

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Bill No. 508, Page 2, Section 43.530, Line 23, by
2 inserting after all of said line the following:

3
4 "105.711. 1. There is hereby created a "State Legal Expense Fund" which shall consist of
5 moneys appropriated to the fund by the general assembly and moneys otherwise credited to such
6 fund pursuant to section 105.716.

7 2. Moneys in the state legal expense fund shall be available for the payment of any claim or
8 any amount required by any final judgment rendered by a court of competent jurisdiction against:

9 (1) The state of Missouri, or any agency of the state, pursuant to section 536.050 or 536.087
10 or section 537.600;

11 (2) Any officer or employee of the state of Missouri or any agency of the state, including,
12 without limitation, elected officials, appointees, members of state boards or commissions, and
13 members of the Missouri National Guard upon conduct of such officer or employee arising out of
14 and performed in connection with his or her official duties on behalf of the state, or any agency of
15 the state, provided that moneys in this fund shall not be available for payment of claims made under
16 chapter 287;

17 (3) (a) Any physician, psychiatrist, pharmacist, podiatrist, dentist, nurse, or other health care
18 provider licensed to practice in Missouri under the provisions of chapter 330, 332, 334, 335, 336,
19 337 or 338 who is employed by the state of Missouri or any agency of the state under formal contract
20 to conduct disability reviews on behalf of the department of elementary and secondary education or
21 provide services to patients or inmates of state correctional facilities on a part-time basis, and any
22 physician, psychiatrist, pharmacist, podiatrist, dentist, nurse, or other health care provider licensed to
23 practice in Missouri under the provisions of chapter 330, 332, 334, 335, 336, 337, or 338 who is
24 under formal contract to provide services to patients or inmates at a county jail on a part-time basis;

25 (b) Any physician licensed to practice medicine in Missouri under the provisions of chapter
26 334 and his professional corporation organized pursuant to chapter 356 who is employed by or under
27 contract with a city or county health department organized under chapter 192 or chapter 205, or a
28 city health department operating under a city charter, or a combined city-county health department to
29 provide services to patients for medical care caused by pregnancy, delivery, and child care, if such
30 medical services are provided by the physician pursuant to the contract without compensation or the
31 physician is paid from no other source than a governmental agency except for patient co-payments
32 required by federal or state law or local ordinance;

33 (c) Any physician licensed to practice medicine in Missouri under the provisions of chapter
34 334 who is employed by or under contract with a federally funded community health center
35 organized under Section 315, 329, 330 or 340 of the Public Health Services Act (42 U.S.C. 216,
36 254c) to provide services to patients for medical care caused by pregnancy, delivery, and child care,

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1 if such medical services are provided by the physician pursuant to the contract or employment
2 agreement without compensation or the physician is paid from no other source than a governmental
3 agency or such a federally funded community health center except for patient co-payments required
4 by federal or state law or local ordinance. In the case of any claim or judgment that arises under this
5 paragraph, the aggregate of payments from the state legal expense fund shall be limited to a
6 maximum of one million dollars for all claims arising out of and judgments based upon the same act
7 or acts alleged in a single cause against any such physician, and shall not exceed one million dollars
8 for any one claimant;

