

Introduced by: Mayor at the request  
of the SPH service area  
Date: 10/26/04  
Hearing: 12/07/04  
Action: Enacted  
Vote: 9 Yes, 0 No

**KENAI PENINSULA BOROUGH  
ORDINANCE 2004-19-25**

**AN ORDINANCE APPROPRIATING \$54,000 FROM THE SOUTH PENINSULA  
HOSPITAL SERVICE AREA FUND BALANCE TO PROVIDE SUPPLEMENTAL  
FUNDING TO ASSIST IN THE PROCUREMENT OF MALPRACTICE INSURANCE  
FOR SURGEONS AT THE SOUTH PENINSULA HOSPITAL**

**WHEREAS,** the South Peninsula Hospital insurance carrier is now requiring that all doctors with privileges at the hospital carry malpractice insurance; and

**WHEREAS,** the hospital has previously exempted two surgeons from this requirement; and

**WHEREAS,** the two surgeons have indicated they will not be able to continue to operate at the hospital without some assistance in acquiring malpractice insurance; and

**WHEREAS,** at its meeting of September 22, 2004, the South Peninsula Hospital, Inc. ("SPHI") board of directors passed a motion asking that the service area board provide an operating subsidy of \$100,000 so that SPHI can contribute up to \$50,000 to each of the two surgeons with privileges at the hospital for the actual cost of their professional liability insurance; and

**WHEREAS,** the South Peninsula Hospital Service Area Board at its October 7, 2004 meeting authorized the transfer of up to \$100,000 of service area funds to the hospital for the purchase of malpractice insurance for the two surgeons; and

**WHEREAS,** the amount needed to cover the cost of malpractice insurance is \$54,000; and

**WHEREAS,** the Service Area has sufficient fund balance available to support this transfer and still be within the fund balance range as required by the fund balance policy established through Resolution 2001-045;

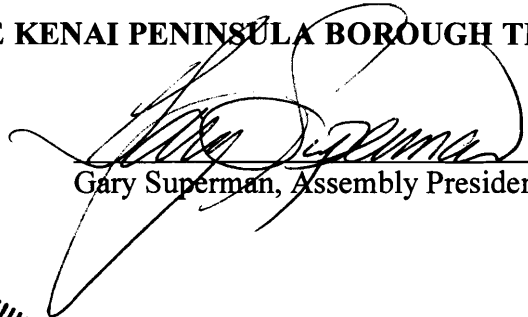
**NOW, THEREFORE, BE IT ORDAINED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** That funds in the amount of \$54,000 are hereby appropriated to account number 601.81210.00000.43011 for the purpose of providing funding to South Peninsula Hospital to acquire medical malpractice insurance.


**SECTION 2.** That the mayor is authorized to execute any documents necessary to effectuate the intents and purposes of this ordinance.

**SECTION 3.** This ordinance shall become effective immediately upon its enactment.

**ENACTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 7TH DAY OF DECEMBER, 2004.**

  
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Gary Superman, Assembly President

ATTEST:

  
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Linda S. Murphy, Borough Clerk

