

By Representative Goodlette

1 A bill to be entitled
2 An act relating to the Special Disability Trust
3 Fund Privatization Commission; amending s.
4 440.49, F.S.; deleting a prohibition against
5 certain contractors from being affiliated or
6 entering into certain agreements together;
7 providing an effective date.

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

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11 Section 1. Paragraph (b) of subsection (13) of section
12 440.49, Florida Statutes, 1998 Supplement, is amended to read:

13 440.49 Limitation of liability for subsequent injury
14 through Special Disability Trust Fund.--

15 (13) SPECIAL DISABILITY TRUST FUND PRIVATIZATION
16 COMMISSION.--

17 (b) Consistent with the closing of the fund provided
18 in subsection (11), the Special Disability Trust Fund
19 Privatization Commission is authorized to contract with an
20 administrator to review, allow, deny, compromise, controvert,
21 and litigate claims of the Special Disability Trust Fund under
22 this section. The commission, in consultation with the
23 division, is authorized to contract with a qualified entity to
24 assume the reimbursement obligations of the Special Disability
25 Trust Fund for claims which have previously been accepted for
26 reimbursement by the Special Disability Trust Fund and claims
27 which are determined to be reimbursable by the Special
28 Disability Trust Fund. ~~The qualified entity and the~~
29 ~~administrator shall not be affiliates of the other, and shall~~
30 ~~not establish or maintain a financial or contractual agreement~~
31 ~~with each other for purposes of this section.~~On or before

1 July 1, 1999, the commission, in consultation with the
2 division, may develop and issue a request for proposal for the
3 transfer and assumption of liabilities, and administration of
4 certain functions related to claims of the Special Disability
5 Trust Fund. The administrator shall have experience in
6 workers' compensation claims management of sufficient scope
7 and size to undertake the duties and responsibilities of this
8 section and shall demonstrate the ability to meet the criteria
9 established by the commission, which shall include the ability
10 to substantially reduce the overall costs of reviewing and
11 reimbursing claims, and to settle and extinguish the
12 liabilities of the Special Disability Trust Fund in a more
13 cost-efficient and more timely manner than presently provided
14 by the division. In the event liabilities on the Special
15 Disabilities Trust Fund are transferred to and assumed by a
16 qualified entity, such entity shall provide the state with
17 financial assurance as to the satisfaction of any such
18 liabilities or claims and the state and the Special Disability
19 Trust Fund shall have no further liability with respect to
20 those liabilities and claims. The financial assurances may
21 include, but are not limited to, cash reserves, reinsurance,
22 guarantees, or letters of credit.

23 Section 2. This act shall take effect July 1, 1999.

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25 HOUSE SUMMARY

26
27 Deletes a prohibition against an administrator,
28 contracted by the Special Disability Trust Fund
29 Privatization Commission to administrate claims of the
30 fund, and an entity, contracted by such administrator to
31 assume reimbursement obligations of the fund for claims,
to be affiliated or to establish or maintain financial or
contractual agreements with each other.