14-1313-07

1	A bill to be entitled
2	An act relating to postsecondary education;
3	amending s. 1004.24, F.S.; transferring certain
4	responsibilities with respect to liability
5	insurance from the State Board of Education to
6	the Board of Governors of the State University
7	System; authorizing specified agents and
8	employees of a self-insurance program adopted
9	by the board to discuss patient care
10	information for certain purposes without
11	violating patient privacy or confidentiality;
12	amending s. 1012.965, F.S.; declaring the right
13	of university boards of trustees to intervene
14	in a civil action for alleged medical
15	negligence by an affiliated hospital or health
16	care facility; providing that university
17	practice plan entities are not themselves
18	providers of medical services; providing an
19	effective date.
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21	Be It Enacted by the Legislature of the State of Florida:
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23	Section 1. Section 1004.24, Florida Statutes, is
24	amended to read:
25	1004.24 State Board of Governors Education authorized
26	to secure liability insurance
27	(1) The <del>State</del> Board of <u>Governors</u> <del>Education</del> is
28	authorized to secure, or otherwise provide as a self-insurer,
29	or by a combination thereof, comprehensive general liability
30	insurance, including professional liability for health care
31	and veterinary sciences, for:

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- (a) The State Board of Governors Education and its officers and members.
- (b) A university board of trustees and its officers and members.
- (c) The faculty and other employees and agents of a university board of trustees.
  - (d) The students of a state university.
- (e) A state university or any college, school, institute, center, or program thereof.
- (f) Any not-for-profit corporation organized pursuant to chapter 617, and the directors, officers, employees, and agents thereof, which is affiliated with a state university, if the corporation is operated for the benefit of the state university in a manner consistent with the best interests of the state, and if such participation is approved by a self-insurance program council, the university president, and the board of trustees.
- Education adopts a self-insurance program, a governing council chaired by the vice president for health affairs or his or her academic equivalent shall be established to administer the program and its duties and responsibilities, including the administration of self-insurance program assets and expenditure policies, which shall be defined in rules adopted by the Board of Governors as authorized by this section. The council shall have an annual actuary review performed to establish funding requirements to maintain the fiscal integrity of the self-insurance program. The assets of a self-insurance program shall be deposited outside the State Treasury and shall be administered in accordance with rules as authorized by this section.

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- (3) Any self-insurance program created under this section shall be funded by the entities and individuals protected by such program. There shall be no Funds may not be appropriated to any self-insurance program. The assets of the self-insurance program shall be the property of the State Board of Governors Education and shall be used only to pay the administrative expenses of the self-insurance program and to pay any claim, judgment, or claims bill arising out of activities for which the self-insurance program was created. Investment income that is in excess of that income necessary to ensure the solvency of a self-insurance program as established by a casualty actuary may be used to defray the annual contribution paid into the program by the entities and individuals protected by the program.
- (4)  $\underline{A}$  No self-insurance program adopted by the State Board of Governors Education may not sue or be sued. The claims files of any such program are privileged and confidential, exempt from the provisions of s. 119.07(1), and are only for the use of the program in fulfilling its duties. Physicians, other health care providers, and other agents or employees of participants in a self-insurance program, as defined in subsection (1), may discuss patient care information for the purposes of quality improvement, incident investigation, and claim defense with self-insurance council members, staff, and attorneys retained by the self-insurance program, and such communications do not constitute a violation of any statute or rule relating to patient privacy or confidentiality. Any self insurance trust fund and revenues generated by that fund shall only be used to pay claims and administration expenses.

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- (5) Each self-insurance program council shall make provision for an annual financial audit pursuant to s. 11.45 of its accounts to be conducted by an independent certified public accountant. The annual audit report must include a management letter and shall be submitted to the State Board of Governors Education for review. The State Board of Governors has Education shall have the authority to require and receive from the self-insurance program council or from its independent auditor any detail or supplemental data relative to the operation of the self-insurance program.
- (6) The State Board of Governors Education may make such rules as are necessary to carry out the provisions of this section.
- Section 2. Section 1012.965, Florida Statutes, is amended to read:
- 1012.965 Payment of costs of civil action against employees.--
- (1) An employee or agent under the right of control of a university board of trustees who, pursuant to the university board's policies or rules, renders medical care or treatment at any hospital or health care facility with which the university board maintains an affiliation agreement whereby the hospital or health care facility provides to the university board a clinical setting for health care education, research, and services, shall not be deemed to be an agent of any person other than the university board in any civil action resulting from any act or omission of the employee or agent while rendering said medical care or treatment. For this subsection to apply, the patient shall be provided separate written conspicuous notice by the university board of trustees or by the hospital or health care facility, and shall

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acknowledge receipt of this notice, in writing, unless impractical by reason of an emergency, either personally or through another person authorized to give consent for him or her, that he or she will receive care provided by university board's employees and liability, if any, that may arise from that care is limited as provided by law. Compliance by a hospital or health care facility with the requirements of chapter 395 or s. 766.110(1) shall not be used as evidence in any civil action to establish an employment or agency relationship between the hospital or health care facility and an employee or agent of the university board of trustees providing services within the hospital or health care facility.

(2) The university boards of trustees have the unconditional right, and shall be permitted, to intervene in any civil action for medical negligence filed against an affiliated hospital or health care facility if an employee or agent of a university board of trustees delivered care at such affiliated hospital or health care facility to the patient whose care is at issue in the civil action.

(3) The university faculty practice plan entities function as the university's agent for the orderly collection and administration of income generated from university faculty practice activities. They are not and shall not be providers of medical services or the employer of any faculty physicians or other health care professionals and are not and shall not be deemed or construed to have a partnership, joint venture, association, employment, or agency relationship with any university faculty physicians of other health care professionals.

(4)(2) All faculty physicians employed by a university board of trustees who are subject to the requirements of s. 456.013 shall complete their risk management continuing education on issues specific to academic medicine. Such continuing education shall include instruction for the supervision of resident physicians as required by the Accreditation Council for Graduate Medical Education. The boards described in s. 456.013 shall adopt rules to implement the provisions of this subsection.

(5)(3) There are appropriated out of any funds available to a university, not subject to the obligation of contract, covenant, or trust, the amounts necessary to carry out the purposes of this section.

(6)(4) Failure of a university board of trustees or an affiliated health care provider to do any act authorized by this section shall not constitute a cause of action against the university board, or an affiliated health care provider, or any of their members, officers, or employees.

Section 3. This act shall take effect July 1, 2007.

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## SENATE SUMMARY

Transfers responsibilities of the State Board of Education for procuring liability insurance to the Board of Governors of the State University System. Authorizes physicians and other health care providers to discuss patient care information for limited purposes with members and employees of a self-insurance program without violating patient privacy or confidentiality. Declares the right of university boards of trustees to intervene in a civil action for medical negligence filed against an affiliated hospital or health care facility. Declares that university practice plan entities are not themselves providers of health care services and have no relationship with faculty physicians or other health care professionals.