

By the Committee on Banking and Insurance; and Senator Kurth

311-2088-99

1 A bill to be entitled
2 An act relating to health insurance; creating
3 the "Equity in Contraceptive Coverage Act of
4 1999"; providing legislative findings and
5 intent; providing requirements with respect to
6 plans provided by religious health plan
7 sponsors; creating ss. 627.64061, 627.65741,
8 F.S., and amending 641.31, F.S.; requiring
9 certain health insurance policies and health
10 maintenance contracts to provide coverage for
11 prescription oral contraceptives; amending s.
12 627.6515, F.S.; applying certain requirements
13 for group coverage to out-of-state groups;
14 amending s. 627.6699, F.S.; applying certain
15 requirements for group coverage to coverage for
16 small employers; providing an effective date.

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

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20 Section 1. This act may be cited as the "Equity in
21 Prescription Insurance and Contraceptive Coverage Act of
22 1999."

23 Section 2. Legislative findings and intent.--

24 (1) The Legislature finds that:

25 (a) Each year, more than half of all pregnancies in
26 this state are unintended.

27 (b) Contraceptive services are part of basic health
28 care, allowing families to both adequately space desired
29 pregnancies and avoid unintended pregnancy.

30 (c) Contraceptives are highly cost effective, yielding
31 from \$4 to \$14 dollars in savings for every dollar expended.

1 (d) By reducing rates of unintended pregnancy,
2 contraceptives help reduce the need for abortions.

3 (e) Unintended pregnancies lead to higher rates of
4 infant mortality, low birth weight, and maternal morbidity and
5 threaten the economic viability of families.

6 (f) Most women in this state of childbearing age rely
7 on private employment-related insurance to cover their medical
8 expenses.

9 (g) Most private insurers cover prescription drugs,
10 but many exclude coverage for prescription contraceptives.

11 (h) The lack of contraceptive coverage in health
12 insurance policies places many effective forms of
13 contraceptives beyond the financial reach of many women,
14 leading to unintended pregnancies.

15 (2) Therefore, the Legislature determines that
16 enactment of this bill constitutes an important state
17 interest.

18 Section 3. Option for plans and policyholders of plans
19 provided by religious health plan sponsors.

20 (1) GENERAL RULE.--Notwithstanding any other provision
21 of section 627.64061 or section 627.65741, Florida Statutes, a
22 religious health plan sponsor may provide a health plan that
23 does not provide benefits for prescription oral contraceptives
24 that are contrary to the religious tenets of the religion or
25 religious corporation, association, or society referred to in
26 subsection (3). Further, the requirements of section 627.64061
27 or section 627.65741, Florida Statutes, shall not apply to an
28 individual health care service plan contract or a group health
29 care service plan contract purchased by an employer that is a
30 religious health plan sponsor, including, but not limited to,
31 any church, religious school, religious association, or other

1 religious organization that is not organized for private
2 profit, if the provision of prescription oral contraceptives
3 under such sections is inconsistent with the religious beliefs
4 of the organization.

5 (2) EXCEPTION.--Nothing in this section shall be
6 construed as authorizing the exclusion of coverage under a
7 health plan of prescription oral contraceptives necessary to
8 preserve the life or health of the patient.

9 (3) DEFINITION.--As used in this section, the term
10 "religious health plan sponsor" means a health plan sponsor
11 that meets the definition of "church plan" under s. 3(33) of
12 the Employee Retirement Income Security Act of 1974.

13 (4) Nothing in this act shall be construed to require
14 coverage for chemically induced abortions.

15 Section 4. Section 627.64061, Florida Statutes, is
16 created to read:

17 627.64061 Coverage for prescription
18 contraceptives.--Any health insurance policy that provides
19 coverage for outpatient prescription drugs shall cover
20 prescription oral contraceptives approved by the federal Food
21 and Drug Administration and prescribed by a practitioner
22 authorized by state licensure to prescribe such medication.
23 Coverage must be provided to the same extent and subject to
24 the same contract terms, including copayments and deductibles,
25 as any other prescription drug.

26 Section 5. Paragraph (c) of subsection (2) of section
27 627.6515, Florida Statutes, 1998 Supplement, is amended to
28 read:

29 627.6515 Out-of-state groups.--
30
31

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

4 (c) The policy provides the benefits specified in ss.
5 627.419, 627.6574, 627.65741, 627.6575, 627.6579, 627.6612,
6 627.66121, 627.66122, 627.6613, 627.667, 627.6675, 627.6691,
7 and 627.66911.

8 Section 6. Section 627.65741, Florida Statutes, is
9 created to read:

10 627.65741 Coverage for prescription
11 contraceptives.--Any group, franchise, accident, or health
12 insurance policy that provides coverage for outpatient
13 prescription drugs shall cover prescription oral
14 contraceptives approved by the federal Food and Drug
15 Administration and prescribed by a practitioner authorized by
16 state licensure to prescribe such medication. Coverage must
17 be provided to the same extent and subject to the same
18 contract terms, including copayments and deductibles, as any
19 other prescription drug.

