

By Representative C. Green

1 A bill to be entitled
2 An act relating to health insurance; creating
3 the Florida Health Endowment Association as a
4 nonprofit entity to provide insurance coverage
5 to individuals whose health insurance has been
6 involuntarily terminated for reasons other than
7 nonpayment of premiums; providing for the
8 association to be governed by a board of
9 directors; providing membership of the board;
10 providing terms of office; providing for the
11 board members to be reimbursed for expenses;
12 providing immunity from liability for board
13 members and employees of the association;
14 requiring the board to adopt a plan and rules
15 to administer the act; providing additional
16 duties of the board; requiring that the board
17 report to the Governor and Legislature each
18 year; specifying the powers of the board;
19 requiring the board to select a plan
20 administrator; specifying the period of service
21 of the administrator; providing duties of the
22 administrator; providing for payment of the
23 administrator for expenses; requiring that the
24 plan offer a renewable policy that provides
25 specified coverage; requiring that the plan
26 offer major medical expense coverage similar to
27 that provided by the state group health
28 insurance program; providing for covered
29 expenses; providing for premiums, deductibles,
30 and coinsurance; requiring that the board
31 establish premium schedules; providing for

1 payment of coverage if the costs exceed the
2 deductible within a policy year; providing an
3 exclusion for preexisting conditions under
4 specified circumstances; providing for other
5 sources of insurance to be primary; providing a
6 cause of action for the association for the
7 recovery of benefits; providing that the
8 provision of health insurance is not an
9 entitlement; providing for coverage to be
10 insured by the Florida Health Endowment
11 Association; authorizing the board to contract
12 with insurers for disease management services;
13 providing tax credits for insurance companies
14 that contribute to the Florida Health Endowment
15 Association; providing for unused tax credits
16 to be claimed by a transferee; providing for
17 the plan to be terminated if it becomes
18 financially infeasible; repealing ss. 627.648,
19 627.6482, 627.6484, 627.6486, 627.6487,
20 627.64871, 627.6488, 627.6489, 627.649,
21 627.6492, 627.6494, 627.6496, 627.6498, Florida
22 Statutes, contingent upon the opening of the
23 plan; providing an appropriation; providing an
24 effective date.

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

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28 Section 1. Florida Health Endowment Association.--
29 (1) There is created a nonprofit legal entity to be
30 known as the "Florida Health Endowment Association."

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1 (2)(a) The association shall operate subject to the
2 supervision and approval of a five-member board of directors.
3 The board of directors shall be composed as follows:

4 1. The Secretary of Health, or his or her designee,
5 who shall be the chairperson of the board.

6 2. The Insurance Commissioner, or his or her designee.

7 3. The Governor shall appoint three members as
8 follows:

9 a. One representative of policyholders who is not
10 associated with the medical profession or a hospital.

11 b. One representative of the health insurance
12 industry.

13 c. One member of the public.

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15 The administrator of the plan, or his or her affiliate, may
16 not be a member of the board. Any board member appointed may
17 be removed and replaced by his or her appointor at any time
18 without cause.

19 (b) All board members, including the chairperson,
20 shall be appointed to staggered 3-year terms beginning on a
21 date established in the plan of operation.

22 (c) The board of directors may employ persons to
23 perform the administrative and financial transactions and
24 responsibilities of the association and to perform other
25 necessary and proper functions not prohibited by law.

26 (d) Board members may be reimbursed from moneys of the
27 association for actual and necessary expenses incurred by them
28 as members, but may not otherwise be compensated for their
29 services.

30 (e) There is no liability on the part of, and no cause
31 of action of any nature shall arise against, any employee of

1 the association, member of the board of directors of the
2 association, or a representative of the Department of Health
3 for any act or omission taken by them in the performance of
4 their powers and duties under this act, unless such act or
5 omission by such person is in intentional disregard of the
6 rights of the claimant.

7 (f) Meetings of the board are subject to section
8 286.011, Florida Statutes.

9 (3) The board of directors of the association shall
10 adopt a plan pursuant to this act and submit its articles,
11 bylaws, and operating rules to the Department of Health for
12 approval. If the board of directors fails to adopt such plan
13 and suitable articles, bylaws, and operating rules within 180
14 days after the appointment of the board, the department shall
15 adopt rules to implement this act, and such rules shall remain
16 in effect until superseded by a plan and articles, bylaws, and
17 operating rules submitted by the board of directors and
18 approved by the department.

