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LEGISLATIVE ACTION

Senate	.	House
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The Conference Committee on SB 2126 recommended the following:

1 **Senate Conference Committee Amendment (with title**
2 **amendment)**

3
4 Delete everything after the enacting clause
5 and insert:

6 Section 1. Subsections (1), (2), and (3), paragraph (b) of
7 subsection (4), and subsections (5) and (13) of section 110.123,
8 Florida Statutes, are amended to read:

9 110.123 State group insurance program.—

10 (1) TITLE.—Sections 110.123-110.1239 ~~This section~~ may be
11 cited as the "State Group Insurance Program Law."

12 (2) DEFINITIONS.—As used in ss. 110.123-110.1239 ~~this~~
13 ~~section~~, the term:



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14 (a) "Department" means the Department of Management
15 Services.

16 (b) "Enrollee" means all state officers and employees,
17 retired state officers and employees, surviving spouses of
18 deceased state officers and employees, and terminated employees
19 or individuals with continuation coverage who are enrolled in an
20 insurance plan offered by the state group insurance program.
21 "Enrollee" includes all state university officers and employees,
22 retired state university officers and employees, surviving
23 spouses of deceased state university officers and employees, and
24 terminated state university employees or individuals with
25 continuation coverage who are enrolled in an insurance plan
26 offered by the state group insurance program.

27 (c) "Full-time state employees" includes all full-time
28 employees of all branches or agencies of state government
29 holding salaried positions and paid by state warrant or from
30 agency funds, and employees paid from regular salary
31 appropriations for 8 months' employment, including university
32 personnel on academic contracts, but in no case shall "state
33 employee" or "salaried position" include persons paid from
34 other-personal-services (OPS) funds. "Full-time employees"
35 includes all full-time employees of the state universities.

36 (d) "Health maintenance organization" or "HMO" means an
37 entity certified under part I of chapter 641.

38 (e) "Health plan member" means any person participating in
39 a state group health insurance plan, ~~a TRICARE supplemental~~
40 ~~insurance plan,~~ or a health maintenance organization plan under
41 the state group insurance program, including enrollees and
42 covered dependents thereof.



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43 (f) "Part-time state employee" means any employee of any
44 branch or agency of state government paid by state warrant from
45 salary appropriations or from agency funds, and who is employed
46 for less than the normal full-time workweek established by the
47 department or, if on academic contract or seasonal or other type
48 of employment which is less than year-round, is employed for
49 less than 8 months during any 12-month period, but in no case
50 shall "part-time" employee include a person paid from other-
51 personal-services (OPS) funds. "Part-time state employee"
52 includes any part-time employee of the state universities.

53 (g) "Plan year" means a calendar year.

54 (h)~~(g)~~ "Retired state officer or employee" or "retiree"
55 means any state or state university officer or employee who
56 retires under a state retirement system or a state optional
57 annuity or retirement program or is placed on disability
58 retirement, and who was insured under the state group insurance
59 program at the time of retirement, and who begins receiving
60 retirement benefits immediately after retirement from state or
61 state university office or employment. In addition to these
62 requirements, any state officer or state employee who retires
63 under the Public Employee Optional Retirement Program
64 established under part II of chapter 121 shall be considered a
65 "retired state officer or employee" or "retiree" as used in this
66 section if he or she:

67 1. Meets the age and service requirements to qualify for
68 normal retirement as set forth in s. 121.021(29); or

69 2. Has attained the age specified by s. 72(t)(2)(A)(i) of
70 the Internal Revenue Code and has 6 years of creditable service.

71 (i)~~(h)~~ "State agency" or "agency" means any branch,



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72 department, or agency of state government. "State agency" or
73 "agency" includes any state university for purposes of this
74 section only.

75 ~~(j)(i)~~ "State group health insurance plan or plans" or
76 "state plan or plans" mean the state self-insured health
77 insurance plan or plans, including self-insured health
78 maintenance organization plans, offered to state officers and
79 employees, retired state officers and employees, and surviving
80 spouses of deceased state officers and employees pursuant to
81 this section.

82 ~~(k)(j)~~ "State-contracted HMO" means any health maintenance
83 organization under contract with the department to participate
84 in the state group insurance program.

85 ~~(l)(k)~~ "State group insurance program" or "programs" means
86 the package of insurance plans offered to state officers and
87 employees, retired state officers and employees, and surviving
88 spouses of deceased state officers and employees pursuant to
89 this section, including the state group health insurance plan or
90 plans, health maintenance organization plans, ~~TRICARE~~
91 ~~supplemental insurance plans~~, and other plans required or
92 authorized by law.

93 ~~(m)(l)~~ "State officer" means any constitutional state
94 officer, any elected state officer paid by state warrant, or any
95 appointed state officer who is commissioned by the Governor and
96 who is paid by state warrant.

97 ~~(n)(m)~~ "Surviving spouse" means the widow or widower of a
98 deceased state officer, full-time state employee, part-time
99 state employee, or retiree if such widow or widower was covered
100 as a dependent under the state group health insurance plan, ~~a~~



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101 ~~TRICARE supplemental insurance plan,~~ or a health maintenance
102 organization plan established pursuant to this section at the
103 time of the death of the deceased officer, employee, or retiree.
104 "Surviving spouse" also means any widow or widower who is
105 receiving or eligible to receive a monthly state warrant from a
106 state retirement system as the beneficiary of a state officer,
107 full-time state employee, or retiree who died prior to July 1,
108 1979. For the purposes of this section, any such widow or
109 widower shall cease to be a surviving spouse upon his or her
110 remarriage.

111 ~~(n) "TRICARE supplemental insurance plan" means the~~
112 ~~Department of Defense Health Insurance Program for eligible~~
113 ~~members of the uniformed services authorized by 10 U.S.C. s.~~
114 ~~1097.~~

115 (3) STATE GROUP INSURANCE PROGRAM.—

116 ~~(a) The Division of State Group Insurance is created within~~
117 ~~the Department of Management Services.~~

118 ~~(b) It is the intent of the Legislature to offer a~~
119 ~~comprehensive package of health insurance and retirement~~
120 ~~benefits and a personnel system for state employees which are~~
121 ~~provided in a cost-efficient and prudent manner, and to allow~~
122 ~~state employees the option to choose benefit plans which best~~
123 ~~suit their individual needs. Therefore,~~

124 (a) The state group insurance program is established, which
125 may include the state group health insurance plan or plans,
126 health maintenance organization plans, group life insurance
127 plans, ~~TRICARE supplemental insurance plans,~~ group accidental
128 death and dismemberment plans, ~~and~~ group disability insurance
129 plans, and. ~~Furthermore, the department is additionally~~



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130 ~~authorized to establish and provide as part of the state group~~
131 ~~insurance program any other group insurance plans or coverage~~
132 ~~choices that are consistent with the provisions of this section.~~

