

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 2163 By: Paddack of the Senate
3 and
4 Sullivan of the House
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8 An Act relating to damages; creating the Health Care
9 Indemnity Fund Act; providing short title; providing
for codification; and providing an effective date.

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AUTHOR: Add the following House Coauthor: Peterson

AMENDMENT NO. 1. Strike the title, enacting clause and entire bill
and insert

"An Act relating to damages; creating the Health Care
Indemnity Trust Fund; specifying sources of funding;
creating Health Care Indemnity Trust Fund Board of
Trustees; establishing membership of Board;
providing for appointment of Board members;
providing for terms of initial appointees; providing
for succession of members; authorizing removal of
member for cause; specifying authorized expenditures
from fund; authorizing Board to take certain
actions; directing Board to develop rules and review
certain bids; directing Board to solicit certain
bids; requiring certain report; providing that Board
members shall not receive salaries; authorizing
certain travel expenses; providing for the selection
of chair and vice-chair; requiring quarterly
meetings of Board; providing quorum requirements;
specifying certain exception; specifying
applicability of Open Meeting Act, Open Records Act,
and the Administrative Procedures Act to Board's

1 activities; requiring submission of certain annual
2 report; and providing for codification

3 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

4 SECTION 1. NEW LAW A new section of law to be codified
5 in the Oklahoma Statutes as Section 61.3 of Title 23, unless there
6 is created a duplication in numbering, reads as follows:

7 A. There is hereby created a trust fund to be known as the
8 "Health Care Indemnity Trust Fund". The trust fund principal shall
9 consist of all funds appropriated, transferred, donated or otherwise
10 directed to the fund by law and any monies or assets contributed to
11 the trust fund from any other source, public or private.

12 B. There is hereby created the Board of Trustees of the Health
13 Care Indemnity Trust Fund. The Board of Trustees shall consist of
14 seven (7) members, to be appointed as follows:

15 1. The Governor shall select one member;

16 2. The President Pro Tempore of the Senate shall select two
17 members, one of whom shall be a health care professional;

18 3. The Speaker of the House of Representatives shall select two
19 members, one of whom shall have expertise and experience in the
20 insurance and reinsurance industry;

21 4. The Chief Executive Officer of the Oklahoma Health Care
22 Authority shall select one member; and

23 5. The Insurance Commissioner shall select one member.
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1 C. The initially appointed members shall serve staggered terms
2 as follows:

3 1. The term of the appointee of the Governor and one appointee
4 of the President Pro Tempore of the Senate shall expire on June 30,
5 2011;

6 2. The term of one appointee of the President Pro Tempore shall
7 expire on June 30, 2012;

8 3. The term of one appointee of the Speaker of the House shall
9 expire on June 30, 2013;

10 4. The term of the appointee of the Chief Executive Officer of
11 the Oklahoma Health Care Authority and one appointee of the Speaker
12 of the House shall expire on June 30, 2014; and

13 5. The term of the appointee of the Insurance Commissioner
14 shall expire on June 30, 2014.

15 Thereafter, successors shall be appointed for terms of four (4)
16 years. An appointee may be removed for cause.

17 D. Earnings from the trust fund, including but not limited to
18 interest, dividends, and realized capital gains from investments of
19 the trust fund shall be expended to pay a portion of damages awarded
20 and approved by the district court in professional negligence cases
21 against physicians in the state following entry of a jury verdict.
22 However, such expenditures shall be limited to noneconomic damages
23 as provided in Section 61.2 of Title 23 of the Oklahoma Statutes.

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1 E. The Board of Trustees shall develop rules to request and
2 review bids for insurance coverage required for the operation of the
3 trust fund. The Board of Trustees may take any action necessary to
4 implement the provisions of this act, including but not limited to
5 retaining counsel. The Board of Trustees shall solicit bids for
6 such insurance and shall have the authority to select an insurance
7 broker and/or administrator to assist in soliciting such bids. The
8 Board of Trustees shall report the cost of implementing the trust
9 fund to the Legislature before December 1, 2010.

10 F. Members of the Board of Trustees shall receive no salary for
11 serving on the Board of Trustees. All members shall receive
12 necessary travel expenses for the performance of their duties from
13 the Office of the Governor in accordance with the provisions of the
14 State Travel Reimbursement Act.

15 G. The Board of Trustees shall annually elect a chair and vice-
16 chair. The vice-chair shall preside over meetings in the absence of
17 the chair, and any other officers, provided that no member shall be
18 elected chair or vice-chair for more than two (2) consecutive years.
19 The Board of Trustees shall meet at least quarterly. A majority of
20 the members of the Board of Trustees shall constitute a quorum to
21 transact business, but no vacancy shall impair the right of the
22 remaining members to exercise all of the powers of the Board of
23 Trustees.

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1 H. The Board of Trustees shall be subject to the Oklahoma Open
2 Meeting Act, the Oklahoma Open Records Act and the Administrative
3 Procedures Act.

4 I. The Board of Trustees shall submit a report of the Health
5 Care Indemnity Trust Fund's investment and asset value annually to
6 the Governor and the State Treasurer."

7 Passed the House of Representatives the 20th day of April, 2010.

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10 Presiding Officer of the House of
11 Representatives

12 Passed the Senate the ____ day of _____, 2010.

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15 Presiding Officer of the Senate

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