19 (4) The board of directors of the association shall:

20 (a) Establish administrative and accounting procedures
21 for the operation of the association.

22 (b) Contract with an actuary to evaluate the pool of
23 insureds in the plan and monitor the financial status of the
24 Florida Health Endowment Trust Fund. The actuary shall
25 recommend to the board the opening and closing of the plan,
26 which must be based on an analysis of the trust fund; the
27 income of the trust fund; and any premiums, deductibles, and
28 coinsurance paid to the association.

29 (c) Establish eligibility requirements for individuals
30 participating in the plan to ensure an actuarially sound
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1 insurance pool. Eligibility shall, at a minimum, be contingent
2 upon:
3 1. An individual being a resident of the state for at
4 least 1 year prior to the date of application for insurance
5 coverage under the plan; and
6 2. An individual receiving health care benefits within
7 the state.
8 (d) Establish procedures under which applicants and
9 participants in the plan may have grievances reviewed by an
10 impartial body and reported to the board.
11 (e) Select an administrator in accordance with section
12 2 of this act.
13 (f) Require that all policy forms issued by the
14 association conform to standard forms developed by the
15 association. The forms shall be approved by the Department of
16 Insurance.
17 (g) Develop and implement a program to publicize the
18 existence of the plan, the eligibility requirements for the
19 plan, and the procedures for enrollment in the plan, and
20 maintain public awareness of the plan.
21 (h) Design and employ cost-containment measures and
22 requirements that may include preadmission certification, home
23 health care, hospice care, negotiated purchase of medical and
24 pharmaceutical supplies, and individual case management.
25 (i) Contract with preferred provider organizations and
26 health maintenance organizations giving due consideration to
27 the preferred provider organizations and health maintenance
28 organizations that have contracted with the state group health
29 insurance program pursuant to section 110.123, Florida
30 Statutes. If cost-effective and available in the county where
31 the policyholder resides, the board, upon application or

1 renewal of a policy, shall place a high-risk individual, as
2 established under section 3 of this act, with the plan case
3 manager who shall determine the most cost-effective quality
4 care system or health care provider and shall place the
5 individual in such system or with such health care provider.
6 If cost-effective and available in the county where the
7 policyholder resides, the board, with the consent of the
8 policyholder, may place a low-risk or medium-risk individual,
9 as established under section 3 of this act, with the plan case
10 manager who may determine the most cost-effective quality care
11 system or health care provider and shall place the individual
12 in such system or with such health care provider. Prior to and
13 during the implementation of case management, the plan case
14 manager shall obtain input from the policyholder, parent, or
15 guardian.

16 (j) Employ a case manager or managers to supervise and
17 manage the medical care or coordinate the supervision and
18 management of the medical care, with the administrator, of
19 specified individuals. The case manager, with the approval of
20 the board, shall have final approval over the case management
21 for any specific individual.

22 (k) Appoint an executive director to serve as the
23 chief administrative and operational officer of the board and
24 to perform other duties assigned to him or her by the board.

25 (l) Administer the Florida Health Endowment Trust Fund
26 in a manner that is sufficiently actuarially sound to defray
27 the obligations of the program. The board shall annually
28 evaluate or cause to be evaluated the actuarial soundness of
29 the fund. If the board perceives a need for additional assets
30 in order to preserve actuarial soundness, the board may adjust
31 the terms of the plan to ensure such soundness.

1 (m) Establish a comprehensive investment plan with the
2 approval of the State Board of Administration. The
3 comprehensive investment plan must specify the investment
4 policies to be used by the board in administering the fund.
5 The board may place assets of the fund in savings accounts or
6 use the fund to purchase fixed or variable life insurance or
7 annuity contracts, securities, evidence of indebtedness, or
8 other investment products pursuant to the comprehensive
9 investment plan and in such proportions as are designated or
10 approved under the investment plan. Such insurance, annuity,
11 savings, or investment products must be underwritten and
12 offered in compliance with the applicable federal and state
13 laws and rules by persons who are authorized by applicable
14 federal and state authorities. Within the comprehensive
15 investment plan, the board may authorize investment vehicles,
16 or products incident thereto, as are available or offered by
17 qualified companies or persons.