133 ~~(b)(c) Notwithstanding any provision in this section to the~~
134 ~~contrary, it is the intent of the Legislature that The~~
135 ~~department shall be responsible for all aspects of the purchase~~
136 ~~of health care for state employees under the state group health~~
137 ~~insurance plan or plans, TRICARE supplemental insurance plans,~~
138 ~~and the health maintenance organization plans. Responsibilities~~
139 ~~shall include, but not be limited to, the development of~~
140 ~~requests for proposals or invitations to negotiate for state~~
141 ~~employee health services, the determination of health care~~
142 ~~benefits to be provided, and the negotiation of contracts for~~
143 ~~health care and health care administrative services. Prior to~~
144 ~~the negotiation of contracts for health care services, the~~
145 ~~Legislature intends that the department shall develop, with~~
146 ~~respect to state collective bargaining issues, the health~~
147 ~~benefits and terms to be included in the state group health~~
148 ~~insurance program. The department shall adopt rules necessary to~~
149 ~~perform its responsibilities pursuant to this section. It is the~~
150 ~~intent of the Legislature that The department shall be~~
151 ~~responsible for the contract management and day-to-day~~
152 ~~management of the state employee health insurance program,~~
153 ~~including, but not limited to, employee enrollment, premium~~
154 ~~collection, payment to health care providers, and other~~
155 ~~administrative functions described in s. 110.12303(6) related to~~
156 ~~the program.~~

157 ~~(d)1. Notwithstanding the provisions of chapter 287 and the~~
158 ~~authority of the department, for the purpose of protecting the~~



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159 ~~health of, and providing medical services to, state employees~~
160 ~~participating in the state group insurance program, the~~
161 ~~department may contract to retain the services of professional~~
162 ~~administrators for the state group insurance program. The agency~~
163 ~~shall follow good purchasing practices of state procurement to~~
164 ~~the extent practicable under the circumstances.~~

165 (c)1.2. Each vendor in a major procurement, and any other
166 vendor if the department deems it necessary to protect the
167 state's financial interests, shall, at the time of executing any
168 contract with the department, post an appropriate bond with the
169 department in an amount determined by the department to be
170 adequate to protect the state's interests but not higher than
171 the full amount estimated to be paid annually to the vendor
172 under the contract.

173 2.3. Each major contract entered into by the department
174 pursuant to this section shall contain a provision for payment
175 of liquidated damages to the department for material
176 noncompliance by a vendor with a contract provision. The
177 department may require a liquidated damages provision in any
178 contract if the department deems it necessary to protect the
179 state's financial interests.

180 3.4. The provisions of s. 120.57(3) apply to the
181 department's contracting process, except:

182 a. A formal written protest of any decision, intended
183 decision, or other action subject to protest shall be filed
184 within 72 hours after receipt of notice of the decision,
185 intended decision, or other action.

186 b. As an alternative to any provision of s. 120.57(3), the
187 department may proceed with the bid selection or contract award



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188 process if the director of the department sets forth, in
189 writing, particular facts and circumstances which demonstrate
190 the necessity of continuing the procurement process or the
191 contract award process in order to avoid a substantial
192 disruption to the provision of any scheduled insurance services.

193 (d)~~(e)~~ The Department of Management Services and the
194 Division of State Group Insurance may not prohibit or limit any
195 properly licensed insurer, health maintenance organization,
196 prepaid limited health services organization, or insurance agent
197 from competing for any insurance product or plan purchased,
198 provided, or endorsed by the department or the division on the
199 basis of the compensation arrangement used by the insurer or
200 organization for its agents.

201 (e)1.~~(f)~~ For plan years that begin before the 2013 plan
202 year ~~Except as provided for in subparagraph (h)2.~~, the state
203 contribution toward the cost of any plan in the state group
204 insurance program shall be uniform with respect to all state
205 employees in a state collective bargaining unit participating in
206 the same coverage tier in the same plan. This section does not
207 prohibit the development of separate benefit plans for officers
208 and employees exempt from the career service or the development
209 of separate benefit plans for each collective bargaining unit.

210 2. For the 2013 plan year, the state contribution toward the
211 cost of any health insurance plan in the state group insurance
212 program shall be as provided in s. 110.12304. This section does
213 not prohibit the development of separate benefit plans or
214 contribution requirements for officers and employees exempt from
215 the career service or the development of separate benefit plans
216 for each collective bargaining unit.



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217 ~~(f)(g)~~ Participation by individuals in the program is
218 available to all state officers, full-time state employees, and
219 part-time state employees; and such participation in the program
220 or any plan is voluntary. Participation in the program is also
221 available to retired state officers and employees, as defined in
222 paragraph (2) ~~(h)(g)~~, who elect at the time of retirement to
223 continue coverage under the program, but they may elect to
224 continue all or only part of the coverage they had at the time
225 of retirement. A surviving spouse may elect to continue coverage
226 only under a state group health insurance plan, ~~a TRICARE~~
227 ~~supplemental insurance plan,~~ or a health maintenance
228 organization plan.

229 ~~(g)(h)~~1. A person eligible to participate in the state
230 group insurance program may be authorized by rules adopted by
231 the department to select any benefits and coverage that may be
232 offered to qualified persons as authorized by the Legislature,
233 ~~in lieu of participating in the state group health insurance~~
234 ~~plan, to exercise an option to elect membership in a health~~
235 ~~maintenance organization plan which is under contract with the~~
236 ~~state in accordance with criteria established by this section~~
237 ~~and by said rules. The offer of optional membership in a health~~
238 ~~maintenance organization plan permitted by this paragraph may be~~
239 ~~limited or conditioned by rule as may be necessary to meet the~~
240 ~~requirements of state and federal laws.~~

241 2. For the 2012 and 2013 plan years, the department shall
242 contract with health maintenance organizations seeking to
243 participate in the state group insurance program through a
244 competitive request for proposal or other procurement process
245 consistent with s. 110.12302, ~~as developed by the Department of~~



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246 ~~Management Services and determined to be appropriate.~~

247 a. For the 2012 plan year, the department shall establish a
248 schedule of minimum benefits for health maintenance organization
249 coverage, and that schedule shall include all services
250 authorized by the Legislature for participating health
251 maintenance organizations in the 2011 plan year. For the 2013
252 plan year, subject to legislative approval, the department
253 shall, in consultation with the independent benefits manager,
254 establish a schedule of minimum benefits for health maintenance
255 organization coverage, and that schedule shall be consistent
256 with the benefit levels described in paragraph (j): ~~physician~~
257 ~~services; inpatient and outpatient hospital services; emergency~~
258 ~~medical services, including out-of-area emergency coverage;~~
259 ~~diagnostic laboratory and diagnostic and therapeutic radiologic~~
260 ~~services; mental health, alcohol, and chemical dependency~~
261 ~~treatment services meeting the minimum requirements of state and~~
262 ~~federal law; skilled nursing facilities and services;~~
263 ~~prescription drugs; age-based and gender-based wellness~~
264 ~~benefits; and other benefits as may be required by the~~
265 ~~department. Additional services may be provided subject to the~~
266 ~~contract between the department and the HMO. As used in this~~
267 ~~paragraph, the term "age-based and gender-based wellness~~
268 ~~benefits" includes aerobic exercise, education in alcohol and~~
269 ~~substance abuse prevention, blood cholesterol screening, health~~
270 ~~risk appraisals, blood pressure screening and education,~~
271 ~~nutrition education, program planning, safety belt education,~~
272 ~~smoking cessation, stress management, weight management, and~~
273 ~~women's health education.~~

274 b. For the 2012 plan year, the department may establish



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275 uniform deductibles, copayments, coverage tiers, or coinsurance
276 schedules for all participating HMO plans.

