

By the Committee on Health Care and Senators Gutman, Holzendorf, Kurth, Myers, Forman, Cowin, Grant, Bronson, Latvala, Kirkpatrick, Sullivan, Horne, Casas, Brown-Waite, Lee, Dudley, Klein, Harris, Jones, Geller, Laurent, Turner, Campbell, Crist, Dyer and Meadows

317-1667A-98

1                                   A bill to be entitled  
 2           An act relating to cleft-lip and cleft-palate  
 3           treatment; creating s. 627.64193, F.S.;  
 4           requiring certain health insurance policies to  
 5           provide coverage for cleft-lip and cleft-palate  
 6           treatment for children; amending s. 627.6515,  
 7           F.S.; applying certain requirements for group  
 8           coverage to out-of-state groups; creating s.  
 9           627.66911, F.S.; requiring certain health  
 10          insurance policies to provide coverage for  
 11          cleft-lip and cleft-palate treatment for  
 12          children; amending s. 627.6699, F.S.; applying  
 13          certain requirements for group coverage to  
 14          coverage for small employers; amending s.  
 15          641.31, F.S.; providing for cleft-lip and  
 16          cleft-palate treatment for children by health  
 17          maintenance organizations; providing a  
 18          legislative determination of an important state  
 19          interest; providing applicability; providing an  
 20          effective date.

21  
 22 Be It Enacted by the Legislature of the State of Florida:

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 24           Section 1.   Section 627.64193, Florida Statutes, is  
 25           created to read:

26           627.64193 Required coverage for cleft lip and cleft  
 27           palate.--A health insurance policy that covers a child under  
 28           the age of 18 must provide coverage for treatment of cleft lip  
 29           and cleft palate for the child. The coverage must include  
 30           medical, dental, speech therapy, audiology, and nutrition  
 31           services only if such services are prescribed by the treating

1 physician or surgeon and such physician or surgeon certifies  
2 that such services are medically necessary and consequent to  
3 treatment of the cleft lip or cleft palate. The coverage  
4 required by this section is subject to terms and conditions  
5 applicable to other benefits. This section does not apply to  
6 specified-accident, specified-disease, hospital indemnity,  
7 limited benefit disability income, or long-term-care insurance  
8 policies.

9 Section 2. Paragraph (c) of subsection (2) of section  
10 627.6515, Florida Statutes, is amended to read:

11 627.6515 Out-of-state groups.--

12 (2) This part does not apply to a group health  
13 insurance policy issued or delivered outside this state under  
14 which a resident of this state is provided coverage if:

15 (c) The policy provides the benefits specified in ss.  
16 627.419, 627.6574, 627.6575, 627.6579, 627.6612, 627.66121,  
17 627.66122, 627.6613, 627.667, 627.6675, ~~and~~ 627.6691, and  
18 627.66911.

19 Section 3. Section 627.66911, Florida Statutes, is  
20 created to read:

21 627.66911 Required coverage for cleft lip and cleft  
22 palate.--A health insurance policy that covers a child under  
23 the age of 18 must provide coverage for treatment of cleft lip  
24 and cleft palate for the child. The coverage must include  
25 medical, dental, speech therapy, audiology, and nutrition  
26 services only if such services are prescribed by the treating  
27 physician or surgeon and such physician or surgeon certifies  
28 that such services are medically necessary and consequent to  
29 treatment of the cleft lip or cleft palate. The coverage  
30 required by this section is subject to terms and conditions  
31 applicable to other benefits. This section does not apply to

1 specified-accident, specified-disease, hospital indemnity,  
2 limited benefit disability income, or long-term-care insurance  
3 policies.

4 Section 4. Paragraph (b) of subsection (12) of section  
5 627.6699, Florida Statutes, is amended to read:

6 627.6699 Employee Health Care Access Act.--

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

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

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

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

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

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

25 a. A preferred provider arrangement or exclusive  
26 provider organization or any combination thereof, in which a  
27 small employer carrier enters into a written agreement with  
28 the provider to provide services at specified levels of  
29 reimbursement or to provide reimbursement to specified  
30 providers. Any such written agreement between a provider and a  
31 small employer carrier must contain a provision under which

1 the parties agree that the insured individual or covered  
2 member has no obligation to make payment for any medical  
3 service rendered by the provider which is determined not to be  
4 medically necessary. A carrier may use preferred provider  
5 arrangements or exclusive provider arrangements to the same  
6 extent as allowed in group products that are not issued to  
7 small employers.