18 (n) Solicit proposals and contract, pursuant to
19 section 287.057, Florida Statutes, for a trustee services firm
20 to select and supervise investment programs on behalf of the
21 board. The goals of the board in selecting a trustee services
22 firm shall be to obtain the highest standards of professional
23 trustee services, to allow all qualified firms interested in
24 providing such services equal consideration, and to provide
25 such services to the state at no cost and to the purchasers at
26 the lowest cost possible. The trustee services firm must agree
27 to meet the obligations of the board to qualified
28 beneficiaries if moneys in the fund fail to offset the
29 obligations of the board as a result of imprudent selection or
30 supervision of investment programs by such firm. Evaluations
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1 of proposals submitted under this paragraph must include, but
2 not be limited to, the following criteria:

3 1. Adequacy of trustee services for supervising and
4 managing the program, including current operations and staff
5 organization and commitment of management to the proposal.

6 2. Capability to execute plan responsibilities within
7 time and regulatory constraints.

8 3. Past experience in trustee services and current
9 ability to maintain regular and continuous interactions with
10 the board, records administrator, and product provider.

11 4. The minimum purchaser participation assumed within
12 the proposal and any additional requirements of purchasers.

13 5. Adequacy of technical assistance and services
14 proposed for the staff.

15 6. Adequacy of a management system for evaluating and
16 improving overall trustee services to the plan.

17 7. Adequacy of facilities, equipment, and electronic
18 data processing services.

19 8. Detailed projections of administrative costs,
20 including the amount and type of insurance coverage, and
21 detailed projections of total costs.

22 (o) Make a report to the Governor, the President of
23 the Senate, the Speaker of the House of Representatives, and
24 the Minority Leaders of the Senate and the House of
25 Representatives not later than October 1 of each year. The
26 report must summarize the activities of the plan for the
27 12-month period ending December 31 of the previous year,
28 including then-current data and estimates as to net written
29 and earned premiums, the expense of administration, the paid
30 and incurred losses for the year, the financial status of the
31 Florida Health Endowment Trust Fund, and any recommendations

1 by the actuary for the opening or closing of the plan. The
2 report shall also include analysis and recommendations for
3 legislative changes regarding utilization review, quality
4 assurance, an evaluation of the administrator of the plan,
5 access to cost-effective health care, and the cost-containment
6 and case-management policy and recommendations concerning the
7 opening of enrollment.
8 (5) The board of directors of the association shall
9 have the powers necessary or proper to carry out the
10 provisions of this act, including, but not limited to, the
11 power to:
12 (a) Adopt an official seal and rules.
13 (b) Exercise powers granted to insurers under the laws
14 of this state.
15 (c) Sue or be sued.
16 (d) Make and execute contracts and other necessary
17 instruments.
18 (e) Prepare or contract for a performance audit of the
19 administrator of the association.
20 (f) Invest funds not required for immediate
21 disbursement.
22 (g) Appear in its own behalf before boards,
23 commissions, or other governmental agencies.
24 (h) Hold, buy, and sell any instruments, obligations,
25 securities, and property determined appropriate by the board.
26 (i) Restrict the number of participants in the plan
27 based on actuarial estimates. However, any person denied
28 participation solely on the basis of such restriction shall be
29 granted priority on a first-come, first-served basis for
30 participation in the succeeding years in which the plan is
31 reopened for participants.

1 (j) Contract for necessary goods and services; employ
2 necessary personnel; and engage the services of private
3 consultants, actuaries, managers, legal counsel, and auditors
4 for administrative or technical assistance.

5 (k) Solicit and accept gifts, grants, loans, and other
6 aids from any source or participate in any other way in any
7 government program to carry out the purposes of this section.

8 (l) Require and collect administrative fees and
9 charges in connection with any transaction and impose
10 reasonable penalties, including default, for delinquent
11 payments or for entering into the plan on a fraudulent basis.

12 (m) Procure insurance against any loss in connection
13 with the property, assets, and activities of the fund or the
14 board.

15 (n) Establish other policies, procedures, and criteria
16 to implement and administer this section.

17 (o) Adopt procedures to govern contract dispute
18 proceedings between the board and its vendors.

19 Section 2. Administrator.--

20 (1) The board shall select an administrator, through a
21 competitive bidding process, to administer the plan. The board
22 shall evaluate bids submitted under this subsection based on
23 criteria established by the board, which criteria must
24 include:

25 (a) The administrator's proven ability to handle
26 individual accident and health insurance, and due
27 consideration shall be given to any administrator who has
28 acted as a third-party administrator for the state group
29 health insurance program pursuant to section 110.123, Florida
30 Statutes.

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1 (b) The extent to which the administrator has
2 developed a network of health care providers for providing
3 managed health care on a statewide basis.

4 (c) The efficiency of the administrator's
5 claims-paying procedures.