277 c. The department may require detailed information from
278 each health maintenance organization participating in the
279 procurement process, including information pertaining to
280 organizational status, experience in providing prepaid health
281 benefits, accessibility of services, financial stability of the
282 plan, quality of management services, accreditation status,
283 quality of medical services, network access and adequacy,
284 performance measurement, ability to meet the department's
285 reporting requirements, and the actuarial basis of the proposed
286 rates and other data determined by the director to be necessary
287 for the evaluation and selection of health maintenance
288 organization plans and negotiation of appropriate rates for
289 these plans. Upon receipt of proposals by health maintenance
290 organization plans and the evaluation of those proposals, the
291 department may negotiate ~~enter into negotiations~~ with all of the
292 plans or a subset of the plans, as the department determines
293 appropriate. ~~Nothing shall preclude~~ The department may negotiate
294 ~~from negotiating~~ regional ~~or statewide~~ contracts with health
295 maintenance organization plans ~~when this is cost-effective and~~
296 ~~when the department determines that the plan offers high value~~
297 ~~to enrollees.~~

298 d. The department may limit the number of HMOs that it
299 contracts with in each service area based on the nature of the
300 bids the department receives, the number of state employees in
301 the service area, or any unique geographical characteristics of
302 the service area. The department shall establish by rule service
303 areas throughout the state.



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304 e. All persons participating in the state group insurance
305 program may be required to contribute towards a total state
306 group health premium that may vary depending upon the plan and
307 coverage tier selected by the enrollee and the level of state
308 contribution authorized by the Legislature.

309 ~~3. The department is authorized to negotiate and to~~
310 ~~contract with specialty psychiatric hospitals for mental health~~
311 ~~benefits, on a regional basis, for alcohol, drug abuse, and~~
312 ~~mental and nervous disorders. The department may establish,~~
313 ~~subject to the approval of the Legislature pursuant to~~
314 ~~subsection (5), any such regional plan upon completion of an~~
315 ~~actuarial study to determine any impact on plan benefits and~~
316 ~~premiums.~~

317 ~~4. In addition to contracting pursuant to subparagraph 2.,~~
318 ~~the department may enter into contract with any HMO to~~
319 ~~participate in the state group insurance program which:~~

320 ~~a. Serves greater than 5,000 recipients on a prepaid basis~~
321 ~~under the Medicaid program;~~

322 ~~b. Does not currently meet the 25 percent non-Medicare/non-~~
323 ~~Medicaid enrollment composition requirement established by the~~
324 ~~Department of Health excluding participants enrolled in the~~
325 ~~state group insurance program;~~

326 ~~c. Meets the minimum benefit package and copayments and~~
327 ~~deductibles contained in sub-subparagraphs 2.a. and b.;~~

328 ~~d. Is willing to participate in the state group insurance~~
329 ~~program at a cost of premiums that is not greater than 95~~
330 ~~percent of the cost of HMO premiums accepted by the department~~
331 ~~in each service area; and~~

332 ~~e. Meets the minimum surplus requirements of s. 641.225.~~



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333
334 ~~The department is authorized to contract with HMOs that meet the~~
335 ~~requirements of sub-subparagraphs a. d. prior to the open~~
336 ~~enrollment period for state employees. The department is not~~
337 ~~required to renew the contract with the HMOs as set forth in~~
338 ~~this paragraph more than twice. Thereafter, the HMOs shall be~~
339 ~~eligible to participate in the state group insurance program~~
340 ~~only through the request for proposal or invitation to negotiate~~
341 ~~process described in subparagraph 2.~~

342 3.5. All enrollees in a state group health insurance plan,
343 ~~a TRICARE supplemental insurance plan,~~ or any health maintenance
344 organization plan have the option of changing to any other
345 health plan that is offered by the state within any open
346 enrollment period designated by the department. Open enrollment
347 shall be held at least once each calendar year.

348 4.6. When a contract between a treating provider and the
349 state-contracted health maintenance organization is terminated
350 for any reason other than for cause, each party shall allow any
351 enrollee for whom treatment was active to continue coverage and
352 care when medically necessary, through completion of treatment
353 of a condition for which the enrollee was receiving care at the
354 time of the termination, until the enrollee selects another
355 treating provider, or until the next open enrollment period
356 offered, whichever is longer, but no longer than 6 months after
357 termination of the contract. Each party to the terminated
358 contract shall allow an enrollee who has initiated a course of
359 prenatal care, regardless of the trimester in which care was
360 initiated, to continue care and coverage until completion of
361 postpartum care. This does not prevent a provider from refusing



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362 to continue to provide care to an enrollee who is abusive,
363 noncompliant, or in arrears in payments for services provided.
364 For care continued under this subparagraph, the program and the
365 provider shall continue to be bound by the terms of the
366 terminated contract. Changes made within 30 days before
367 termination of a contract are effective only if agreed to by
368 both parties.

369 ~~5.7.~~ Any HMO participating in the state group insurance
370 program shall submit health care utilization and cost data to
371 the department, in such form and in such manner as the
372 department shall require, as a condition of participating in the
373 program. For any HMO that participated in the program prior to
374 January 2012 and is selected to participate in the 2012 or 2013
375 plan year, health care utilization and cost data for at least
376 the last contract period shall be submitted to the department
377 before a contract is entered into for the 2012 or 2013 plan
378 year. The department shall enter into negotiations with its
379 contracting HMOs to determine the nature and scope of the data
380 submission and the final requirements, format, penalties
381 associated with noncompliance, and timetables for submission.
382 These determinations shall be adopted by rule.

383 ~~6.8.~~ The department may establish and direct, with respect
384 to collective bargaining issues, a comprehensive package of
385 insurance benefits that may include supplemental health and life
386 coverage, dental care, long-term care, vision care, and other
387 benefits it determines necessary to enable state employees to
388 select from among benefit options that best suit their
389 individual and family needs.

390 a. Based upon a desired benefit package, the department



391 shall issue a request for proposal or invitation to negotiate
392 for health insurance providers interested in participating in
393 the state group insurance program, and the department shall
394 issue a request for proposal or invitation to negotiate for
395 insurance providers interested in participating in the non-
396 health-related components of the state group insurance program.
397 Upon receipt of all proposals, the department may enter into
398 contract negotiations with insurance providers submitting bids
399 or negotiate a specially designed benefit package. Insurance
400 providers offering or providing supplemental coverage as of May
401 30, 1991, which qualify for pretax benefit treatment pursuant to
402 s. 125 of the Internal Revenue Code of 1986, with 5,500 or more
403 state employees currently enrolled may be included by the
404 department in the supplemental insurance benefit plan
405 established by the department without participating in a request
406 for proposal, submitting bids, negotiating contracts, or
407 negotiating a specially designed benefit package. These
408 contracts shall provide state employees with the most cost-
409 effective and comprehensive coverage available; however, no
410 state or agency funds shall be contributed toward the cost of
411 any part of the premium of such supplemental benefit plans. With
412 respect to dental coverage, the division shall include in any
413 solicitation or contract for any state group dental program made
414 after July 1, 2001, a comprehensive indemnity dental plan option
415 which offers enrollees a completely unrestricted choice of
416 dentists. If a dental plan is endorsed, or in some manner
417 recognized as the preferred product, such plan shall include a
418 comprehensive indemnity dental plan option which provides
419 enrollees with a completely unrestricted choice of dentists.



