work load of a local government employee if one is selected as a panel member or called to be a witness in a court case. This could be an attorney or health care worker employed by the local government.

Data Source(s): LRC staff, Cabinet for Health and Family Services.
Intent is identical to BR 185, slight variation in verbiage.

Preparer: Wendell F. Butler **Reviewer:** JWN **Date:** 1/5/16