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AN ACT

RELATING TO EDUCATION; AMENDING A SECTION OF THE PUBLIC SCHOOL INSURANCE AUTHORITY ACT TO PROVIDE FOR LIABILITY INSURANCE COVERAGE FOR HEALTH CARE STUDENT INTERNS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 22-29-7 NMSA 1978 (being Laws 1986, Chapter 94, Section 7, as amended) is amended to read:

"22-29-7. AUTHORITY--DUTIES.--In order to effectuate the purposes of the Public School Insurance Authority Act, the authority has the power to:

A. enter into professional services and consulting contracts or agreements as necessary;

B. collect money and provide for the investment of the fund;

C. collect all current and historical claims and financial information necessary for effective procurement of lines of insurance coverage;

D. promulgate necessary rules, regulations and procedures for implementation of the Public School Insurance Authority Act;

E. by rule, establish a policy to be followed by participating members relating to the use of volunteers. The policy shall be distributed to participating members and posted upon the authority's web site;

1 F. by rule, establish a policy to be followed by
2 participating members relating to the use of school
3 facilities by private persons; provided that the policy shall
4 relate only to liability and risk issues and shall not affect
5 the rights and responsibilities of local school boards to
6 determine how, when and by whom school district facilities
7 are used. The policy shall be distributed to participating
8 members and posted upon the authority's web site;

9 G. provide public liability coverage for health
10 care liability of health care student interns currently
11 enrolled in health care instructional programs provided by
12 any member;

13 H. insure, by negotiated policy, self-insurance or
14 any combination thereof, participating members against claims
15 of bodily injury, personal injury or property damage related
16 to the use of school facilities by private persons; provided
17 that the coverage shall be subject to the following
18 conditions:

19 (1) no more than one million dollars
20 (\$1,000,000) shall be paid for each occurrence; and

21 (2) the coverage shall only apply if the
22 participating member was following the policy adopted by the
23 authority pursuant to Subsection F of this section;

24 I. negotiate new insurance policies covering
25 additional or lesser benefits as determined appropriate by

1 the authority, but the authority shall maintain all coverage
2 levels required by federal and state law for each
3 participating member. In the event it is practical to
4 self-insure wholly a particular line of coverage, the
5 authority may do so;

6 J. procure lines of insurance coverage in
7 compliance with the provisions of the Health Care Purchasing
8 Act and the competitive sealed proposal process of the
9 Procurement Code; provided that any group medical insurance
10 plan offered pursuant to this section shall include effective
11 cost-containment measures to control the growth of health
12 care costs. The board shall report annually by September 1
13 to appropriate interim legislative committees on the
14 effectiveness of the cost-containment measures required by
15 this subsection; and

16 K. purchase, renovate, equip and furnish a
17 building for the board."