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420 b. Pursuant to the applicable provisions of s. 110.161, and
421 s. 125 of the Internal Revenue Code of 1986, the department
422 shall enroll in the pretax benefit program those state employees
423 who voluntarily elect coverage in any of the supplemental
424 insurance benefit plans as provided by sub-subparagraph a.

425 c. This section may not ~~Nothing herein contained shall~~ be
426 construed to prohibit insurance providers from continuing to
427 provide or offer supplemental benefit coverage to state
428 employees as provided under existing agency plans.

429 (h) ~~(i)~~ The benefits of the insurance authorized by this
430 section are ~~shall~~ not be in lieu of any benefits payable under
431 chapter 440, the Workers' Compensation Law, and ~~the~~ insurance
432 authorized by this section does ~~law shall~~ not be deemed to
433 constitute insurance to secure workers' compensation benefits as
434 required by chapter 440.

435 (i) ~~(j)~~ Notwithstanding the provisions of paragraph (e) ~~(f)~~
436 requiring uniform contributions, and for the 2011-2012 ~~2010-2011~~
437 fiscal year only, the state contribution toward the cost of any
438 plan in the state group insurance plan shall be the difference
439 between the overall premium and the employee contribution. This
440 subsection expires June 30, 2012 ~~2011~~.

441 (j) For the 2013 plan year, benefits offered in the state
442 group health insurance program shall be the following:

443 1. Platinum Level benefits, which are actuarially
444 equivalent to 90 percent of the benefits covered in the 2012
445 plan year.

446 2. Gold Level benefits, which are actuarially equivalent to
447 80 percent of the benefits covered in the 2012 plan year.

448 3. Silver Level benefits, which are actuarially equivalent



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449 to 70 percent of the benefits covered in the 2012 plan year.

450 4. Bronze Level benefits, which are actuarially equivalent
451 to 60 percent of the benefits covered in the 2012 plan year.

452 (4) PAYMENT OF PREMIUMS; CONTRIBUTION BY STATE; LIMITATION
453 ON ACTIONS TO PAY AND COLLECT PREMIUMS.—

454 (b) If a state officer or full-time state employee selects
455 membership in a health maintenance organization as authorized by
456 paragraph (3) (g) ~~(h)~~, the officer or employee is entitled to a
457 state contribution toward individual and dependent membership as
458 provided by the Legislature through the appropriations act.

459 (5) DEPARTMENT POWERS AND DUTIES.—The department is
460 responsible for the administration of the state group insurance
461 program. The department shall initiate and supervise the program
462 as established by this section and shall adopt such rules as are
463 necessary to perform its responsibilities. To implement this
464 program, the department shall, with prior approval by the
465 Legislature:

466 (a) Determine the benefits to be provided and the
467 contributions to be required for the state group insurance
468 program. Such determinations, ~~whether for a contracted plan or a~~
469 ~~self-insurance plan pursuant to paragraph (c)~~, do not constitute
470 rules within the meaning of s. 120.52 or final orders within the
471 meaning of s. 120.52. Any physician's fee schedule used in the
472 health and accident plan shall not be available for inspection
473 or copying by medical providers or other persons not involved in
474 the administration of the program. However, in the determination
475 of the design of the program, the department shall consider
476 existing and complementary benefits provided by the Florida
477 Retirement System and the Social Security System.



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478 (b) Prepare, in cooperation with the Office of Insurance
479 Regulation of the Financial Services Commission, the
480 specifications necessary to implement the program.

481 (c) Competitively procure a contract ~~on a competitive~~
482 ~~proposal basis~~ with an insurance carrier or carriers, or
483 professional administrator, determined by the Office of
484 Insurance Regulation of the Financial Services Commission to be
485 fully qualified, financially sound, and capable of meeting all
486 servicing requirements. ~~Alternatively, the department may self-~~
487 ~~insure any plan or plans contained in the state group insurance~~
488 ~~program subject to approval based on actuarial soundness by the~~
489 ~~Office of Insurance Regulation. The department may contract with~~
490 ~~an insurance company or professional administrator qualified and~~
491 ~~approved by the Office of Insurance Regulation to administer~~
492 ~~such plan. Before entering into any contract, the department~~
493 ~~shall advertise for competitive proposals, and such contract~~
494 ~~shall be let upon the consideration of the benefits provided in~~
495 ~~relationship to the cost of such benefits. In the selection of a~~
496 third-party administrator ~~determining which entity to contract~~
497 ~~with~~, the department shall, at a minimum, consider: the entity's
498 previous experience and expertise in administering group
499 insurance programs of the type it proposes to administer; the
500 entity's ability to specifically perform its contractual
501 obligations in this state and other governmental jurisdictions;
502 the entity's anticipated administrative costs and claims
503 experience; the entity's capability to adequately provide
504 service coverage and sufficient number of experienced and
505 qualified personnel in the areas of claims processing,
506 recordkeeping, and underwriting, as determined by the



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507 department; the entity's accessibility to state employees and
508 providers; and the financial solvency of the entity, using
509 accepted business sector measures of financial performance. ~~The~~
510 ~~department may contract for medical services which will improve~~
511 ~~the health or reduce medical costs for employees who participate~~
512 ~~in the state group insurance plan.~~

513 (d) With respect to a state group health insurance plan, be
514 authorized to require copayments with respect to all providers
515 under the plan.

516 (e) Have authority to establish a voluntary program for
517 comprehensive health maintenance, which may include health
518 educational components and health appraisals.

519 (f) With respect to any contract with an insurance carrier
520 or carriers or professional administrator entered into by the
521 department, require that the state and the enrollees be held
522 harmless and indemnified for any financial loss caused by the
523 failure of the insurance carrier or professional administrator
524 to comply with the terms of the contract.

525 (g) With respect to any contract with an insurance carrier
526 or carriers, or professional administrator entered into by the
527 department, require that the carrier or professional
528 administrator provide written notice to individual enrollees if
529 any payment due to any health care provider of the enrollee
530 remains unpaid beyond a period of time as specified in the
531 contract.

532 (h) Have authority to establish other voluntary programs to
533 be funded on a pretax contribution basis or on a posttax
534 contribution basis, as the department determines.

535 (i) Contract with a single custodian to provide services



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536 necessary to implement and administer the health savings
537 accounts authorized in subsection (12).

538
539 Final decisions concerning enrollment, the existence of
540 coverage, or covered benefits under the state group insurance
541 program shall not be delegated or deemed to have been delegated
542 by the department.