9 (d) Any physician licensed pursuant to chapter 334 who is affiliated with and receives no
10 compensation from a nonprofit entity qualified as exempt from federal taxation under Section
11 501(c)(3) of the Internal Revenue Code of 1986, as amended, which offers a free health screening in
12 any setting or any physician, nurse, physician assistant, dental hygienist, dentist, or other health care
13 professional licensed or registered under chapter 330, 331, 332, 334, 335, 336, 337, or 338 who
14 provides health care services within the scope of his or her license or registration at a city or county
15 health department organized under chapter 192 or chapter 205, a city health department operating
16 under a city charter, or a combined city-county health department, or a nonprofit community health
17 center qualified as exempt from federal taxation under Section 501(c)(3) of the Internal Revenue
18 Code of 1986, as amended, excluding federally funded community health centers as specified in
19 paragraph (c) of this subdivision and rural health clinics under 42 U.S.C. 1396d(l)(1), if such
20 services are restricted to primary care and preventive health services, provided that such services
21 shall not include the performance of an abortion, and if such health services are provided by the
22 health care professional licensed or registered under chapter 330, 331, 332, 334, 335, 336, 337, or
23 338 without compensation. MO HealthNet or Medicare payments for primary care and preventive
24 health services provided by a health care professional licensed or registered under chapter 330, 331,
25 332, 334, 335, 336, 337, or 338 who volunteers at a [free] community health clinic is not
26 compensation for the purpose of this section if the total payment is assigned to the [free] community
27 health clinic. For the purposes of the section, "[free] community health clinic" means a nonprofit
28 community health center qualified as exempt from federal taxation under Section 501(c)(3) of the
29 Internal Revenue Code of 1987, as amended, that provides primary care and preventive health
30 services to people without health insurance coverage [for the services provided without charge]. In
31 the case of any claim or judgment that arises under this paragraph, the aggregate of payments from
32 the state legal expense fund shall be limited to a maximum of five hundred thousand dollars, for all
33 claims arising out of and judgments based upon the same act or acts alleged in a single cause and
34 shall not exceed five hundred thousand dollars for any one claimant, and insurance policies
35 purchased pursuant to the provisions of section 105.721 shall be limited to five hundred thousand
36 dollars. Liability or malpractice insurance obtained and maintained in force by or on behalf of any
37 health care professional licensed or registered under chapter 330, 331, 332, 334, 335, 336, 337, or
38 338 shall not be considered available to pay that portion of a judgment or claim for which the state
39 legal expense fund is liable under this paragraph;

40 (e) Any physician, nurse, physician assistant, dental hygienist, or dentist licensed or
41 registered to practice medicine, nursing, or dentistry or to act as a physician assistant or dental
42 hygienist in Missouri under the provisions of chapter 332, 334, or 335, or lawfully practicing, who
43 provides medical, nursing, or dental treatment within the scope of his license or registration to
44 students of a school whether a public, private, or parochial elementary or secondary school or
45 summer camp, if such physician's treatment is restricted to primary care and preventive health
46 services and if such medical, dental, or nursing services are provided by the physician, dentist,
47 physician assistant, dental hygienist, or nurse without compensation. In the case of any claim or
48 judgment that arises under this paragraph, the aggregate of payments from the state legal expense

1 fund shall be limited to a maximum of five hundred thousand dollars, for all claims arising out of
2 and judgments based upon the same act or acts alleged in a single cause and shall not exceed five
3 hundred thousand dollars for any one claimant, and insurance policies purchased pursuant to the
4 provisions of section 105.721 shall be limited to five hundred thousand dollars; or

5 (f) Any physician licensed under chapter 334, or dentist licensed under chapter 332,
6 providing medical care without compensation to an individual referred to his or her care by a city or
7 county health department organized under chapter 192 or 205, a city health department operating
8 under a city charter, or a combined city-county health department, or nonprofit health center
9 qualified as exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code of
10 1986, as amended, or a federally funded community health center organized under Section 315, 329,
11 330, or 340 of the Public Health Services Act, 42 U.S.C. Section 216, 254c; provided that such
12 treatment shall not include the performance of an abortion. In the case of any claim or judgment that
13 arises under this paragraph, the aggregate of payments from the state legal expense fund shall be
14 limited to a maximum of one million dollars for all claims arising out of and judgments based upon
15 the same act or acts alleged in a single cause and shall not exceed one million dollars for any one
16 claimant, and insurance policies purchased under the provisions of section 105.721 shall be limited
17 to one million dollars. Liability or malpractice insurance obtained and maintained in force by or on
18 behalf of any physician licensed under chapter 334, or any dentist licensed under chapter 332, shall
19 not be considered available to pay that portion of a judgment or claim for which the state legal
20 expense fund is liable under this paragraph;

21 (4) Staff employed by the juvenile division of any judicial circuit;