8 b. A procedure for utilization review by the small  
9 employer carrier or its designees.

10  
11 This subparagraph does not prohibit a small employer carrier  
12 from including in its policy or contract additional managed  
13 care and cost containment provisions, subject to the approval  
14 of the department, which have potential for controlling costs  
15 in a manner that does not result in inequitable treatment of  
16 insureds or subscribers. The carrier may use such provisions  
17 to the same extent as authorized for group products that are  
18 not issued to small employers.

19 4. The standard health benefit plan shall include:

20 a. Coverage for inpatient hospitalization;

21 b. Coverage for outpatient services;

22 c. Coverage for newborn children pursuant to s.

23 627.6575;

24 d. Coverage for child care supervision services  
25 pursuant to s. 627.6579;

26 e. Coverage for adopted children upon placement in the  
27 residence pursuant to s. 627.6578;

28 f. Coverage for mammograms pursuant to s. 627.6613;

29 g. Coverage for handicapped children pursuant to s.  
30 627.6615;

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1           h. Emergency or urgent care out of the geographic  
2 service area; and

3           i. Coverage for services provided by a hospice  
4 licensed under s. 400.602 in cases where such coverage would  
5 be the most appropriate and the most cost-effective method for  
6 treating a covered illness.

7           5. The standard health benefit plan and the basic  
8 health benefit plan may include a schedule of benefit  
9 limitations for specified services and procedures. If the  
10 committee develops such a schedule of benefits limitation for  
11 the standard health benefit plan or the basic health benefit  
12 plan, a small employer carrier offering the plan must offer  
13 the employer an option for increasing the benefit schedule  
14 amounts by 4 percent annually.

15           6. The basic health benefit plan shall include all of  
16 the benefits specified in subparagraph 4.; however, the basic  
17 health benefit plan shall place additional restrictions on the  
18 benefits and utilization and may also impose additional cost  
19 containment measures.

20           7. Sections 627.419(2), (3), and (4), 627.6574,  
21 627.6612, 627.66121, 627.66122, 627.6616, 627.6618, ~~and~~  
22 627.668, and 627.66911 apply to the standard health benefit  
23 plan and to the basic health benefit plan. However,  
24 notwithstanding said provisions, the plans may specify limits  
25 on the number of authorized treatments, if such limits are  
26 reasonable and do not discriminate against any type of  
27 provider.

28           8. Each small employer carrier that provides for  
29 inpatient and outpatient services by allopathic hospitals may  
30 provide as an option of the insured similar inpatient and  
31 outpatient services by hospitals accredited by the American

1 Osteopathic Association when such services are available and  
2 the osteopathic hospital agrees to provide the service.

3 Section 5. Subsection (34) is added to section 641.31,  
4 Florida Statutes, to read:

5 641.31 Health maintenance contracts.--

6 (34) A health maintenance contract that covers a child  
7 under the age of 18 must provide coverage for treatment of  
8 cleft lip and cleft palate for the child. The coverage must  
9 include medical, dental, speech therapy, audiology, and  
10 nutrition services only if such services are prescribed by the  
11 primary care physician or physician to whom the child is  
12 referred and such physician certifies that such services are  
13 medically necessary and consequent to treatment of the cleft  
14 lip or cleft palate. The coverage required by this section is  
15 subject to terms and conditions applicable to other benefits.

16 Section 6. Pursuant to Section 18, Article VII of the  
17 State Constitution, the Legislature determines that this act  
18 fulfills an important state interest.

19 Section 7. This act shall take effect October 1, 1998,  
20 and shall apply to policies and contracts issued or renewed on  
21 or after that date.

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23 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
24 COMMITTEE SUBSTITUTE FOR  
25 Senate Bill 228

26 Deletes guarantee issue requirement for insurer and HMO  
27 coverage of cranio-facial anomalies and mandates insurer and  
28 HMO coverage of medical, dental, speech therapy, audiology,  
and nutrition services for treatment of children under age 18  
with cleft lip and cleft palate, if certain conditions are  
met.

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30 Amends ss. 627.6515, 627.6699, 641.31, F.S., and creates ss.  
of coverage requirements.  
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