543 ~~(13) FLORIDA STATE EMPLOYEE WELLNESS COUNCIL.—~~

544 ~~(a) There is created within the department the Florida~~
545 ~~State Employee Wellness Council.~~

546 ~~(b) The council shall be an advisory body to the department~~
547 ~~to provide health education information to employees and to~~
548 ~~assist the department in developing minimum benefits for all~~
549 ~~health care providers when providing age-based and gender-based~~
550 ~~wellness benefits.~~

551 ~~(c) The council shall be composed of nine members appointed~~
552 ~~by the Governor. When making appointments to the council, the~~
553 ~~Governor shall appoint persons who are residents of the state~~
554 ~~and who are highly knowledgeable concerning, active in, and~~
555 ~~recognized leaders in the health and medical field, at least one~~
556 ~~of whom must be an employee of the state. Council members shall~~
557 ~~equitably represent the broadest spectrum of the health industry~~
558 ~~and the geographic areas of the state. Not more than one member~~
559 ~~of the council may be from any one company, organization, or~~
560 ~~association.~~

561 ~~(d)1. Council members shall be appointed to 4-year terms,~~
562 ~~except that the initial terms shall be staggered. The Governor~~
563 ~~shall appoint three members to 2-year terms, three members to 3-~~
564 ~~year terms, and three members to 4-year terms.~~



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565 ~~2. A member's absence from three consecutive meetings shall~~
566 ~~result in his or her automatic removal from the council. A~~
567 ~~vacancy on the council shall be filled for the remainder of the~~
568 ~~unexpired term.~~

569 ~~(c) The council shall annually elect from its membership~~
570 ~~one member to serve as chair of the council and one member to~~
571 ~~serve as vice chair.~~

572 ~~(f) The first meeting of the council shall be called by the~~
573 ~~chair not more than 60 days after the council members are~~
574 ~~appointed by the Governor. The council shall thereafter meet at~~
575 ~~least once quarterly and may meet more often as necessary. The~~
576 ~~department shall provide staff assistance to the council which~~
577 ~~shall include, but not be limited to, keeping records of the~~
578 ~~proceedings of the council and serving as custodian of all~~
579 ~~books, documents, and papers filed with the council.~~

580 ~~(g) A majority of the members of the council constitutes a~~
581 ~~quorum.~~

582 ~~(h) Members of the council shall serve without~~
583 ~~compensation, but are entitled to reimbursement for per diem and~~
584 ~~travel expenses as provided in s. 112.061 while performing their~~
585 ~~duties.~~

586 ~~(i) The council shall:~~

587 ~~1. Work to encourage participation in wellness programs by~~
588 ~~state employees. The council may prepare informational programs~~
589 ~~and brochures for state agencies and employees.~~

590 ~~2. In consultation with the department, develop standards~~
591 ~~and criteria for age-based and gender-based wellness programs.~~

592 Section 2. Section 110.12301, Florida Statutes, is amended
593 to read:



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594 110.12301 Competitive procurement of postpayment claims
595 audit review services.—The Division of State Group Insurance is
596 directed to competitively procure:

597 (1) Postpayment claims audit review services for the state
598 group health insurance plans established pursuant to s. 110.123.
599 Compensation under the contract shall be based on the paid from
600 amounts identified by the contractor through its postpayment
601 claims audit as claim overpayments ~~that are~~ made by or on behalf
602 of the self-insured health plans which and that are recovered,
603 including amounts identified as overpayments which are
604 specifically used to offset subsequent claims payments by the
605 vendor. The contractor shall submit invoices for compensation in
606 accordance with s. 215.422, which shall be paid from claim
607 overpayments recovered and deposited into the State Treasury.
608 The division and contractor shall develop a process to account
609 for all funds identified by the contractor and recovered as
610 overpayments, including offsets to subsequent claims payments
611 ~~The vendor may retain that portion of the amount recovered as~~
612 ~~provided in the contract. The contract must require the vendor~~
613 ~~to maintain all necessary documentation supporting the amounts~~
614 ~~recovered, retained, and remitted to the division; and~~

615 (2) A contingency-based contract for dependent eligibility
616 verification services for the state group insurance program;
617 however, compensation under the contract may not exceed
618 historical claim costs for the prior 12 months for the dependent
619 populations disenrolled as a result of the vendor's services.
620 The division may establish a 3-month grace period and hold
621 subscribers harmless for past claims of ineligible dependents.
622 The Department of Management Services shall submit budget



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623 amendments pursuant to chapter 216 in order to obtain budget
624 authority necessary to expend funds from the State Employees'
625 Group Health Self-Insurance Trust Fund for payments to the
626 vendor as provided in the contract. The Department of Management
627 Services shall adopt rules providing a process for verifying
628 dependent eligibility.

629 Section 3. Section 110.12302, Florida Statutes, is amended
630 to read:

631 110.12302 Costing options for plan designs required for
632 contract solicitation; best value recommendations; required plan
633 design.—

634 (1) For the state group insurance program, the Department
635 of Management Services shall require costing options for both
636 fully insured and self-insured plan designs, or some combination
637 thereof, as part of the department's solicitation for health
638 maintenance organization contracts. Prior to contracting, the
639 department shall recommend to the Legislature, no later than
640 February 1, 2011, the best value to the State group insurance
641 program relating to health maintenance organizations.

642 (2) For the 2012 and 2013 plan years, the department shall
643 competitively procure and contract for self-insured or fully
644 insured health maintenance organization plan designs which
645 produce the best value for the state. Contracts shall be awarded
646 on a regional basis, but in no instance shall a single vendor be
647 awarded all regions or a statewide contract.

648 Section 4. Section 110.12303, Florida Statutes, is created
649 to read:

650 110.12303 Independent benefits manager.—

651 (1) The department shall competitively procure an



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652 independent benefits manager. The department shall initiate the
653 procurement no later than August 1, 2011.

654 (2) The independent benefits manager may not:

655 (a) Be owned or controlled by any HMO or insurer.

656 (b) Have an ownership interest in any HMO or insurer.

657 (c) Have any direct or indirect financial interest in any
658 HMO or insurer.

659 (3) The independent benefits manager must have substantial
660 experience in the design and administration of employee benefit
661 programs for large employers and public employers, including
662 experience administering plans that qualify as cafeteria plans
663 pursuant to s. 125 of the Internal Revenue Code of 1986.

664 (4) The independent benefits manager shall:

665 (a) Provide an ongoing assessment of trends in benefits and
666 employer-sponsored insurance that affect the state group
667 insurance program.

668 (b) Conduct comprehensive analysis of the state group
669 insurance program, including available benefits, coverage
670 options, and claims experience.

671 (c) Evaluate designs for the state group insurance program,
672 including a full cafeteria plan, an employer-sponsored
673 multicarrier exchange plan, and alternatives to and variations
674 of these designs.

675 (d) Identify and propose appropriate adjustment procedures
676 necessary to respond to any risk segmentation that may occur
677 when increased choices are offered to employees.

678 (e) Assist the department in developing recommendations for
679 any modifications to the state group insurance program to be
680 submitted to the Governor and the Legislature no later than



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681 January 1 of each year.

682 (f) Assist the department in establishing a transition
683 plan for the benefit manager to assume the responsibilities
684 described in subsection (5).

685 (g) Assist the department in developing a plan to convert
686 the state group insurance program to a defined contribution
687 plan. The plan shall be submitted to the Governor and the
688 Legislature by January 1, 2013, and include recommendations for:

689 1. An implementation timeline for conversion as of the 2014
690 plan year or an explanation of the factors that prevent
691 implementation by 2014 and a timeline for conversion in the 2015
692 plan year.

693 2. Employer and employee contribution policies, including
694 provisions that reward and incentivize nonsmoking and other
695 healthy-lifestyle choices.

696 3. Steps necessary for maintaining or improving total
697 employee compensation levels when a transition to a defined
698 contribution plan is initiated.

699 4. Establishing an employment-based benefits exchange or
700 implementing a full cafeteria plan to provide a variety of plan
701 and benefit options.

702 (h) Subject to approval by the Legislature, assist the
703 department in implementing the plan described in paragraph (g).

704 (5) Notwithstanding s. 110.123 and beginning no later than
705 the 2013 plan year, the independent benefits manager shall:

706 (a) Assist the department with the management of the state
707 group insurance program, including negotiation support and
708 development of contracts and other administrative functions as
709 may be requested.



