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**SENATE BILL NO. 98**

Offered January 11, 2006

Prefiled January 10, 2006

*A BILL to amend and reenact § 2.2-1839 of the Code of Virginia, relating to risk management plan; Meals on Wheels Association.*

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 Patron—Blevins
 

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Referred to Committee on General Laws

**Be it enacted by the General Assembly of Virginia:****1. That § 2.2-1839 of the Code of Virginia is amended and reenacted as follows:**

§ 2.2-1839. Risk management plans administered by the Department of the Treasury's Risk Management Division for political subdivisions, constitutional officers, etc.

A. The Division shall establish one or more risk management plans specifying the terms and conditions for coverage, subject to the approval of the Governor, and which plans may be purchased insurance, self-insurance or a combination of self-insurance and purchased insurance to provide protection against liability imposed by law for damages and against incidental medical payments resulting from any claim made against any county, city or town; authority, board, or commission; sanitation, soil and water, planning or other district; public service corporation owned, operated or controlled by a locality or local government authority; constitutional officer; state court-appointed attorney; any attorney for any claim arising out of the provision of pro bono legal services for custody and visitation to an eligible indigent person under a program approved by the Supreme Court of Virginia or the Virginia State Bar; any receiver for an attorney's practice appointed under § 54.1-3900.01 or 54.1-3936; affiliate or foundation of a state department, agency or institution; any clinic that is organized in whole or primarily for the delivery of health care services without charge; *any local chapter or program of the Meals on Wheels Association of America providing meal and nutritional services to persons who are elderly, homebound, or disabled*; any individual serving as a guardian or limited guardian as defined in § 37.2-1000 for any consumer of a community services board or behavioral health authority or any patient or resident of a state facility operated by the Department of Mental Health, Mental Retardation and Substance Abuse Services; any participant who satisfies the requirements of § 2.2-1839.1; or the officers, agents or employees of any of the foregoing for acts or omissions of any nature while in an authorized governmental or proprietary capacity and in the course and scope of employment or authorization.

For the purposes of this section, "delivery of health care services without charge" shall be deemed to include the delivery of dental, medical or other health services when a reasonable minimum fee is charged to cover administrative costs.

B. Participation in the risk management plans shall be voluntary and shall be approved by both the participant's respective governing body or by the State Compensation Board in the case of constitutional officers, by the office of the Executive Secretary of the Virginia Supreme Court in the case of state court-appointed attorneys, including attorneys appointed to serve as receivers under § 54.1-3900.01 or 54.1-3936, or attorneys under Virginia Supreme Court or Virginia State Bar approved programs, by the Commissioner of the Department of Mental Health, Mental Retardation and Substance Abuse Services for any individual serving as a guardian or limited guardian for any patient or resident of a state facility operated by such Department or by the executive director of a community services board or behavioral health authority for any individual serving as a guardian or limited guardian for a consumer of such board or authority, and by the Division. Those participants under § 2.2-1839.1 shall not be required to obtain approval from any entity other than the Division. Upon such approval, the Division shall assume sole responsibility for plan management, compliance, or removal. The Virginia Supreme Court shall pay the cost for coverage of eligible persons performing services in approved programs of the Virginia Supreme Court or the Virginia State Bar. The Department of Mental Health, Mental Retardation and Substance Abuse Services shall be responsible for paying the cost of coverage for eligible persons performing services as a guardian or limited guardian for any patient or resident of a state facility operated by the Department. The applicable community services board or behavioral health authority shall be responsible for paying the cost of coverage for eligible persons performing services as a guardian or limited guardian for consumers of such board or authority.

C. The Division shall provide for the legal defense of participants and shall reserve the right to settle or defend claims presented under the plan. All prejudgment settlements shall be approved in advance by the Division.

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59 D. The risk management plans established pursuant to this section shall provide for the establishment  
60 of trust funds for the payment of claims covered under such plans. The funds shall be invested in the  
61 manner provided in § 2.2-1806 and interest shall be added to the fund as earned.

62 Trust funds shall also provide for payment of legal defense costs, actuarial costs, administrative costs,  
63 contractual costs and all other expenses related to the administration of such plans.

64 E. The Division shall, in its sole discretion, set the premium, deductible, and administrative cost to  
65 be paid to it for providing risk management plans established pursuant to this section. The premiums  
66 and administrative costs set by the Division shall be payable in the amounts at the time and in the  
67 manner that the Division in its sole discretion shall require. The premiums, deductibles, and  
68 administrative costs need not be uniform among participants, but shall be set so as to best ensure the  
69 financial stability of the plans.