HB 881 2005

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15 16 A bill to be entitled

An act relating to community behavioral health agencies; creating s. 624.4624, F.S.; authorizing certain nonprofit community mental health or substance abuse providers to form a self-insurance fund for certain purposes; providing operating requirements of the self-insurance fund; providing certain application exceptions for such fund; amending s. 768.28, F.S.; providing that certain providers or vendors acting contractually on behalf of the Department of Children and Family Services, and their employees and agents, are agents of the state for purposes of waiver of sovereign immunity in tort actions under certain circumstances; requiring contracts to provide for indemnification of the state by such agents for certain liabilities up to certain limits; providing that such persons are not employees or agents for purposes of workers' compensation; providing an effective date.

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

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Section 1. Section 624.4624, Florida Statutes, is created to read:

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624.4624 Nonprofit community mental health and substance abuse provider self-insurance fund. --

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(1) Notwithstanding any other provisions of law, any two or more nonprofit community mental health or substance abuse providers, which are members in good standing of the Florida Council for Community Mental Health or the Florida Council for

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Behavioral Healthcare and are located in this state, may form a self-insurance fund for the purpose of pooling and spreading liabilities of its group members in any property or casualty risk or surety insurance or securing the payment of benefits under chapter 440, provided the nonprofit community mental health and substance abuse provider self-insurance fund created must:

- (a) Have annual normal premiums in excess of \$5 million.
- (b) Maintain a continuing program of excess insurance coverage and reserve evaluation to protect the financial stability of the fund in an amount and manner determined by a qualified and independent actuary.
- (c) Submit to the office annually an audited fiscal yearend financial statement by an independent certified public accountant within 6 months after the end of the fiscal year.
- (d) Have a governing body which is comprised entirely of community mental health and substance abuse provider officials.
- abuse provider self-insurance fund that meets the requirements of this section is not subject to s. 624.4621 and is not required to file any report with the department under s. 440.38(2)(b) required of group self-insurer funds qualified under s. 624.4621. If any of the requirements of this section are not met, the nonprofit mental health and substance abuse provider self-insurance fund is subject to the requirements of s. 624.4621.
- Section 2. Subsection (21) is added to section 768.28, Florida Statutes, to read:

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

- (21)(a) Solely with respect to services to individuals in need of detoxification and services through an addictions receiving facility under chapter 397 or mental health services under chapter 394, providers or vendors, or any of their employees or agents, that have contractually agreed to act on behalf of the state as agents of the Department of Children and Family Services to provide such services are agents of the state for purposes of this section while acting within the scope of and pursuant to guidelines established in the contract or by rule. A contract must provide for the indemnification of the state by the agent for any liabilities incurred up to the limits set out in this chapter.
- (b) This subsection does not designate a person who provides contracted services to the Department of Children and Family Services as an employee or agent of the state for purposes of chapter 440.
 - Section 3. This act shall take effect July 1, 2005.