20 Section 7. Paragraph (b) of subsection (12) of section
21 627.6699, Florida Statutes, 1998 Supplement, is amended to
22 read:

23 627.6699 Employee Health Care Access Act.--

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

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

30 2. For purposes of this subsection, the terms
31 "standard health benefit plan" and "basic health benefit plan"

1 mean policies or contracts that a small employer carrier
2 offers to eligible small employers that contain:
3 a. An exclusion for services that are not medically
4 necessary or that are not covered preventive health services;
5 and
6 b. A procedure for preauthorization by the small
7 employer carrier, or its designees.
8 3. A small employer carrier may include the following
9 managed care provisions in the policy or contract to control
10 costs:
11 a. A preferred provider arrangement or exclusive
12 provider organization or any combination thereof, in which a
13 small employer carrier enters into a written agreement with
14 the provider to provide services at specified levels of
15 reimbursement or to provide reimbursement to specified
16 providers. Any such written agreement between a provider and a
17 small employer carrier must contain a provision under which
18 the parties agree that the insured individual or covered
19 member has no obligation to make payment for any medical
20 service rendered by the provider which is determined not to be
21 medically necessary. A carrier may use preferred provider
22 arrangements or exclusive provider arrangements to the same
23 extent as allowed in group products that are not issued to
24 small employers.
25 b. A procedure for utilization review by the small
26 employer carrier or its designees.
27
28 This subparagraph does not prohibit a small employer carrier
29 from including in its policy or contract additional managed
30 care and cost containment provisions, subject to the approval
31 of the department, which have potential for controlling costs

1 in a manner that does not result in inequitable treatment of
2 insureds or subscribers. The carrier may use such provisions
3 to the same extent as authorized for group products that are
4 not issued to small employers.

5 4. The standard health benefit plan shall include:

6 a. Coverage for inpatient hospitalization;

7 b. Coverage for outpatient services;

8 c. Coverage for newborn children pursuant to s.
9 627.6575;

10 d. Coverage for child care supervision services
11 pursuant to s. 627.6579;

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

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

15 g. Coverage for handicapped children pursuant to s.
16 627.6615;

17 h. Emergency or urgent care out of the geographic
18 service area; and

19 i. Coverage for services provided by a hospice
20 licensed under s. 400.602 in cases where such coverage would
21 be the most appropriate and the most cost-effective method for
22 treating a covered illness.

23 5. The standard health benefit plan and the basic
24 health benefit plan may include a schedule of benefit
25 limitations for specified services and procedures. If the
26 committee develops such a schedule of benefits limitation for
27 the standard health benefit plan or the basic health benefit
28 plan, a small employer carrier offering the plan must offer
29 the employer an option for increasing the benefit schedule
30 amounts by 4 percent annually.

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1 6. The basic health benefit plan shall include all of
2 the benefits specified in subparagraph 4.; however, the basic
3 health benefit plan shall place additional restrictions on the
4 benefits and utilization and may also impose additional cost
5 containment measures.

6 7. Sections 627.419(2), (3), and (4), 627.6574,
7 627.65741, 627.6612, 627.66121, 627.66122, 627.6616, 627.6618,
8 627.668, and 627.66911 apply to the standard health benefit
9 plan and to the basic health benefit plan. However,
10 notwithstanding said provisions, the plans may specify limits
11 on the number of authorized treatments, if such limits are
12 reasonable and do not discriminate against any type of
13 provider.

14 8. Each small employer carrier that provides for
15 inpatient and outpatient services by allopathic hospitals may
16 provide as an option of the insured similar inpatient and
17 outpatient services by hospitals accredited by the American
18 Osteopathic Association when such services are available and
19 the osteopathic hospital agrees to provide the service.

20 Section 8. Subsection (36) is added to section 641.31,
21 Florida Statutes, 1998 Supplement, to read:

22 641.31 Health maintenance contracts.--

23 (36) Health maintenance contracts that provide
24 coverage for outpatient prescription drugs shall cover
25 prescription oral contraceptives approved by the federal Food
26 and Drug Administration and prescribed by a practitioner
27 authorized by state licensure to prescribe such medication
28 when such practitioner is under the organization's direct
29 employ or under contract or other arrangement with the
30 organization to provide health care services to subscribers.
31 Coverage must be provided to the same extent and subject to

1 the same contract terms, including copayments, as any other
2 prescription medication.

3 Section 9. This act shall take effect October 1, 1999.

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5 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
6 COMMITTEE SUBSTITUTE FOR
7 Senate Bill 1160

8 Increases exemptions from the bill's coverage requirements to
9 include individual or group health care service plan contracts
10 purchased by an employer who is a religious health plan
11 sponsor, including, but not limited to, any church, religious
12 school, religious association, or other religious organization
13 not organized for private profit, if the provision of oral
14 contraceptive coverage is inconsistent with the religious
15 beliefs of the organization.