The following information is reported on behalf of the Health Care Stabilization Fund Board of Governors in accordance with K.S.A. 40-3403(b)(1)(C). This report is for the fiscal year that ended June 30, 2016.

1. Net premium surcharge collections amounted to $28,114,941.

2. The lowest surcharge rate for a health care provider was $100 for a first year provider selecting the lowest HCSF coverage option ($100,000 per claim subject to $300,000 annual aggregate limit).

3. The highest surcharge rate for a health care professional was $16,510 for a neurosurgeon with five or more years of Health Care Stabilization Fund liability exposure who selected the highest coverage option ($800,000 per claim subject to $2.4 million annual aggregate limit). If a Kansas resident neurosurgeon was also licensed to practice in Missouri, the 30% Missouri modification factor would result in a total premium surcharge of $21,463.

4. There were 14 medical professional liability cases involving 17 health care providers that went to jury trials. Twelve of these cases resulted in defense verdicts, one resulted in a jury award of $100,000 to the plaintiff, and one resulted in a mistrial.

5. During the past fiscal year 557 open claims were closed. Of those claims, only 76 (13.6%) resulted in Fund obligations. Sixty six cases involving 76 claims were settled, which resulted in Health Care Stabilization Fund obligations amounting to $23,539,687. The average Stabilization Fund compensation per settlement was $309,733. These amounts are in addition to compensation paid by primary insurers, typically $200,000 per claim.

6. Because of periodic payment of compensation and other cash-flow characteristics, the amount reported above in item five was not the same as the amount actually paid during FY2016. Total claims expenditures during the fiscal year amounted to $27,278,643.

7. The balance sheet as of June 30, 2016 accepted by the HCSF Board of Governors indicates total assets amounting to $278,583,425 and total liabilities amounting to $229,267,579.