6 (d) An estimate of total charges for administering the
7 plan.

8 (2) The administrator shall serve for a period of 3
9 years. At least 1 year prior to the expiration of each 3-year
10 period of service by an administrator, the board shall invite
11 all insurers, including the current administering insurer, to
12 submit bids to serve as the administrator for the succeeding
13 3-year period. The selection of the administrator for the
14 succeeding period must be made at least 6 months prior to the
15 end of the current 3-year period.

16 (3) The administrator shall:

17 (a) Perform all eligibility and administrative
18 claims-payment functions relating to the plan.

19 (b) Pay an agent's referral fee as established by the
20 board to each insurance agent who refers an applicant to the
21 plan, if the applicant's application is accepted. The selling
22 or marketing of plans is not limited to the administrator or
23 its agents. However, any agent must be selected by the board
24 and licensed by the Department of Insurance to sell health
25 insurance in this state. The referral fees shall be paid by
26 the administrator from moneys received as premiums for the
27 plan.

28 (c) Establish a premium-billing procedure for
29 collecting premiums from insured persons. Billings shall be
30 made periodically as determined by the board.

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1 (d) Perform all necessary functions to assure timely
2 payment of benefits under the plan, including:

3 1. Making available information relating to the proper
4 manner of submitting a claim for benefits under the plan and
5 distributing forms upon which submissions are made.

6 2. Evaluating the eligibility of each claim for
7 payment under the plan.

8 3. Notifying each claimant, within the time limits
9 prescribed by law, as to insurers after receiving a properly
10 completed and executed proof of loss whether the claim is
11 accepted, rejected, or compromised.

12 (e) Submit regular reports to the board regarding the
13 operation of the plan. The frequency, content, and form of the
14 reports shall be determined by the board.

15 (f) Following the close of each calendar year,
16 determine net premiums, reinsurance premiums less
17 administrative expense allowance, and the expense of
18 administration pertaining to the reinsurance operations of the
19 association.

20 (g) Pay claims expenses from the premium payments
21 received from or on behalf of covered persons under the plan.
22 If the payments by the administrator for claims expenses
23 exceed the portion of premiums allocated by the board for
24 payment of claims expenses, the board shall provide the
25 administrator with additional funds for payment of claims
26 expenses to the extent that such funds are available.

27 (4)(a) The administrator shall be paid, as provided in
28 the contract of the association, for its direct and indirect
29 expenses incurred in the performance of its services.

30 (b) As used in this subsection, the term "direct and
31 indirect expenses" includes that portion of the audited

1 administrative costs, printing expenses, claims administration
2 expenses, management expenses, building overhead expenses, and
3 other actual operating and administrative expenses of the
4 administering insurer which are approved by the board as
5 allocable to the administration of the plan and included in
6 the bid specifications.

7 Section 3. Minimum benefits coverage; exclusions;
8 premiums; deductibles.--

9 (1) COVERAGE OFFERED.--

10 (a) The plan shall offer in an annually renewable
11 policy the coverage specified in this section for each
12 eligible person.

13 (b) If an eligible person is also eligible for
14 Medicare coverage, the plan may not pay or reimburse any
15 person for expenses paid by Medicare.

16 (c) Any person whose health insurance coverage is
17 involuntarily terminated for any reason other than nonpayment
18 of premium may apply for coverage under the plan. If such
19 coverage is applied for within 60 days after the involuntary
20 termination and if premiums are paid for the entire period of
21 coverage, the effective date of the coverage shall be the date
22 of termination of the previous coverage.

23 (d) Coverage provided to a person who is eligible for
24 Medicare benefits may not be issued as a Medicare supplement
25 policy as defined in section 627.672, Florida Statutes.

26 (2) BENEFITS.--

27 (a) The plan shall offer major medical expense
28 coverage similar to that provided by the state group health
29 insurance program as defined in section 110.123, Florida
30 Statutes, except as specified in subsection (3), to every
31 eligible person who is not eligible for Medicare. Major

1 medical expense coverage offered under the plan shall pay an
2 eligible person's covered expenses, subject to limits on the
3 deductible and coinsurance payments authorized under
4 subsection (4), up to a lifetime limit of \$500,000 per covered
5 individual. The maximum limit under this paragraph may not be
6 altered by the board, and no actuarially equivalent benefit
7 may be substituted by the board.

8 (b) The plan shall provide that any policy issued to a
9 person eligible for Medicare shall be separately rated to
10 reflect differences in experience reasonably expected to occur
11 as a result of Medicare payments.

