604A.301 LIMITED LIABILITY FOR CERTAIN NONPROFIT TREATMENT FACILITIES.

Subdivision 1. **Limit on amount of liability.** A treatment facility organized as a nonprofit corporation under chapter 317A that accepts individuals for treatment under a court order or an order of the commissioner of corrections as part of an adult or juvenile corrections program is subject to the same liability limits provided for state agencies under section 3.736, subdivision 4, with respect to claims against the facility arising out of the treatment of those individuals or the activities of those individuals while in the care of the program, if the treatment facility procures insurance against liability for claims described under this section, which insurance is in an amount equal to the greater of $500,000 per claim or occurrence or the amounts specified for the state under section 3.736, subdivision 4. This section does not apply if the conduct of a facility was intentional or grossly negligent.

Subd. 2. **Effect of excess liability insurance.** Notwithstanding subdivision 1, if a treatment facility has insurance coverage in excess of the liability limits under section 3.736, subdivision 4, the procurement of that insurance constitutes a waiver of those limits but only to the extent that valid and collectible insurance exceeds those limits and covers a claim. The purchase of excess insurance has no other effect on the liability of the treatment facility.

History: *1998 c 336 s 1*