

Bill No. CS for SB 2280

Amendment No.

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senator Burt moved the following amendment:		
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13	Senate Amendment (with title amendment)		
14	On page 6, line 13, through page 10, line 29, delete		
15	those lines		
16			
17	and insert:		
18	Section 2. Section 110.1227, Florida Statutes, 1998		
19	Supplement, is amended to read:		
20	110.1227 Florida Employee Long-Term-Care Plan Act.--		
21	(1) The Legislature finds that state expenditures for		
22	long-term-care services continue to increase at a rapid rate		
23	and that the state faces increasing pressure in its efforts to		
24	meet the long-term-care needs of the public.		
25	<u>(2)(a)</u> It is the intent of the Legislature that the		
26	<u>Department of Management Services</u> Division of State Group		
27	Insurance and the Department of Elderly Affairs <u>provide an</u>		
28	<u>opportunity for public employees to purchase</u> implement a		
29	self-funded or fully insured, voluntary, long-term-care		
30	<u>insurance by means of payroll deduction</u> plan for public		
31	employees and their families.		

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1 (3)(b) The Department of Elderly Affairs and the
2 ~~Department of Management Services Division of State Group~~
3 ~~Insurance shall jointly review design the plan to provide~~
4 ~~long-term-care insurance offerings to identify those that~~
5 ~~represent the best value coverage for public employees, and~~
6 ~~family members of public employees, and retirees. The~~
7 ~~Department of Management Services shall review all fully~~
8 ~~insured proposals submitted to it by qualified vendors who~~
9 ~~have submitted responses to ITN #102A prior to February 23,~~
10 ~~1999. Upon review of the proposals, the Department of~~
11 ~~Management Services may award a contract to the vendor that~~
12 ~~the department deems to represent the best value to public~~
13 ~~employees, family members of public employees, and retirees.~~
14 ~~The Division of State Group Insurance and the Department of~~
15 ~~Elderly Affairs shall enter into an interagency agreement~~
16 ~~defining their roles with regard to plan development and~~
17 ~~design. Joint planning expenses shall be shared to the extent~~
18 ~~that funded planning activities are consistent with the goals~~
19 ~~of the department and the division. Eligible plan participants~~
20 ~~must include active and retired officers and employees of all~~
21 ~~branches and agencies of state and local government and their~~
22 ~~spouses, children, stepchildren, parents, and parents-in-law;~~
23 ~~active and retired federal employees residing in the state and~~
24 ~~their spouses, children, stepchildren, parents, and~~
25 ~~parents-in-law residing in the state; and the surviving~~
26 ~~spouses, children, stepchildren, parents, and parents-in-law~~
27 ~~of such deceased officers and employees, whether active or~~
28 ~~retired at the time of death.~~

29 ~~(c) This act in no way affects the Division of State~~
30 ~~Group Insurance's authority pursuant to s. 110.123.~~

31 ~~(2) As used in this section, the term:~~

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1 ~~(a) "Department" means the Department of Elderly~~
2 ~~Affairs.~~

3 ~~(b) "Division" means the Division of State Group~~
4 ~~Insurance.~~

5 ~~(c) "Self-funded" means that plan benefits and costs~~
6 ~~are funded from contributions made by or on behalf of~~
7 ~~participants and trust fund investment revenue.~~

8 ~~(d) "Plan" means the Florida Employee Long-Term-Care~~
9 ~~Plan.~~

10 ~~(3) The division and the department shall, in~~
11 ~~consultation with public employers and employees and~~
12 ~~representatives from unions and associations representing~~
13 ~~state, university, local government, and other public~~
14 ~~employees, establish and supervise the implementation and~~
15 ~~administration of a self-funded or fully insured~~
16 ~~long-term-care plan entitled "Florida Employee Long-Term-Care~~
17 ~~Plan."~~

18 ~~(a) The division and the department shall, in~~
19 ~~consultation with the department, the Department of Management~~
20 ~~Services, and the Department of Insurance, contract for~~
21 ~~actuarial, professional-administrator, and other services for~~
22 ~~the Florida Employee Long-Term-Care Plan.~~

23 ~~(b) When contracting for a professional administrator,~~
24 ~~the division shall consider, at a minimum, the entity's~~
25 ~~previous experience and expertise in administering group~~
26 ~~long-term-care self-funded plans or long-term-care insurance~~
27 ~~programs; the entity's demonstrated ability to perform its~~
28 ~~contractual obligations in the state and in other~~
29 ~~jurisdictions; the entity's projected administrative costs;~~
30 ~~the entity's capability to adequately provide service~~
31 ~~coverage, including a sufficient number of experienced and~~