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710 (b) If the Legislature authorizes the creation of a state
711 employee benefits exchange, assist the department in certifying
712 health insurance plans, health maintenance organizations, and
713 other providers eligible to participate.

714 (c) If the Legislature authorizes the implementation of a
715 full cafeteria plan, assist the department in the supervision of
716 the procurement process and in the negotiation of contracts with
717 providers that are necessary for their participation in defined
718 service areas.

719 (d) Assist the department in the development and
720 implementation of wellness initiatives for enrollees.

721 (e) Provide enrollee education and decision support tools,
722 including an online interface, to assist enrollees in choosing
723 benefit plans that best suit his or her individual needs.

724 (f) Assist the department in assessing the applicable
725 federal and state regulations and advising the Governor and the
726 Legislature regarding actions necessary to ensure compliance.

727 (6) The department shall manage the contract with the
728 independent benefits manager and shall provide financial
729 management of the program, including financial and budget
730 oversight of program operations, management of vendor payments
731 and premium administration, analyzing and forecasting of program
732 revenues and expenditures, monitoring of financial compliance of
733 contractors, and auditing. The department shall make enrollment
734 and coverage determinations.

735 Section 5. Section 110.12304, Florida Statutes, is created
736 to read:

737 110.12304 State and employee contributions toward health
738 plan premium cost.-



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739 (1) For the 2013 plan year, the state's share of
740 contribution toward the cost of the health plan shall be:

741 (a) Platinum Level: 90 percent for an individual plan and
742 86 percent for a family plan.

743 (b) Gold Level: 85 percent for an individual or a family
744 plan.

745 (c) Silver Level: 80 percent for an individual or a family
746 plan.

747 (d) Bronze Level: 75 percent for an individual or a family
748 plan.

749 (2) The employee shall pay the remaining cost of the plan
750 premium; however, if the employee chooses a Gold, Silver, or
751 Bronze Level plan, the employee's salary shall be increased by
752 60 percent of the difference between the premium for the
753 employee's selected plan and the premium for a Platinum Level
754 plan.

755 Section 6. Section 110.12305, Florida Statutes, is created
756 to read:

757 110.12305 Health insurance risk pool.—For the 2012 plan
758 year and for each plan year thereafter, the department shall
759 establish a single health insurance risk pool for the state
760 group insurance plans.

761 Section 7. Paragraph (b) of subsection (2) of section
762 110.181, Florida Statutes, is amended to read:

763 110.181 Florida State Employees' Charitable Campaign.—

764 (2) SELECTION OF FISCAL AGENTS; COST.—

765 (b) The fiscal agent shall withhold the reasonable costs
766 for conducting the campaign and for accounting and distribution
767 to the participating organizations and shall reimburse the



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768 department the actual cost, ~~not to exceed 1 percent of gross~~
769 ~~pledges~~, for coordinating the campaign in accordance with the
770 rules of the department. In any fiscal year in which the
771 Legislature specifically appropriates to the department its
772 total costs for coordinating the campaign from the General
773 Revenue Fund, the fiscal agent is not required to reimburse such
774 costs to the department under this subsection. Otherwise,
775 reimbursement will be the difference between actual costs and
776 the amount appropriated.

777 Section 8. Paragraph (c) of subsection (5) of section
778 216.0158, Florida Statutes, is amended to read:

779 216.0158 Assessment of facility needs.—

780 (5) Each plan for years 2 through 5 shall provide the
781 following information:

782 (c) An application of cost factors to all elements of each
783 project, including the finishing of the interior, to establish
784 an estimate of funding requirements.

785 Section 9. Paragraph (d) of subsection (3) of section
786 216.043, Florida Statutes, is amended to read:

787 216.043 Budgets for fixed capital outlay.—

788 (3) Each legislative budget request for fixed capital
789 outlay submitted shall contain:

790 (d) An application of cost factors to all elements of each
791 project, including the finishing of the interior, to establish
792 an estimate of funding requirements.

793 Section 10. Subsection (1) of section 216.182, Florida
794 Statutes, is amended to read:

795 216.182 Approval of fixed capital outlay program plan.—

796 (1) The Executive Office of the Governor shall have the



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797 authority to approve the program plan of fixed capital outlay
798 projects to ensure ~~assure~~ that each is consistent with
799 legislative policies for operations, including approved
800 operational standards related to program and utilization and
801 reasonable continuing operating costs. The standards for use
802 must include an analysis of the cost per square foot of the
803 constructed space, less the amount of space necessary for the
804 public such as meeting rooms and auditoriums, compared to the
805 number of employees projected to work in the building.

806 Section 11. Subsection (3) is added to section 216.301,
807 Florida Statutes, to read:

808 216.301 Appropriations; undisbursed balances.—

809 (3) If the actual cost of any component of a fixed capital
810 outlay project is less than the anticipated cost, the difference
811 must be used to reduce the overall construction cost and may not
812 be used for purchases that were not included in the approved
813 plan.

814 Section 12. Present subsection (4) of section 255.043,
815 Florida Statutes, is redesignated as subsection (6) and amended,
816 and new subsections (4), (5), and (7) are added to that section,
817 to read:

818 255.043 Art in state buildings.—

819 (4) As used in this section, the term "art" means an
820 original object or work produced by an artist and includes bas-
821 relief, ceramic, craft, environmental piece, fiber, fountain,
822 glass, kinetic, light sculpture, mixed media, mobile, mosaic,
823 mural, photography, print, sculpture, tapestry, wall hanging,
824 digital media, or framed drawing intended to be displayed for
825 the decoration of a public area of a state building.



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826 (5) Other decorative items, such as reproductions of
827 existing art, including framed or unframed photographs or mass-
828 produced decorative items, may not be purchased pursuant to this
829 section.

830 (6)(4) The Department of State may adopt ~~shall be~~
831 ~~authorized to promulgate~~ rules to administer ~~implement~~ this
832 section.

833 (7) This section constitutes the sole authorization for the
834 use of public funds to purchase works of art for display in
835 state buildings.

836 Section 13. Subsection (5) is added to section 255.29,
837 Florida Statutes, to read:

838 255.29 Construction contracts; department rules.—The
839 Department of Management Services shall establish, through the
840 adoption of administrative rules as provided in chapter 120:

841 (5) Standards for materials and components used in the
842 construction of a fixed capital outlay project must consider:

843 (a) The cost compared to durability of a material or
844 component;

845 (b) The cost savings that a material or component can
846 produce over periods of time compared to the up-front cost of
847 the material or component; and

848 (c) The location of the material or component with respect
849 to public access. Greater consideration may be given to
850 aesthetics in the public areas of a public facility.

851
852 The specification and use of a material or component that does
853 not meet the standards adopted by the department must include
854 written justification for the specification and an analysis of



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855 the costs of the material or component compared to the described
856 benefits.

857 Section 14. Subsection (1) of section 255.30, Florida
858 Statutes, is amended to read:

859 255.30 Fixed capital outlay projects; department rules;
860 delegation of supervisory authority; delegation of
861 responsibility for accounting records.-

862 (1) The Department of Management Services shall make and
863 adopt rules pursuant to chapter 120 in order to establish a
864 procedure for delegating to state agencies its supervisory
865 authority as it relates to the repair, alteration, and
866 construction of fixed capital outlay projects. The supervisory
867 authority includes overseeing the performance of the contractor,
868 ensuring compliance with applicable laws, and monitoring costs
869 to ensure that the costs are consistent with the contract. The
870 department shall establish procedures that an agency must use to
871 report a cost that exceeds the amount allotted in the contract.

