By Senator Bennett

21-01089A-11 2011966 A bill to be entitled

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An act relating to sovereign immunity; amending s. 768.28, F.S.; providing that certain health care providers and vendors, and their agents and employees, who primarily serve clients with specified conditions may be considered agents and employees of the state or its subdivisions with respect to such services while acting within the scope of and pursuant to guidelines established in a contractual agreement or Medicaid provider agreement; requiring indemnification; providing construction of provisions; amending ss. 29.0081, 163.01, 324.022, 456.048, 458.320, 459.0085, 616.242, 624.461, 624.462, and 627.733, F.S.; conforming cross-references to changes made by the act; providing an effective date.

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WHEREAS, providers under state contracts to serve individuals with disabilities are serving an important state purpose, and

WHEREAS, these private service providers provide an identical purpose to state providers for individuals with disabilities, and

WHEREAS, these providers are wasting precious resources on the cost of high insurance premiums, litigation, and attorney's fees when they should be following the same limits as the state programs serving the same population, NOW, THEREFORE,

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Be It Enacted by the Legislature of the State of Florida:

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Section 1. Subsections (12) through (20) of section 768.28, Florida Statutes, are renumbered as subsections (13) through (21), respectively, and a new subsection (12) is added to that section to read:

768.28 Waiver of sovereign immunity in tort actions; recovery limits; limitation on attorney fees; statute of limitations; exclusions; indemnification; risk management programs.—

- (12) (a) Notwithstanding any other law, a health care provider or vendor, or any of its employees or agents, at least 75 percent of whose client population consists of individuals with:
- 1. Disabilities as defined in s. 393.063, including individuals served under part VIII of chapter 400;
- 2. Disabilities as defined in ss. 413.20 and 413.033(1) and
 (2);
 - 3. Mental illness as defined in s. 394.455; or
- 4. A combination of conditions listed in subparagraphs 1. through 3.,

and who has contractually agreed to act on behalf of the state or any of its agencies or subdivisions to provide services to individuals with disabilities, shall be considered an agent of the state or of that agency or subdivision for the purposes of this section solely with respect to such services while acting within the scope of and pursuant to guidelines established in a contractual agreement or Medicaid provider agreement. The contract or agreement must provide for the indemnification of the state or that agency or subdivision by the agent for any

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<u>liabilities incurred up to the limits set out in this chapter</u> and in accordance with subsection (5).

(b) This subsection does not make a person considered an agent of the state or its agencies and subdivisions under paragraph (a) an employee or agent of the state for purposes of chapter 440.

Section 2. Paragraph (b) of subsection (2) of section 29.0081, Florida Statutes, is amended to read:

- 29.0081 County funding of additional court personnel.-
- (2) The agreement shall, at a minimum, provide that:
- (b) The personnel whose employment is funded under the agreement are hired, supervised, managed, and fired by personnel of the judicial circuit. The county shall be considered the employer for purposes of s. 440.10 and chapter 443. Employees funded by the county under this section and other county employees may be aggregated for purposes of a flexible benefits plan pursuant to s. 125 of the Internal Revenue Code of 1986. The judicial circuit shall supervise the personnel whose employment is funded under the agreement; be responsible for compliance with all requirements of federal and state employment laws, including, but not limited to, Title VII of the Civil Rights Act of 1964, Title I of the Americans with Disabilities Act, 42 U.S.C. s. 1983, the Family Medical Leave Act, the Fair Labor Standards Act, chapters 447 and 760, and ss. 112.3187, 440.105, and 440.205; and fully indemnify the county from any liability under such laws, as authorized by s. $768.28(20)\frac{(19)}{(19)}$, to the extent such liability is the result of the acts or omissions of the judicial circuit or its agents or employees.

Section 3. Paragraph (h) of subsection (3) of section

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163.01, Florida Statutes, is amended to read:

163.01 Florida Interlocal Cooperation Act of 1969.-

- (3) As used in this section:
- (h) "Local government liability pool" means a reciprocal insurer as defined in s. 629.021 or any self-insurance program created pursuant to s. 768.28(17)(16), formed and controlled by counties or municipalities of this state to provide liability insurance coverage for counties, municipalities, or other public agencies of this state, which pool may contract with other parties for the purpose of providing claims administration, processing, accounting, and other administrative facilities.

