

## HOUSE BILL NO. HB0233

Hospitals-liability coverage.

Sponsored by: Representative(s) Brown, Bagby, Lubnau and  
Petersen and Senator(s) Barrasso and Vasey

A BILL

for

1 AN ACT relating to county memorial hospitals and hospital  
2 districts; providing an appropriation to conduct a study  
3 and to assist county memorial hospitals and hospital  
4 districts in joining the local government self-insurance  
5 program; specifying how the appropriation shall be used;  
6 and providing for an effective date.

7

8 *Be It Enacted by the Legislature of the State of Wyoming:*

9

10 **Section 1.**

11

12 (a) There is appropriated from the budget reserve  
13 account to a separate account within the treasurer's office  
14 one million dollars (\$1,000,000.00) to conduct a study and  
15 to assist county memorial hospitals and hospital districts  
16 in obtaining prior acts coverage under the local government

1 self-insurance program. Of this appropriation, an amount  
2 not to exceed one hundred thousand dollars (\$100,000.00)  
3 shall be provided to the local government self-insurance  
4 joint powers board to contract for a feasibility study to  
5 determine the potential liability exposures and feasibility  
6 of the participation of county memorial hospitals and  
7 hospital districts in the local government self-insurance  
8 program. The balance of this appropriation shall be used,  
9 upon application as described in subsection (b) of this  
10 section, by the local government self-insurance joint  
11 powers board, defined in W.S. 1-42-201, to ensure that  
12 county memorial hospitals and hospital districts do not  
13 endure a lapse in coverage due to obtaining coverage under  
14 the local government self-insurance program. In using this  
15 appropriation, the local government self-insurance joint  
16 powers board may, at its discretion and on a case by case  
17 basis, elect to procure coverage from an outside insurer  
18 for prior events not covered due to the expiration of the  
19 period for making claims under the county memorial  
20 district's or hospital district's prior insurance policy,  
21 or may elect to extend coverage under the local government  
22 self-insurance program to claims that occurred during the  
23 time of the lapse in coverage.

24

1           (b) Application to obtain coverage under this section  
2 shall be submitted to the local government self insurance  
3 joint powers board with the following information:

4  
5           (i) A copy of the hospital district or county  
6 memorial hospital's current insurance policy including a  
7 statement of the current annual premium;

8  
9           (ii) A good faith estimate of the cost of tail  
10 coverage from the current insurance provider;

11  
12           (iii) A description of all outstanding claim  
13 periods for which coverage is needed.

14  
15           (c) Upon approval of coverage under the local  
16 government self-insurance program, the state treasurer  
17 shall transfer from the separate account to the account  
18 designated by the local government self-insurance program  
19 joint powers board pursuant to W.S. 1-42-113(a)(i), the  
20 amount necessary to procure coverage from an outside  
21 insurer for prior events not covered due to the expiration  
22 of the period for making claims under the county memorial  
23 hospital's or hospital district's prior insurance policy,  
24 or to extend coverage under the local government self-

1 insurance program to claims that occurred during the time  
2 of the lapse in coverage, as determined by the local  
3 government self-insurance program joint powers board  
4 pursuant to subsection (a) of this section. Application  
5 for prior acts coverage under this section may only be  
6 submitted once, shall be submitted prior to a hospital  
7 district or memorial hospital's election to obtain coverage  
8 under the local government self-insurance program and shall  
9 be funded under this act in the order received by the local  
10 government self-insurance program joint powers board.

11

12       **Section 2.** This act is effective immediately upon  
13 completion of all acts necessary for a bill to become law  
14 as provided by Article 4, Section 8 of the Wyoming  
15 Constitution.

16

17 (END)