

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH80466-RU-41 (04/05)

Short Title: Medical Malpractice Settlement Reports. (Public)

Sponsors: Representatives England, Nye, Wright, Rapp (Primary Sponsors);
Current, Tucker, and Hollo.

Referred to:

A BILL TO BE ENTITLED
AN ACT TO PROVIDE FOR THE REPORTING OF DETAILS OF SETTLEMENTS
OF MEDICAL MALPRACTICE CLAIMS, AS RECOMMENDED BY THE
HOUSE SELECT COMMITTEE ON HEALTH CARE.

The General Assembly of North Carolina enacts:

SECTION 1. Article 1B of Chapter 90 is amended by adding the following new section to read:

"§ 90-21.18D. Settlements in medical malpractice actions; reporting.

(a) In any medical malpractice action in which the parties agree to settle the claim, in reporting the claim under G.S. 58-2-170, the insurer shall identify the amount of the settlement attributable to economic damages and provide documentation to substantiate that amount.

(b) In any medical malpractice action in which the parties agree to settle the claim, the attorney for the plaintiff shall report the settlement to the Department of Insurance. The report shall include a certification and documentation of the amount of the settlement proceeds received in reimbursement of any costs incurred in prosecution of the case, including separate amounts expended for expert witnesses, exhibits, travel, all other categories of expenses which the attorney charges to the plaintiff, and the amount of the settlement attributable to attorneys' fees.

(c) For purposes of this section, a medical malpractice action is settled if at any time after the claim is made and before, during, or after trial, the parties mutually agree to end the litigation in exchange for monetary payment.

(d) As used in this section, the following terms mean:

(1) Economic damages. – Damages to compensate for present and future medical costs, hospital costs, custodial care, rehabilitation costs, lost earnings, loss of bodily function, and any other pecuniary damages.

1 (2) Insurer. – Every insurer, self-insurer, and risk retention group, as those
2 terms are defined in Chapter 58 of the General Statutes, that provides
3 professional malpractice insurance to health care providers in this
4 State."

5 **SECTION 2.** This act becomes effective October 1, 2006, and applies to
6 settlements entered into on or after that date.