Section 4. Subsection (1) of section 324.022, Florida Statutes, is amended to read:

324.022 Financial responsibility for property damage.-

(1) Every owner or operator of a motor vehicle required to be registered in this state shall establish and maintain the ability to respond in damages for liability on account of accidents arising out of the use of the motor vehicle in the amount of \$10,000 because of damage to, or destruction of, property of others in any one crash. The requirements of this section may be met by one of the methods established in s. 324.031; by self-insuring as authorized by s. 768.28(17)(16); or by maintaining an insurance policy providing coverage for property damage liability in the amount of at least \$10,000 because of damage to, or destruction of, property of others in any one accident arising out of the use of the motor vehicle. The requirements of this section may also be met by having a policy which provides coverage in the amount of at least \$30,000 for combined property damage liability and bodily injury

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liability for any one crash arising out of the use of the motor vehicle. The policy, with respect to coverage for property damage liability, must meet the applicable requirements of s. 324.151, subject to the usual policy exclusions that have been approved in policy forms by the Office of Insurance Regulation. No insurer shall have any duty to defend uncovered claims irrespective of their joinder with covered claims.

Section 5. Paragraph (a) of subsection (2) of section 456.048, Florida Statutes, is amended to read:

 $456.048\ {\rm Financial}\ {\rm responsibility}\ {\rm requirements}\ {\rm for}\ {\rm certain}$ health care practitioners.—

- (2) The board or department may grant exemptions upon application by practitioners meeting any of the following criteria:
- (a) Any person licensed under chapter 457, s. 458.3475, s. 459.023, chapter 460, chapter 461, s. 464.012, chapter 466, or chapter 467 who practices exclusively as an officer, employee, or agent of the Federal Government or of the state or its agencies or its subdivisions. For the purposes of this subsection, an agent of the state, its agencies, or its subdivisions is a person who is eligible for coverage under any self-insurance or insurance program authorized by the provisions of s. 768.28(17)(16) or who is a volunteer under s. 110.501(1).

Section 6. Paragraph (a) of subsection (5) of section 458.320, Florida Statutes, is amended to read:

458.320 Financial responsibility.-

- (5) The requirements of subsections (1), (2), and (3) do not apply to:
 - (a) Any person licensed under this chapter who practices

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medicine exclusively as an officer, employee, or agent of the Federal Government or of the state or its agencies or its subdivisions. For the purposes of this subsection, an agent of the state, its agencies, or its subdivisions is a person who is eligible for coverage under any self-insurance or insurance program authorized by the provisions of s. 768.28(17)(16).

Section 7. Paragraph (a) of subsection (5) of section 459.0085, Florida Statutes, is amended to read:

459.0085 Financial responsibility.-

- (5) The requirements of subsections (1), (2), and (3) do not apply to:
- (a) Any person licensed under this chapter who practices medicine exclusively as an officer, employee, or agent of the Federal Government or of the state or its agencies or its subdivisions. For the purposes of this subsection, an agent of the state, its agencies, or its subdivisions is a person who is eligible for coverage under any self-insurance or insurance program authorized by the provisions of s. 768.28(17)(16).

Section 8. Paragraph (c) of subsection (9) of section 616.242, Florida Statutes, is amended to read:

616.242 Safety standards for amusement rides.-

- (9) INSURANCE REQUIREMENTS.-
- (c) The insurance requirements imposed under this subsection do not apply to a governmental entity that is covered by the provisions of s. $768.28(17)\frac{(16)}{(16)}$.

Section 9. Section 624.461, Florida Statutes, is amended to read:

624.461 Definition.—For the purposes of the Florida Insurance Code, "self-insurance fund" means both commercial

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627.7405.

21-01089A-11 2011966 175 self-insurance funds organized under s. 624.462 and group self-176 insurance funds organized under s. 624.4621. The term "self-177 insurance fund" does not include a governmental self-insurance 178 pool created under s. $768.28(17) \cdot \frac{(16)}{(16)}$. 179 Section 10. Subsection (6) of section 624.462, Florida 180 Statutes, is amended to read: 181 624.462 Commercial self-insurance funds.-182 (6) A governmental self-insurance pool created pursuant to s. $768.28(17)\frac{(16)}{(16)}$ shall not be considered a commercial self-183 insurance fund. 184 185 Section 11. Paragraph (b) of subsection (3) of section 186 627.733, Florida Statutes, is amended to read: 187 627.733 Required security.-188 (3) Such security shall be provided: 189 (b) By any other method authorized by s. 324.031(2), (3), 190 or (4) and approved by the Department of Highway Safety and 191 Motor Vehicles as affording security equivalent to that afforded 192 by a policy of insurance or by self-insuring as authorized by s. $768.28(17)\frac{(16)}{(16)}$. The person filing such security shall have all 193 194 of the obligations and rights of an insurer under ss. 627.730-

Section 12. This act shall take effect July 1, 2011.