WEST VIRGINIA CODE CHAPTER 55 ARTICLE 7H

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§55-7H-1. Findings and declaration of public purpose.

The Legislature finds and declares:

That the citizens of this state have been and should continue to be well served by physicians and dentists educated and trained at the Marshall University School of Medicine, the West Virginia School of Osteopathic Medicine, the West Virginia University School of Medicine and the West Virginia University School of Dentistry;

That the state's medical and dental schools play a vital role in ensuring an adequate supply of qualified and trained physicians throughout the state;

That the education, training and research provided at the state's medical and dental schools and state medical school are an essential governmental function in which the state has a substantial and compelling interest;

That the provision of clinical services to patients by faculty members,, residents, fellows and students of the state's medical and dental schools and state medical school, is an inseparable component of the aforementioned education, training and research;

That the provision of the clinical services significantly contributes to the ongoing quality, effectiveness and scope of the state's health care delivery system;

That the provision of the clinical services also raises the public profile and reputation of the respective institutions both regionally and nationally, thereby facilitating the recruitment of talented faculty, residents, fellows and students to their programs of study;

That the provision of the clinical services generates additional revenues needed to fund faculty salaries and other costs associated with the overall operation of the state medical school and state's medical and dental schools;

That the continued availability of the revenues to the state medical school and state's medical and dental schools is necessary to their ongoing operation and delivery of the benefits described above;

That the continued availability of the revenues is compromised by the cost of medical professional liability insurance, the cost of defending medical professional liability claims, and the cost of compensating patients who suffer medical injury or death;

That the state concurrently has an interest in providing a system that makes available adequate and fair compensation to those individual patients who suffer medical injury or death;

That it is the duty and responsibility of the Legislature to balance the rights of individual patients to obtain adequate and fair compensation, with the substantial and compelling state interests set forth herein supporting the need for a financially viable system of medical and

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dental schools;

That, in balancing these important state interests, the Legislature acknowledges the sovereign immunity set forth in the West Virginia Constitution under Article VI, Section 35, to prevent the diversion of state moneys from legislatively appropriated purposes;

That, in conjunction with the provision of clinical services to patients by faculty members, , residents, fellows and students of the state's medical and dental schools, or state medical school, it is a common practice both here and in other states to create one or more clinical practice plans as nonprofit corporations;

That the clinical practice plans, among other things, administratively support clinical activities by holding real and personal property, offering personnel and financial management, providing billing and collection for services rendered, and disbursing excess revenues back to the respective medical and dental schools;

That the clinical practice plans become integrated with their respective state medical school and state's medical and dental schools and exclusively serve the interests of these schools and their faculty;

That any moneys the clinical practice plans expend for the defense, settlement, and satisfaction of medical professional liability claims inevitably result in a shortfall of funds available to the medical and dental schools for faculty compensation and other operational purposes, thereby undermining the sovereign immunity otherwise granted to state institutions by the West Virginia Constitution;

That it is therefore reasonable and appropriate for the Legislature to provide immunity from civil liability to clinical practice plans and their respective directors, officers, employees and agents given the substantial and compelling state interests being served; and

That it is further reasonable and appropriate to require the state's medical and dental schools to maintain a level of medical professional liability insurance to adequately and fairly compensate patients who suffer medical injuries or death.

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§55-7H-2. Definitions.

For purposes of this article:

(1) "Clinical practice plan" means any of the nonprofit corporations that are operated to assist the state medical school and state's medical and dental schools in providing clinical services to patients and which are controlled by governing boards all the voting members of which are faculty members or university officials. Clinical practice plans as defined herein shall be considered agents of the state.

(2) "Contractor" means an independent contractor, whether compensated or not, who is licensed as a health care professional under chapter thirty of this code, who is acting within the scope of his or her authority for a state medical school, state's medical and dental schools, or a clinical practice plan, and is a member of the faculty of a state's medical and dental schools or state medical school.

