2-786-00

A bill to be entitled 1 2 An act relating to the Florida Birth-Related 3 Neurological Injury Compensation Association; 4 amending ss. 766.301, 766.31, F.S.; providing 5 clarification of legislative intent as to the 6 circumstances in which awards may be made, 7 respectively, under s. 766.31(1)(a), F.S., or 8 s. 766.31(1)(b), F.S.; providing retroactive 9 applicability; providing an effective date. 10 Be It Enacted by the Legislature of the State of Florida: 11 12 Section 1. Paragraph (e) is added to subsection (1) of 13 section 766.301, Florida Statutes, to read: 14 766.301 Legislative findings and intent.--15 (1) The Legislature makes the following findings: 16 (e) In order to maintain the actuarial soundness of 17 the compensation scheme for birth-related neurological 18 19 injuries as established in ss. 766.301-766.315, the 20 Legislature hereby restates and clarifies its original intent with respect to the distinction between the payment of actual 21 22 expenses for medical necessities, which is authorized in s. 766.31(1)(a), and the award of up to \$100,000 for the parents 23 or legal guardians of neurologically injured children, which 24 25 is authorized in s. 766.31(1)(b). It has always been the 26 intent of the Legislature that the term "actual expenses," as 27 used in s. 766.31(1)(a), means only out-of-pocket, monetary 28 expenditures for the professionally rendered care of a 29 neurologically injured child, as opposed to payments for the 30 time spent by a parent or other family member in providing care to an eligible child, and that s. 766.31(1)(b) has been

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and remains the exclusive source of nonreimbursement funds for parents or legal guardians irrespective of the time, activities, and services they devote to the care and welfare of an eligible neurologically injured child.

Section 2. Paragraphs (a) and (b) of subsection (1) of section 766.31, Florida Statutes, are amended to read:

766.31 Administrative law judge awards for birth-related neurological injuries; notice of award .--

- (1) Upon determining that an infant has sustained a birth-related neurological injury and that obstetrical services were delivered by a participating physician at the birth, the administrative law judge shall make an award providing compensation for the following items relative to such injury:
- (a) Actual expenses for medically necessary and reasonable medical and hospital expenditures for, habilitative and training, nonfamilial residential, and custodial care and service, for medically necessary drugs, special equipment, and facilities, and for related travel. However, such expenses shall not include:
- Expenses for items or services that the infant has received, or is entitled to receive, under the laws of any state or the Federal Government, except to the extent such exclusion may be prohibited by federal law.
- 2. Expenses for items or services that the infant has received, or is contractually entitled to receive, from any prepaid health plan, health maintenance organization, or other private insuring entity.
- Expenses for which the infant has received reimbursement, or for which the infant is entitled to receive 31 reimbursement, under the laws of any state or the Federal

Government, except to the extent such exclusion may be prohibited by federal law.

4. Expenses for which the infant has received reimbursement, or for which the infant is contractually entitled to receive reimbursement, pursuant to the provisions of any health or sickness insurance policy or other private insurance program.

Expenses included under this paragraph shall be limited to reasonable charges prevailing in the same community for similar treatment of injured persons when such treatment is paid for by the injured person.

(b) Periodic payments of an award to the parents or legal guardians of the infant found to have sustained a birth-related neurological injury, which award shall not exceed \$100,000. However, at the discretion of the administrative law judge, such award may be made in a lump sum. An award made under this paragraph must be the exclusive source of nonreimbursement funds from the plan to the parents or legal guardians of an eligible neurologically injured child, and compensation may not be provided under any other provision of the plan for the time, services, or activities performed by parents or legal guardians.

Section 3. The purpose of this act is to reaffirm legislative intent with respect to the term "actual expenses" as used in section 766.31(1)(a), Florida Statutes, and the term "awards" as used in section 766.31(1)(b), Florida Statutes, in order to remedy any misimpression as to the exclusive and distinct operation of these provisions. No substantive law change is intended or is effected.

Section 4. This act shall take effect upon becoming a law and shall apply to all claims under the Florida Birth-Related Neurological Injury Compensation Plan which claims date from the effective date of chapter 88-1, Laws of Florida. SENATE SUMMARY Provides a clarification of legislative intent relating to certain awards arising out of birth-related neurological injuries. Provides that the legislative intent expressed in this act applies retroactively to the effective date of ch. 88-1, Laws of Florida, which created the Florida Birth-Related Neurological Injury Compensation Plan.