



Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

BILL ANALYSIS



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 1118 (as introduced 5-3-12)
Sponsor: Senator Joe Hune
Committee: Insurance

Date Completed: 5-22-12

CONTENT**The bill would amend the Revised Judicature Act to do the following:**

- **Limit the period of time for bringing a medical malpractice action on behalf of a deceased person.**
- **Prohibit prejudgment interest on costs or attorney fees awarded in a medical malpractice action.**

Statute of Limitations

Currently, if a person dies before or within 30 days after the period of limitations has run, an action that survives by law may be brought by the personal representative of the deceased person within two years after letters of authority are issued, although the period of limitations has run.

Under the bill, if the action that survived by law were an action alleging medical malpractice, the two-year period would run from the date letters of authority were issued to the first personal representative of an estate. Except as provided below, the issuance of subsequent letters of authority would not enlarge the time within which the action could be brought.

If a personal representative died or were adjudged by a court to be legally incapacitated within two years after his or her letters were issued, the successor personal representative could bring a medical malpractice action that survived by law within one year after the personal representative died or was adjudged legally incapacitated.

As currently provided, an action could not be commenced later than three years after the period of limitations had run.

Prejudgment Interest

The Act prescribes the rate of interest allowed and the method of calculating interest on a money judgment in a civil action. Except as otherwise provided, interest is calculated at six-month intervals from the date the complaint was filed, and is calculated on the entire amount of the money judgment, including attorney fees and other costs.

The bill provides that, in a medical malpractice action, interest on costs or attorney fees awarded under a statute or court rule would not be calculated for any period before the entry of the judgment.

MCL 600.2912e et al.

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

By tightening the language regarding the period of limitations, the bill could cause a marginal decrease in caseload for local courts as actions brought many years after the alleged incident could be disallowed.

Fiscal Analyst: Dan O'Connor

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.