22 (5) Any attorney licensed to practice law in the state of Missouri who practices law at or
23 through a nonprofit community social services center qualified as exempt from federal taxation
24 under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or through any agency
25 of any federal, state, or local government, if such legal practice is provided by the attorney without
26 compensation. In the case of any claim or judgment that arises under this subdivision, the aggregate
27 of payments from the state legal expense fund shall be limited to a maximum of five hundred
28 thousand dollars for all claims arising out of and judgments based upon the same act or acts alleged
29 in a single cause and shall not exceed five hundred thousand dollars for any one claimant, and
30 insurance policies purchased pursuant to the provisions of section 105.721 shall be limited to five
31 hundred thousand dollars;

32 (6) Any social welfare board created under section 205.770 and the members and officers
33 thereof upon conduct of such officer or employee while acting in his or her capacity as a board
34 member or officer, and any physician, nurse, physician assistant, dental hygienist, dentist, or other
35 health care professional licensed or registered under chapter 330, 331, 332, 334, 335, 336, 337, or
36 338 who is referred to provide medical care without compensation by the board and who provides
37 health care services within the scope of his or her license or registration as prescribed by the board;
38 or

39 (7) Any person who is selected or appointed by the state director of revenue under
40 subsection 2 of section 136.055 to act as an agent of the department of revenue, to the extent that
41 such agent's actions or inactions upon which such claim or judgment is based were performed in the
42 course of the person's official duties as an agent of the department of revenue and in the manner
43 required by state law or department of revenue rules.

44 3. The department of health and senior services shall promulgate rules regarding contract
45 procedures and the documentation of care provided under paragraphs (b), (c), (d), (e), and (f) of
46 subdivision (3) of subsection 2 of this section. The limitation on payments from the state legal
47 expense fund or any policy of insurance procured pursuant to the provisions of section 105.721,
48 provided in subsection 7 of this section, shall not apply to any claim or judgment arising under

1 paragraph (a), (b), (c), (d), (e), or (f) of subdivision (3) of subsection 2 of this section. Any claim or
2 judgment arising under paragraph (a), (b), (c), (d), (e), or (f) of subdivision (3) of subsection 2 of
3 this section shall be paid by the state legal expense fund or any policy of insurance procured pursuant
4 to section 105.721, to the extent damages are allowed under sections 538.205 to 538.235. Liability
5 or malpractice insurance obtained and maintained in force by any health care professional licensed or
6 registered under chapter 330, 331, 332, 334, 335, 336, 337, or 338 for coverage concerning his or
7 her private practice and assets shall not be considered available under subsection 7 of this section to
8 pay that portion of a judgment or claim for which the state legal expense fund is liable under
9 paragraph (a), (b), (c), (d), (e), or (f) of subdivision (3) of subsection 2 of this section. However, a
10 health care professional licensed or registered under chapter 330, 331, 332, 334, 335, 336, 337, or
11 338 may purchase liability or malpractice insurance for coverage of liability claims or judgments
12 based upon care rendered under paragraphs (c), (d), (e), and (f) of subdivision (3) of subsection 2 of
13 this section which exceed the amount of liability coverage provided by the state legal expense fund
14 under those paragraphs. Even if paragraph (a), (b), (c), (d), (e), or (f) of subdivision (3) of
15 subsection 2 of this section is repealed or modified, the state legal expense fund shall be available for
16 damages which occur while the pertinent paragraph (a), (b), (c), (d), (e), or (f) of subdivision (3) of
17 subsection 2 of this section is in effect.

18 4. The attorney general shall promulgate rules regarding contract procedures and the
19 documentation of legal practice provided under subdivision (5) of subsection 2 of this section. The
20 limitation on payments from the state legal expense fund or any policy of insurance procured
21 pursuant to section 105.721 as provided in subsection 7 of this section shall not apply to any claim or
22 judgment arising under subdivision (5) of subsection 2 of this section. Any claim or judgment
23 arising under subdivision (5) of subsection 2 of this section shall be paid by the state legal expense
24 fund or any policy of insurance procured pursuant to section 105.721 to the extent damages are
25 allowed under sections 538.205 to 538.235. Liability or malpractice insurance otherwise obtained
26 and maintained in force shall not be considered available under subsection 7 of this section to pay
27 that portion of a judgment or claim for which the state legal expense fund is liable under subdivision
28 (5) of subsection 2 of this section. However, an attorney may obtain liability or malpractice
29 insurance for coverage of liability claims or judgments based upon legal practice rendered under
30 subdivision (5) of subsection 2 of this section that exceed the amount of liability coverage provided
31 by the state legal expense fund under subdivision (5) of subsection 2 of this section. Even if
32 subdivision (5) of subsection 2 of this section is repealed or amended, the state legal expense fund
33 shall be available for damages that occur while the pertinent subdivision (5) of subsection 2 of this
34 section is in effect.

