

By Senators Ostalkiewicz, Grant, Williams and Myers

12-911-98

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A bill to be entitled
An act relating to health insurance coverage
for employees of small businesses; amending s.
627.6699, F.S., the "Employee Health Care
Access Act"; providing limitations on coverage
that must be included under health benefit
plans issued by small business carriers;
providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (b) of subsection (12) of section
627.6699, Florida Statutes, is amended to read:

627.6699 Employee Health Care Access Act.--

(12) STANDARD, BASIC, AND LIMITED HEALTH BENEFIT
PLANS.--

(b)1. Each small employer carrier issuing new health
benefit plans shall offer to any small employer, upon request,
a standard health benefit plan and a basic health benefit plan
each of which ~~that~~ meets the criteria set forth in this
section.

2. For purposes of this subsection, the terms
"standard health benefit plan" and "basic health benefit plan"
mean policies or contracts that a small employer carrier
offers to eligible small employers and that contain:

a. An exclusion for services that are not medically
necessary or that are not covered preventive health services;
and

b. A procedure for preauthorization by the small
employer carrier, or its designees.

1 3. A small employer carrier may include the following
2 managed care provisions in the policy or contract to control
3 costs:

4 a. A preferred provider arrangement or exclusive
5 provider organization or any combination thereof, in which a
6 small employer carrier enters into a written agreement with
7 the provider to provide services at specified levels of
8 reimbursement or to provide reimbursement to specified
9 providers. Any such written agreement between a provider and a
10 small employer carrier must contain a provision under which
11 the parties agree that the insured individual or covered
12 member has no obligation to make payment for any medical
13 service rendered by the provider which is determined not to be
14 medically necessary. A carrier may use preferred provider
15 arrangements or exclusive provider arrangements to the same
16 extent as allowed in group products that are not issued to
17 small employers.

18 b. A procedure for utilization review by the small
19 employer carrier or its designees.

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21 This subparagraph does not prohibit a small employer carrier
22 from including in its policy or contract additional managed
23 care and cost containment provisions, subject to the approval
24 of the department, which have potential for controlling costs
25 in a manner that does not result in inequitable treatment of
26 insureds or subscribers. The carrier may use such provisions
27 to the same extent as authorized for group products that are
28 not issued to small employers.

29 4. The standard health benefit plan shall include
30 coverage for:

31 a. ~~Coverage for~~ Inpatient hospitalization;

- 1 b. ~~Coverage for~~ Outpatient services;
- 2 c. ~~Coverage for~~ Newborn children pursuant to s.
- 3 627.6575;
- 4 d. ~~Coverage for~~ Child care supervision services
- 5 pursuant to s. 627.6579;
- 6 e. ~~Coverage for~~ Adopted children upon placement in the
- 7 residence pursuant to s. 627.6578;
- 8 f. ~~Coverage for~~ Mammograms pursuant to s. 627.6613;
- 9 g. ~~Coverage for~~ Handicapped children pursuant to s.
- 10 627.6615;
- 11 h. Emergency or urgent care out of the geographic
- 12 service area; and
- 13 i. ~~Coverage for~~ Services provided by a hospice
- 14 licensed under s. 400.602 in cases where such coverage would
- 15 be the most appropriate and the most cost-effective method for
- 16 treating a covered illness.
- 17 5. The standard health benefit plan and the basic
- 18 health benefit plan may include a schedule of benefit
- 19 limitations for specified services and procedures. If the
- 20 committee develops such a schedule of benefits limitation for
- 21 the standard health benefit plan or the basic health benefit
- 22 plan, a small employer carrier offering the plan must offer
- 23 the employer an option for increasing the benefit schedule
- 24 amounts by 4 percent annually.
- 25 6. The basic health benefit plan shall include all of
- 26 the benefits specified in subparagraph 4.; however, the basic
- 27 health benefit plan shall place additional restrictions on the
- 28 benefits and utilization and may also impose additional cost
- 29 containment measures.
- 30 7. Sections 627.419(2), (3), and (4), 627.6574,
- 31 627.6612, 627.66121, 627.66122, 627.6616, 627.6618, and

1 627.668 apply to the standard health benefit plan and to the
2 basic health benefit plan. However, notwithstanding said
3 provisions, the plans may specify limits on the number of
4 authorized treatments, if such limits are reasonable and do
5 not discriminate against any type of provider.

6 8. Each small employer carrier that provides for
7 inpatient and outpatient services by allopathic hospitals may
8 provide as an option of the insured similar inpatient and
9 outpatient services by hospitals accredited by the American
10 Osteopathic Association when such services are available and
11 the osteopathic hospital agrees to provide the service.

12 9. Coverage for an induced abortion and related
13 procedures is required only when such procedures are performed
14 to save the life of the mother.

15 Section 2. This act shall take effect July 1, 1998.

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18 SENATE SUMMARY

19 Provides, under the "Employee Health Care Access Act,"
20 that insurance carriers that issue health insurance
21 policies covering employees of small businesses need not
22 provide coverage for an induced abortion and related
23 procedures unless such procedures are performed to save
24 the life of the mother.

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