(3) "Employee" means a director, officer, employee, agent or servant, whether compensated or not, who is licensed as a health care professional under chapter thirty of this code and who is acting within the scope of his or her authority or employment for a state's medical and dental schools, a state medical school or a clinical practice plan.

(4) "Health care" means any act or treatment performed or furnished, or which should have been performed or furnished, by any director, officer, employee, agent or contractor of a state medical school, state's medical and dental schools, or a clinical practice plan for, to or on behalf of a patient during the patient's medical care, treatment or confinement.

(5) "Medical injury" means injury or death to a patient arising or resulting from the rendering or failure to render health care.

(6) "Medical professional liability insurance" means a contract of insurance, or any self-insurance retention program established under the provisions of section ten, article five, chapter eighteen-b of this code, that pays for the legal liability arising from a medical injury.

(7) "Patient" means a natural person who receives or should have received health care from a director, officer, employee, agent or contractor of a state medical school, state's medical and dental schools, or a clinical practice plan under a contract, express or implied.

(8) "Scope of authority or employment" means performance by a director, officer, employee, agent or contractor acting in good faith within the duties of his or her office, employment or contract with a state medical school, state's medical and dental schools, or a clinical practice plan, but does not include corruption or fraud.

(9) "State's medical and dental schools" or "state medical school" means the Marshall University School of Medicine, the West Virginia School of Osteopathic Medicine, the West Virginia University School of Medicine and the West Virginia University School of Dentistry.

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§55-7H-3. Immunity for clinical practice plans and their directors, officers, employees, agents and contractors.

Notwithstanding any other provision of this code, all clinical practice plans, and all employees and contractors of a state's medical and dental schools, state medical school or a clinical practice plan, are only liable up to the limits of insurance coverage procured through the State Board of Risk and Insurance Management in accordance with section four, article seven-e, chapter fifty-five of the code, arising from a medical injury to a patient, including death resulting, in whole or in part, from the medical injury, either through act or omission, or whether actual or imputed, while acting within the scope of their authority or employment for a state's medical and dental schools, state medical school or a clinical practice plan. The provisions of this article apply to the acts and omissions of all full-time, part-time, visiting and volunteer directors, officers, faculty members, residents, fellows, students, employees, agents and contractors of a state's medical and dental schools, state medical school or a clinical practice plan, regardless of whether the persons are engaged in teaching, research, clinical, administrative or other duties giving rise to the medical injury, regardless of whether the activities were being performed on behalf of a state's medical and dental schools, state medical school or on behalf of a clinical practice plan and regardless of where the duties were being carried out at the time of the medical injury.

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§55-7H-4. Medical professional liability insurance for state's medical and dental schools and state medical schools.

The State Board of Risk and Insurance Management shall provide medical professional liability insurance to all of the state's medical and dental schools, state medical school, all of their clinical practice plans and all of their directors, officers, employees, agents and contractors in an amount to be determined by the State Board of Risk and Insurance Management, but in no event less than $1.5 million for each occurrence after July 1, 2015, to increase to account for inflation by an amount equal to the Consumer Price Index published by the United States Department of Labor, up to $2 million for each occurrence. The clinical practice plans shall pay for this insurance. The provision of professional liability insurance is not a waiver of immunity that any of the foregoing entities or persons may have pursuant to this article or under any other law. Any judgment obtained for a medical injury to a patient as a result of health care performed or furnished, or which should have been performed or furnished, by any employee or contractor of a state's medical and dental school, state medical school or clinical practice plan shall not exceed the limits of medical professional liability insurance coverage provided by the State Board of Risk and Insurance Management pursuant to this section.

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§55-7H-5. Applicability of provisions.

The provisions of this article are applicable prospectively to all claims that occur and are commenced on or after July 1, 2015.

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§55-7H-6. Construction.

The provisions of this article operate in addition to, and not in derogation of, any of the provisions contained in article seven-b of this chapter.

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