35 5. All payments shall be made from the state legal expense fund by the commissioner of
36 administration with the approval of the attorney general. Payment from the state legal expense fund
37 of a claim or final judgment award against a health care professional licensed or registered under
38 chapter 330, 331, 332, 334, 335, 336, 337, or 338, described in paragraph (a), (b), (c), (d), (e), or (f)
39 of subdivision (3) of subsection 2 of this section, or against an attorney in subdivision (5) of
40 subsection 2 of this section, shall only be made for services rendered in accordance with the
41 conditions of such paragraphs. In the case of any claim or judgment against an officer or employee
42 of the state or any agency of the state based upon conduct of such officer or employee arising out of
43 and performed in connection with his or her official duties on behalf of the state or any agency of the
44 state that would give rise to a cause of action under section 537.600, the state legal expense fund
45 shall be liable, excluding punitive damages, for:

- 46 (1) Economic damages to any one claimant; and
- 47 (2) Up to three hundred fifty thousand dollars for noneconomic damages.

48 The state legal expense fund shall be the exclusive remedy and shall preclude any other civil actions

1 or proceedings for money damages arising out of or relating to the same subject matter against the
2 state officer or employee, or the officer's or employee's estate. No officer or employee of the state or
3 any agency of the state shall be individually liable in his or her personal capacity for conduct of such
4 officer or employee arising out of and performed in connection with his or her official duties on
5 behalf of the state or any agency of the state. The provisions of this subsection shall not apply to any
6 defendant who is not an officer or employee of the state or any agency of the state in any proceeding
7 against an officer or employee of the state or any agency of the state. Nothing in this subsection
8 shall limit the rights and remedies otherwise available to a claimant under state law or common law
9 in proceedings where one or more defendants is not an officer or employee of the state or any agency
10 of the state.

11 6. The limitation on awards for noneconomic damages provided for in this subsection shall
12 be increased or decreased on an annual basis effective January first of each year in accordance with
13 the Implicit Price Deflator for Personal Consumption Expenditures as published by the Bureau of
14 Economic Analysis of the United States Department of Commerce. The current value of the
15 limitation shall be calculated by the director of the department of insurance, financial institutions and
16 professional registration, who shall furnish that value to the secretary of state, who shall publish such
17 value in the Missouri Register as soon after each January first as practicable, but it shall otherwise be
18 exempt from the provisions of section 536.021.

19 7. Except as provided in subsection 3 of this section, in the case of any claim or judgment
20 that arises under sections 537.600 and 537.610 against the state of Missouri, or an agency of the
21 state, the aggregate of payments from the state legal expense fund and from any policy of insurance
22 procured pursuant to the provisions of section 105.721 shall not exceed the limits of liability as
23 provided in sections 537.600 to 537.610. No payment shall be made from the state legal expense
24 fund or any policy of insurance procured with state funds pursuant to section 105.721 unless and
25 until the benefits provided to pay the claim by any other policy of liability insurance have been
26 exhausted.

27 8. The provisions of section 33.080 notwithstanding, any moneys remaining to the credit of
28 the state legal expense fund at the end of an appropriation period shall not be transferred to general
29 revenue.

30 9. Any rule or portion of a rule, as that term is defined in section 536.010, that is
31 promulgated under the authority delegated in sections 105.711 to 105.726 shall become effective
32 only if it has been promulgated pursuant to the provisions of chapter 536. Nothing in this section
33 shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to August 28,
34 1999, if it fully complied with the provisions of chapter 536. This section and chapter 536 are
35 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to
36 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
37 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
38 August 28, 1999, shall be invalid and void."; and

39
40 Further amend said bill by amending the title, enacting clause, and intersectional references
41 accordingly.
42