872 Section 15. Subsections (5) and (6) of section 287.17,
873 Florida Statutes, are amended to read:

874 287.17 Limitation on use of motor vehicles and aircraft.-

875 ~~(5) A person who is not otherwise authorized in this~~
876 ~~section may accompany the Governor, the Lieutenant Governor, a~~
877 ~~member of the Cabinet, the President of the Senate, the Speaker~~
878 ~~of the House of Representatives, or the Chief Justice of the~~
879 ~~Supreme Court when such official is traveling on state aircraft~~
880 ~~for official state business and the aircraft is traveling with~~
881 ~~seats available. Transportation of a person accompanying any~~
882 ~~official specified in this subsection shall be approved by the~~
883 ~~official, who shall also guarantee payment of the transportation~~



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884 ~~charges. When the person accompanying such official is not~~
885 ~~traveling on official state business as provided in this~~
886 ~~section, the transportation charge shall be a prorated share of~~
887 ~~all fixed and variable expenses related to the ownership,~~
888 ~~operation, and use of such state aircraft. The spouse or~~
889 ~~immediate family members of any official specified in this~~
890 ~~subsection may, with payment of transportation charges,~~
891 ~~accompany the official when such official is traveling for~~
892 ~~official state business and the aircraft has seats available.~~

893 ~~(6) It is the intention of the Legislature that persons~~
894 ~~traveling on state aircraft for purposes consistent with, but~~
895 ~~not necessarily constituting, official state business may travel~~
896 ~~only when accompanying persons who are traveling on official~~
897 ~~state business and that such persons shall pay the state for all~~
898 ~~costs associated with such travel. A person traveling on state~~
899 ~~aircraft for purposes other than official state business shall~~
900 ~~pay for any trip not exclusively for state business by paying a~~
901 ~~prorated share of all fixed and variable expenses related to the~~
902 ~~ownership, operation, and use of such aircraft.~~

903 Section 16. Effective July 1, 2011, paragraph (h) of
904 subsection (1) of section 287.042, Florida Statutes, is amended
905 to read:

906 287.042 Powers, duties, and functions.—The department shall
907 have the following powers, duties, and functions:

908 (1)

909 (h)1. The department may collect fees for the use of its
910 electronic information services. The fees may be imposed on an
911 individual transaction basis or as a fixed subscription for a
912 designated period of time. At a minimum, the fees shall be



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913 determined in an amount sufficient to cover the department's
914 projected costs of the services, including overhead in
915 accordance with the policies of the Department of Management
916 Services for computing its administrative assessment. All fees
917 collected under this paragraph shall be deposited in the
918 Operating Trust Fund for disbursement as provided by law.

919 2. The department shall transfer funds generated by fees
920 collected for the use of the department's electronic information
921 services from the Purchasing Oversight Account in the Operating
922 Trust Fund to the Administrative Trust Fund in the Department of
923 Financial Services to support statewide purchasing operations.
924 The amount of transfer shall be established each year in the
925 department's nonoperating budget based upon the estimated cost
926 of statewide purchasing operations provided by the Department of
927 Financial Services and may not exceed \$1 million.

928 3. The department shall calculate by June 5 each year the
929 amount of fees collected pursuant to subparagraph 1. remaining
930 in the Operating Trust Fund after satisfaction of all
931 obligations and encumbrances to cover the costs of providing
932 services pursuant to subparagraph 1. and shall transfer the
933 excess revenue to the General Revenue Fund before June 30 of
934 each year. The cash balance in the Operating Trust Fund on June
935 30 of each year may not exceed \$1.25 million.

936 Section 17. Effective July 1, 2011, paragraph (c) of
937 subsection (22) of section 287.057, Florida Statutes, is amended
938 to read:

939 287.057 Procurement of commodities or contractual
940 services.—

941 (22) The department, in consultation with the Agency for



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942 Enterprise Information Technology and the Comptroller, shall
943 develop a program for online procurement of commodities and
944 contractual services. To enable the state to promote open
945 competition and to leverage its buying power, agencies shall
946 participate in the online procurement program, and eligible
947 users may participate in the program. Only vendors prequalified
948 as meeting mandatory requirements and qualifications criteria
949 may participate in online procurement.

950 (c) The department may impose and shall collect all fees
951 for the use of the online procurement systems.

952 1. The fees may be imposed on an individual transaction
953 basis or as a fixed percentage of the cost savings generated. At
954 a minimum, the fees must be set in an amount sufficient to cover
955 the projected costs of the services, including administrative
956 and project service costs in accordance with the policies of the
957 department.

958 2. If the department contracts with a provider for online
959 procurement, the department, pursuant to appropriation, shall
960 compensate the provider from the fees after the department has
961 satisfied all ongoing costs. The provider shall report
962 transaction data to the department each month so that the
963 department may determine the amount due and payable to the
964 department from each vendor.

965 3. All fees that are due and payable to the state on a
966 transactional basis or as a fixed percentage of the cost savings
967 generated are subject to s. 215.31 and must be remitted within
968 40 days after receipt of payment for which the fees are due. For
969 fees that are not remitted within 40 days, the vendor shall pay
970 interest at the rate established under s. 55.03(1) on the unpaid



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971 balance from the expiration of the 40-day period until the fees
972 are remitted.

973 4. All fees and surcharges collected under this paragraph
974 shall be deposited in the Operating Trust Fund for disbursement
975 as provided by law.

976 5. The department shall transfer funds generated by fees
977 collected for the use of the department's online procurement
978 systems from the Purchasing Oversight Account in the Operating
979 Trust Fund to the Administrative Trust Fund in the Department of
980 Financial Services to support statewide purchasing operations.
981 The amount of transfer shall be established each year in the
982 department's nonoperating budget based upon the estimated cost
983 of statewide purchasing operations provided by the Department of
984 Financial Services and may not exceed \$1 million.

985 6. The department shall calculate by June 5 each year the
986 amount of fees collected pursuant to subparagraph 1. remaining
987 in the Operating Trust Fund after satisfaction of all
988 obligations and encumbrances to cover the costs of providing
989 services pursuant to subparagraph 1. and shall transfer the
990 excess revenue to the General Revenue Fund before June 30 of
991 each year. The cash balance in the Operating Trust Fund on June
992 30 of each year may not exceed \$1.25 million.

993 Section 18. Subsection (10) of section 287.16, Florida
994 Statutes, is amended, and subsections (11) and (12) of that
995 section are renumbered as subsections (10) and (11),
996 respectively, to read:

997 287.16 Powers and duties of department.—The Department of
998 Management Services shall have the following powers, duties, and
999 responsibilities:



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1000 ~~(10) To provide the Legislature annual reports at the end~~
1001 ~~of each calendar year concerning the utilization of all aircraft~~
1002 ~~in the executive pool.~~

1003 Section 19. Section 287.161, Florida Statutes, is repealed.

1004 Section 20. (1) The Bureau of Aircraft Trust Fund within
1005 the Department of Management Services, FLAIR number 72-2-066, is
1006 terminated on November 1, 2011.