12 (3) COVERED EXPENSES.--The coverage to be issued by
13 the association shall be patterned after the state group
14 health insurance program as defined in section 110.123,
15 Florida Statutes, including its benefits, exclusions, and
16 other limitations, except as otherwise provided in this act.

17 (4) PREMIUMS, DEDUCTIBLES, AND COINSURANCE.--

18 (a) The plan shall provide for annual deductibles for
19 major medical expense coverage in the amount of \$1,000 or any
20 higher amounts proposed by the board and approved by the
21 Department of Health, plus the benefits payable under any
22 other type of insurance coverage or workers' compensation. The
23 schedule of premiums and deductibles shall be established by
24 the association. With regard to any preferred provider
25 arrangement used by the association, the deductibles provided
26 in this paragraph shall be the minimum deductibles applicable
27 to the preferred providers and higher deductibles, as approved
28 by the department, may be applied to providers who are not
29 preferred providers.

30 1. Separate schedules of premium rates based on age
31 may apply for individual risks.

1 2. Rates are subject to approval by the department.

2 3. Standard risk rates for coverages issued by the
3 association shall be established under section 627.6675(3),
4 Florida Statutes.

5 4. The board shall establish separate premium
6 schedules for low-risk individuals, medium-risk individuals,
7 and high-risk individuals and shall revise premium schedules
8 annually beginning January 1999. A rate may not exceed 200
9 percent of the standard risk rate for low-risk individuals,
10 225 percent of the standard risk rate for medium-risk
11 individuals, or 250 percent of the standard risk rate for
12 high-risk individuals. For the purpose of determining what
13 constitutes a low-risk individual, medium-risk individual, or
14 high-risk individual, the board shall consider the anticipated
15 claims payment for individuals based upon an individual's
16 health condition.

17 (b) If the covered costs incurred by the eligible
18 person exceed the deductible for major medical expense
19 coverage selected by the person in a policy year, the plan
20 shall pay in the following manner:

21 1. For individuals placed under case management, the
22 plan shall pay 90 percent of the additional covered costs
23 incurred by the person during the policy year for the first
24 \$10,000, after which the plan shall pay 100 percent of the
25 covered costs incurred by the person during the policy year.

26 2. For individuals using the preferred provider
27 network, the plan shall pay 80 percent of the additional
28 covered costs incurred by the person during the policy year
29 for the first \$10,000, after which the plan shall pay 90
30 percent of covered costs incurred by the person during the
31 policy year.

1 3. If the person does not use the case management
2 system or the preferred provider network, the plan shall pay
3 60 percent of the additional covered costs incurred by the
4 person for the first \$10,000, after which the plan shall pay
5 70 percent of the additional covered costs incurred by the
6 person during the policy year.

7 (c) All premiums, deductibles, and coinsurance paid to
8 the association shall be deposited with the Florida Health
9 Endowment Association.

10 (5) PREEXISTING CONDITIONS.--An association policy may
11 contain provisions under which coverage is excluded during a
12 period of 12 months following the effective date of coverage
13 with respect to a given covered individual for any preexisting
14 condition, if:

15 (a) The condition manifested itself within 6 months
16 before the effective date of coverage; or

17 (b) Medical advice or treatment was recommended or
18 received within 6 months before the effective date of
19 coverage.

20 (6) OTHER SOURCES PRIMARY.--

21 (a) Any amounts paid or payable by Medicare or any
22 other governmental program or any other insurance, or
23 self-insurance maintained in lieu of otherwise statutorily
24 required insurance, may not be made or recognized as claims
25 under such policy or be recognized as or towards satisfaction
26 of applicable deductibles or out-of-pocket maximums or to
27 reduce the limits of benefits available.

28 (b) The association has a cause of action against a
29 participant for any benefits paid to the participant which
30 should not have been claimed or recognized as claims because
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1 of the provisions of this subsection or because the condition
2 is not covered.

3 (7) NONENTITLEMENT.--This section does not provide an
4 individual with an entitlement to health care services or
5 health insurance. No cause of action shall arise against the
6 state, the board, or a unit of local government for failure to
7 make health services or health insurance available under this
8 section.

9 (8) ISSUING OF POLICIES.--The coverage provided by
10 this plan shall be directly insured by the Florida Health
11 Endowment Association, and the policies shall be issued
12 through the administrator.

13 Section 4. Disease management services.--

14 (1) The association may contract with insurers to
15 provide disease management services for insurers that elect to
16 participate in the association disease management program.