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1 ~~qualified personnel in the areas of marketing, claims~~
2 ~~processing, recordkeeping, and underwriting; the entity's~~
3 ~~accessibility to public employees and other qualified~~
4 ~~participants; and the entity's financial soundness and~~
5 ~~solvency.~~

6 ~~(c) Any contract with a professional administrator~~
7 ~~entered into by the division must require that the state be~~
8 ~~held harmless and indemnified for any financial loss caused by~~
9 ~~the failure of the professional administrator to comply with~~
10 ~~the terms of the contract.~~

11 ~~(d) The division shall explore innovations in~~
12 ~~long-term-care financing and service delivery with regard to~~
13 ~~possible future inclusion in the plan. Such innovative~~
14 ~~financing and service-delivery mechanisms may include managed~~
15 ~~long-term care and plans that set aside assets with regard to~~
16 ~~eligibility for Medicaid-funded long-term-care services in the~~
17 ~~same proportion that private long-term-care insurance benefits~~
18 ~~are used to pay for long-term care.~~

19 ~~(4) The division and the department shall coordinate,~~
20 ~~directly or through contract, marketing of the plan. Expenses~~
21 ~~related to such marketing shall be reimbursed from funds of~~
22 ~~the plan.~~

23 ~~(5) The division shall contract with the State Board~~
24 ~~of Administration for the investment of funds in the Florida~~
25 ~~Employee Long-Term-Care Plan reserve fund. Plan funds are not~~
26 ~~state funds. The moneys shall be held by the State Board of~~
27 ~~Administration on behalf of enrollees and invested and~~
28 ~~disbursed in accordance with a trust agreement approved by the~~
29 ~~division and the State Board of Administration and in~~
30 ~~accordance with the provisions of ss. 215.44-215.53. Moneys in~~
31 ~~the reserve fund may be used only for the purposes specified~~

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1 ~~in the agreement.~~

2 ~~(6) A Florida Employee Long-Term-Care Plan Board of~~
3 ~~Directors is created, composed of seven members who shall~~
4 ~~serve 2-year terms, to be appointed as follows:~~

5 ~~(a) The secretary of the Department of Elderly Affairs~~
6 ~~shall appoint a member who is a plan participant.~~

7 ~~(b) The Insurance Commissioner shall appoint an~~
8 ~~actuary.~~

9 ~~(c) The Attorney General shall appoint an attorney~~
10 ~~licensed to practice law in this state.~~

11 ~~(d) The Governor shall appoint three members from a~~
12 ~~broad cross-section of the residents of this state.~~

13 ~~(e) The division shall appoint a member.~~

14 ~~(7) The board of directors of the Florida~~
15 ~~Long-Term-Care Plan shall:~~

16 ~~(a) Prepare an annual report of the plan, with the~~
17 ~~assistance of an actuarial consultant, to be submitted to the~~
18 ~~Speaker of the House of Representatives, the President of the~~
19 ~~Senate, the Governor, and the Minority Leaders of the Senate~~
20 ~~and the House of Representatives.~~

21 ~~(b) Approve the appointment of an executive director~~
22 ~~jointly recommended by the division and the department to~~
23 ~~serve as the chief administrative and operational officer of~~
24 ~~the Florida Employee Long-Term-Care Plan.~~

25 ~~(c) Approve the terms of the division's third-party~~
26 ~~administrator contract.~~

27 ~~(d) Implement such other policies and procedures as~~
28 ~~necessary to assure the soundness and efficient operation of~~
29 ~~the plan.~~

30 ~~(8) Members of the board may not receive a salary, but~~
31 ~~may be reimbursed for travel, per diem, and administrative~~

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1 ~~expenses related to their duties. Board expenses and costs for~~
2 ~~the annual report and other administrative expenses must be~~
3 ~~borne by the plan. State funds may not be contributed toward~~
4 ~~costs associated with board members or their activities~~
5 ~~conducted on behalf of and for the benefit of plan~~
6 ~~beneficiaries.~~

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9 ===== T I T L E A M E N D M E N T =====

10 And the title is amended as follows:

11 On page 1, line 29, after the semicolon,

12

13 insert:

14 revising the Florida Employee Long-Term-Care
15 Plan Act; requiring the Department of
16 Management Services and the Department of
17 Elderly Affairs to provide for long-term-care
18 insurance through payroll deduction; requiring
19 the Department of Management Services to review
20 proposals; authorizing the department to award
21 a contract;

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