1007 (2) All current balances remaining in, and all revenues of,
1008 the Bureau of Aircraft Trust Fund on the date of termination
1009 shall be transferred to the General Revenue Fund.

1010 (3) The Department of Management Services shall pay any
1011 outstanding debts and obligations of the terminated fund as soon
1012 as practicable, and the Chief Financial Officer shall close out
1013 and remove the terminated fund from various state accounting
1014 systems using generally accepted accounting principles
1015 concerning warrants outstanding, assets, and liabilities.

1016 Section 21. Notwithstanding chapter 110, Florida Statutes,
1017 the University of Florida Board of Trustees may develop and
1018 implement a plan for self-insurance health benefit programs for
1019 its employees or its employees and students, as well as
1020 necessary administrative services to implement such programs.
1021 State funding shall be limited to the average per capita amount
1022 as determined by the Legislature for state employees. The board
1023 shall submit the plan to the Legislative Budget Commission at
1024 the first meeting held after July 1, 2011. Implementation of the
1025 plan is contingent upon the approval of the Legislative Budget
1026 Commission. The board may not implement the plan before January
1027 1, 2013.

1028 Section 22. (1) In order for the Insurance Benefits



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1029 Administration to secure necessary funding for service payments
1030 to vendors contracted by the Department of Management Services
1031 relating to the administration of the state group insurance
1032 program, the department may submit budget amendments in
1033 accordance with chapter 216, Florida Statutes, during the 2011-
1034 2012 fiscal year:

1035 (a) For payment of services provided by the contracted
1036 independent benefits manager.

1037 (b) For payment of self-insured health maintenance
1038 organization administrative fees.

1039 (c) To increase appropriations for the Special Category
1040 "Contracted Bank Services" included in the General
1041 Appropriations Act for the 2011-2012 fiscal year.

1042 (d) To increase appropriations for the Special Category
1043 "Contracted Services" included in the General Appropriations Act
1044 for the 2011-2012 fiscal year.

1045 (2) Funds from the State Employees' Health Insurance Trust
1046 Fund shall be used to make service payments to vendors
1047 contracted by the department relating to the administration of
1048 the services described in subsection (1). The State Employees'
1049 Health Insurance Trust Fund shall also be used for the payment
1050 of self-insured claims cost as administered by the contracted
1051 health maintenance organizations from an approved nonoperating
1052 budget category.

1053 Section 23. Except as otherwise expressly provided in this
1054 act, this act shall take effect upon becoming a law.

1055
1056 ===== T I T L E A M E N D M E N T =====

1057 And the title is amended as follows:



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1058 Delete everything before the enacting clause
1059 and insert:

1060 A bill to be entitled
1061 An act relating to the Department of Management
1062 Services; amending s. 110.123, F.S.; providing
1063 application of definitions; revising definitions;
1064 deleting legislative intent; enumerating the group
1065 insurance plans that may be included in the state
1066 group insurance program; revising duties of the
1067 Department of Management Services relating to the
1068 group insurance program; providing the state
1069 contribution toward cost of health insurance plans in
1070 the state group insurance program for specified plan
1071 years; revising authorized benefits; requiring certain
1072 data to be reported to the department by health
1073 maintenance organizations under specified
1074 circumstances; providing for specified benefit levels
1075 for a specified plan year; repealing the Florida State
1076 Employee Wellness Council; amending s. 110.12301,
1077 F.S.; requiring the Division of State Group Insurance
1078 to competitively procure postpayment claims audit
1079 services; providing criteria; amending s. 110.12302,
1080 F.S.; requiring the department to competitively
1081 procure and contract with health maintenance
1082 organizations for self-insured or fully insured
1083 benefits for specified plan years subject to certain
1084 conditions; creating s. 110.12303, F.S.; directing the
1085 department to contract with an independent benefits
1086 manager; providing vendor qualifications for the



1087 independent benefits manager; providing duties of the
1088 independent benefits manager; providing contract
1089 management duties for the department; providing duties
1090 of the department relating to the state group
1091 insurance program; creating s. 110.12304, F.S.;
1092 providing requirements for state and employee
1093 contributions toward health plan premium costs for a
1094 specified plan year; providing for adjustments to
1095 employee salary under certain circumstances; creating
1096 s. 110.12305, F.S.; requiring the department to
1097 establish a single health insurance risk pool
1098 beginning with a specified plan year; amending s.
1099 110.181, F.S.; revising provisions relating to
1100 reimbursement of the department for actual costs of
1101 coordinating the Florida State Employees' Charitable
1102 Campaign; amending ss. 216.0158 and 216.043, F.S.;
1103 requiring the cost factors for a fixed capital outlay
1104 project to include an estimate for the finishing of
1105 interiors; amending s. 216.182, F.S.; requiring the
1106 standards for use of a project to include an analysis
1107 of the cost of the constructed space; amending s.
1108 216.301, F.S.; requiring that cost savings realized
1109 when actual costs are less than the projected costs
1110 for a fixed capital outlay project be used to reduce
1111 the overall construction costs; specifying that
1112 additional purchases may not be made if they are not
1113 included in the approved plan; amending s. 255.043,
1114 F.S.; defining the term "art"; prohibiting the
1115 purchase of art using public funds except as



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1116 authorized by law; amending s. 255.29, F.S.; requiring
1117 the department to adopt standards for materials and
1118 components used in the construction of a fixed capital
1119 outlay project; providing criteria; requiring written
1120 justification and analysis if a material or component
1121 does not meet the standards; amending s. 255.30, F.S.;
1122 clarifying the meaning of supervisory authority in the
1123 context of the delegation of authority to a state
1124 agency by the department; amending s. 287.17, F.S.;
1125 removing the provision that authorizes certain persons
1126 to use state-owned aircraft; removing the provision
1127 requiring payment by certain persons for the use of
1128 state-owned aircraft; amending ss. 287.042 and
1129 287.057, F.S.; providing for the transfer of funds
1130 generated by fees collected for the use of the
1131 department's online procurement systems and electronic
1132 information services from the department to the
1133 Department of Financial Services to support statewide
1134 purchasing operations; establishing the amount of
1135 transfer; providing for annual transfer of specified
1136 excess revenue from fees collected for the use of such
1137 systems and services to the General Revenue Fund;
1138 setting an annual limitation on the cash balance in
1139 the Operating Trust Fund of the department; amending
1140 s. 287.16, F.S.; eliminating a duty of the department
1141 to provide an annual report concerning utilization of
1142 aircraft in the executive aircraft pool; repealing s.
1143 287.161, F.S., which establishes the executive
1144 aircraft pool within the department and provides



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1145 procedures and requirements with respect thereto;
1146 terminating the Bureau of Aircraft Trust Fund within
1147 the department; providing for the disposition of
1148 balances in and revenues of the trust fund;
1149 prescribing procedures for terminating the trust fund;
1150 authorizing the University of Florida Board of
1151 Trustees to develop and implement a plan for self-
1152 insurance benefits subject to specified limitations,
1153 conditions, and contingencies; authorizing the
1154 Department of Management Services to submit budget
1155 amendments during a specified fiscal year relating to
1156 securing funding for payment of specified services and
1157 increasing certain appropriations categories;
1158 authorizing the use of the State Employees' Health
1159 Insurance Trust Fund for payment of such services and
1160 other costs relating to certain self-insured claims;
1161 providing an effective date.