17 (2) An insurer that elects to contract for such
18 services shall provide the association with all medical
19 records and claims information necessary for the association
20 to effectively manage the services.

21 (3) Moneys collected by the association for providing
22 disease management services shall be used by the association
23 to pay administrative expenses associated with the disease
24 management program and any remaining moneys shall be deposited
25 in the Florida Health Endowment Trust Fund.

26 Section 5. Tax credits.--

27 (1)(a) Any insurance company subject to premium tax
28 liability pursuant to section 624.509, Florida Statutes, who
29 makes a contribution to the Florida Health Endowment
30 Association shall earn a vested credit against premium tax
31 liability equal to 100 percent of the contribution. Insurance

1 companies may use not more than 25 percentage points of the
2 vested premium tax credit, including any carryforward credits
3 under this act, per year beginning with premium tax filings
4 for calendar year 2001. Any premium tax credits not used in
5 any single year may be carried forward and applied against the
6 premium tax liabilities for subsequent calendar years.

7 (b) The credit to be applied against premium tax
8 liability in any single year may not exceed the premium tax
9 liability of the insurance company for that taxable year.

10 (c) An insurance company claiming a credit against
11 premium tax liability earned through an investment in the
12 Florida Health Endowment Association is not required to pay
13 any additional retaliatory tax levied under section 624.5091,
14 Florida Statutes, as a result of claiming such credit. Because
15 credits under this section are available to an insurance
16 company, section 624.5091, Florida Statutes, does not limit
17 such credit in any manner.

18 (2) The claim of a transferee of an insurance
19 company's unused premium tax credit shall be permitted in the
20 same manner and subject to the same provisions and limitations
21 of this act as the original insurance company. The term
22 "transferee" means any person who:

23 (a) Through the voluntary sale, assignment, or other
24 transfer of the business or control of the business of the
25 insurance company, including the sale or other transfer of
26 stock or assets by merger, consolidation, or dissolution,
27 succeeds to all or substantially all of the business and
28 property of the insurance company;

29 (b) Becomes by operation of law or otherwise the
30 parent company or a wholly owned subsidiary of the insurance
31 company; or

1 (c) Directly or indirectly owns, whether through
2 rights, options, convertible interests, or otherwise,
3 controls, or holds power to vote 10 percent or more of the
4 outstanding voting securities or other ownership interest of
5 the insurance company.

6 Section 6. Plan termination.--If the state determines
7 the plan to be financially infeasible, the state may
8 discontinue the plan. Any participants shall be entitled to
9 exercise the complete benefits for which he or she has
10 contracted. However, additional participants may not be
11 permitted to enter the plan.

12 Section 7. Section 627.648, Florida Statutes; section
13 627.6482, Florida Statutes, as amended by sections 224 and 292
14 of chapter 98-166, Laws of Florida; sections 627.6484 and
15 627.6486, Florida Statutes; section 627.6487, Florida
16 Statutes, as amended by section 5 of chapter 98-159, Laws of
17 Florida; sections 627.64871, 627.6488, 627.6489, 627.649,
18 627.6492, 627.6494, and 627.6496, Florida Statutes; and
19 section 627.6498, Florida Statutes, as amended by section 6 of
20 chapter 98-159, Laws of Florida, are repealed effective upon
21 the opening of the plan by the board. Effective upon the date
22 of the opening of the plan, all individuals who have insurance
23 coverage issued by the Florida Comprehensive Health
24 Association on that date shall be issued insurance coverage
25 under the plan.

26 Section 8. The sum of \$_____ is appropriated from the
27 General Revenue Fund to the Florida Health Endowment Trust
28 Fund.

29 Section 9. This act shall take effect July 1, 1999.
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SENATE SUMMARY

Creates the Florida Health Endowment Association to offer health insurance coverage to persons whose health insurance has been involuntarily terminated for any reason other than nonpayment. Provides for the association to be governed by a board of directors. Requires that the board adopt a plan and rules to administer the health insurance plan. Requires that the board select a plan administrator. Requires that the plan offer major medical expense coverage similar to that provided by the state group health insurance program. Provides for premiums, deductibles, and coinsurance. Requires that the board establish premium schedules. Authorizes the board of directors to contract with insurers for disease-management services. Provides for tax credits for insurance companies that contribute to the Florida Health Endowment Association. Repeals the Florida Comprehensive Health Association Act and provides for individuals that have coverage under that act to be transferred to the Florida Health Endowment Association. (See bill for details.)