

806 KAR 40:020. Charitable health care provider registration.

RELATES TO: KRS 216.941, 304.40-075

STATUTORY AUTHORITY: KRS 304.2-110(1), 304.40-075(3)(b), (6)

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110(1) authorizes the Commissioner of Insurance to promulgate administrative regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code. KRS 304.40-075(3)(b) requires the department to promulgate administrative regulations to establish reasonable guidelines for the registration of charitable health care providers. KRS 304.40-075(6) requires the department to determine if the profits made for medical professional liability insurance risks covered by that section are consistent with reasonable loss ratio guidelines. This administrative regulation establishes guidelines for the registration of charitable health care providers who seek to obtain reimbursement of paid premium for medical professional liability insurance, and also establishes reporting requirements for medical professional liability insurers for the purpose of determining reasonable loss ratios.

Section 1. To request reimbursement of paid premium for medical professional liability insurance, a charitable health care provider shall supply to the Department of Insurance the following information:

- (1) The name and address of the provider;
- (2) The license number of the provider;
- (3) The source of funding for the provider of charitable health care service;
- (4) The number of employees who render medical care without compensation or charge and without expectation of compensation or charge and who shall be covered under the medical professional liability insurance;
- (5) The expected number of patients who may be provided charitable health care services in the year for which the insurer offers malpractice coverage;
- (6) The health services provided by the charitable health care provider;
- (7) The following information regarding the provider's medical professional liability insurance policy for which reimbursement is being requested:
 - (a) A copy of the entire policy, including the declarations page showing:
 1. The name and address of the insurer;
 2. The effective date of the policy;
 3. The policy number;
 4. The total amount of premium due; and
 - (b) The itemized billing and proof of payment of the requested reimbursement amount;
- (8) A copy of the registration filed with the Cabinet for Health and Family Services under KRS 216.941; and
- (9) Acknowledgment that the provider will follow the risk management and loss prevention policies and procedures established by the insurer.

Section 2. If any of the information provided in Section 1 of this administrative regulation changes or is incorrect, the charitable health care provider shall provide the correct information immediately to the Department of Insurance.

Section 3. Any premium refund received by the charitable health care provider and remitted to the Department of Insurance, pursuant to KRS 304.40-075(3)(d), shall be accompanied by the following:

- (1) A copy of the previous request;
- (2) An explanation of the events prompting the refund; and
- (3) Copies of all documents from the insurer regarding the refund and its amount.

Section 4.

(1) An insurer who offers medical professional liability insurance shall provide information regarding the premium paid, any expenses incurred by the insurer, and the profits made for all risk covered pursuant to KRS 304.40-075. The information required by Section 1 of this administrative regulation shall be provided to the Department of Insurance by March 1 and shall include premium, expense, and profit information from the preceding calendar year and shall be submitted on Form CHP-2B P&C.

(2) For the department to determine reasonable loss ratio guidelines, upon request by the department, an insurer who offers medical professional liability insurance shall provide premium, profit, and expense information related to the entirety of the medical professional liability insurance business of the insurer.

Section 5. Incorporation by Reference.

(1) The following material is incorporated by reference:

(a) Form CHP-2A P&C, "Commonwealth of Kentucky Department of Insurance Property and Casualty Division Medical Professional Liability Insurance Annual Call for Data Instructions", 11/2020 edition; and

(b) Form CHP-2B P&C, "Commonwealth of Kentucky Department of Insurance Property and Casualty Division Liability Insurance Annual Call for Data", 11/2020 edition.

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(24 Ky.R. 433; eff. 10-13-1997; Am. 29 Ky.R. 807; 1271; eff. 11-12-2002; TAm eff. 8-9-2007; Crt eff. 2-26-2020; 47 Ky.R. 1680, 2398; eff. 8-3-2021.)