

Bill No. CS for SB 232

Amendment No. \_\_\_\_

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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11	Senator Thomas moved the following amendment:		
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13	<b>Senate Amendment (with title amendment)</b>		
14	On page 3, between lines 19 and 20,		
15			
16	insert:		
17	Section 4. Paragraph (h) of subsection (3) of section		
18	110.123, Florida Statutes, 1998 Supplement, is amended to		
19	read:		
20	110.123 State group insurance program.--		
21	(3) STATE GROUP INSURANCE PROGRAM.--		
22	(h)1. A person eligible to participate in the state		
23	group health insurance plan may be authorized by rules adopted		
24	by the division, in lieu of participating in the state group		
25	health insurance plan, to exercise an option to elect		
26	membership in a health maintenance organization plan which is		
27	under contract with the state in accordance with criteria		
28	established by this section and by said rules. The offer of		
29	optional membership in a health maintenance organization plan		
30	permitted by this paragraph may be limited or conditioned by		
31	rule as may be necessary to meet the requirements of state and		

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1 federal laws.

2           2. The division shall contract with health maintenance  
3 organizations to participate in the state group insurance  
4 program through a request for proposal based upon a premium  
5 and a minimum benefit package as follows:

6           a. A minimum benefit package to be provided by a  
7 participating HMO shall include: physician services; inpatient  
8 and outpatient hospital services; emergency medical services,  
9 including out-of-area emergency coverage; diagnostic  
10 laboratory and diagnostic and therapeutic radiologic services;  
11 mental health, alcohol, and chemical dependency treatment  
12 services meeting the minimum requirements of state and federal  
13 law; skilled nursing facilities and services; prescription  
14 drugs; and other benefits as may be required by the division.  
15 Additional services may be provided subject to the contract  
16 between the division and the HMO.

17           b. A uniform schedule for deductibles and copayments  
18 may be established for all participating HMOs.

19           c. Based upon the minimum benefit package and  
20 copayments and deductibles contained in sub-subparagraphs a.  
21 and b., the division shall issue a request for proposal for  
22 all HMOs which are interested in participating in the state  
23 group insurance program. Upon receipt of all proposals, the  
24 division may, as it deems appropriate, enter into contract  
25 negotiations with HMOs submitting bids. As part of the request  
26 for proposal process, the division may require detailed  
27 financial data from each HMO which participates in the bidding  
28 process for the purpose of determining the financial stability  
29 of the HMO.

30           d. In determining which HMOs to contract with, the  
31 division shall, at a minimum, consider: each proposed

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1 contractor's previous experience and expertise in providing  
2 prepaid health benefits; each proposed contractor's historical  
3 experience in enrolling and providing health care services to  
4 participants in the state group insurance program; the cost of  
5 the premiums; the plan's ability to adequately provide service  
6 coverage and administrative support services as determined by  
7 the division; plan benefits in addition to the minimum benefit  
8 package; accessibility to providers; and the financial  
9 solvency of the plan. Nothing shall preclude the division from  
10 negotiating regional or statewide contracts with health  
11 maintenance organization plans when this is cost-effective and  
12 when the division determines the plan has the best overall  
13 benefit package for the service areas involved. However, no  
14 HMO shall be eligible for a contract if the HMO's retiree  
15 Medicare premium exceeds the retiree rate as set by the  
16 division for the state group health insurance plan.

17 e. The division may limit the number of HMOs that it  
18 contracts with in each service area based on the nature of the  
19 bids the division receives, the number of state employees in  
20 the service area, and any unique geographical characteristics  
21 of the service area. The division shall establish by rule  
22 service areas throughout the state.

23 f. All persons participating in the state group  
24 insurance program who are required to contribute towards a  
25 total state group health premium shall be subject to the same  
26 dollar contribution regardless of whether the enrollee enrolls  
27 in the state group health insurance plan or in an HMO plan.

28 3. The division is authorized to negotiate and to  
29 contract with specialty psychiatric hospitals for mental  
30 health benefits, on a regional basis, for alcohol, drug abuse,  
31 and mental and nervous disorders. The division may establish,

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1 subject to the approval of the Legislature pursuant to  
2 subsection (5), any such regional plan upon completion of an  
3 actuarial study to determine any impact on plan benefits and  
4 premiums.

5 4. In addition to contracting pursuant to subparagraph  
6 2., the division shall enter into contract with any HMO to  
7 participate in the state group insurance program which:

8 a. Serves greater than 5,000 recipients on a prepaid  
9 basis under the Medicaid program;

10 b. Does not currently meet the 25 percent  
11 non-Medicare/non-Medicaid enrollment composition requirement  
12 established by the Department of Health and Human Services  
13 excluding participants enrolled in the state group insurance  
14 program;

15 c. Meets the minimum benefit package and copayments  
16 and deductibles contained in sub-subparagraphs 2.a. and b.;

17 d. Is willing to participate in the state group  
18 insurance program at a cost of premiums that is not greater  
19 than 95 percent of the cost of HMO premiums accepted by the  
20 division in each service area; and

21 e. Meets the minimum surplus requirements of s.  
22 641.225.

23

24 The division is authorized to contract with HMOs that meet the  
25 requirements of sub-subparagraphs a. through d. prior to the  
26 open enrollment period for state employees. The division is  
27 not required to renew the contract with the HMOs as set forth  
28 in this paragraph more than twice. Thereafter, the HMOs shall  
29 be eligible to participate in the state group insurance  
30 program only through the request for proposal process  
31 described in subparagraph 2.

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1           5. All enrollees in the state group health insurance  
2 plan or any health maintenance organization plan shall have  
3 the option of changing to any other health plan which is  
4 offered by the state within any open enrollment period  
5 designated by the division. Open enrollment shall be held at  
6 least once each calendar year.

7           6. When a contract between a treating provider and the  
8 state-contracted health maintenance organization is terminated  
9 for any reason other than for cause, each party shall allow  
10 any enrollee for whom treatment was active to continue  
11 coverage and care when medically necessary, through completion  
12 of treatment of a condition for which the enrollee was  
13 receiving care at the time of the termination, until the  
14 enrollee selects another treating provider, or until the next  
15 open enrollment period offered, whichever is longer, but no  
16 longer than 9 months after termination of the contract. Each  
17 party to the terminated contract shall allow an enrollee who  
18 has initiated a course of prenatal care, regardless of the  
19 trimester in which care was initiated, to continue care and  
20 coverage until completion of postpartum care. This does not  
21 prevent a provider from refusing to continue to provide care  
22 to an enrollee who is abusive, noncompliant, or in arrears in  
23 payments for services provided. For care continued under this  
24 subparagraph, the program and the provider shall continue to  
25 be bound by the terms of the terminated contract. Changes made  
26 within 30 days after termination of a contract are effective  
27 only if agreed to by both parties.

28           ~~7.6~~ Any HMO participating in the state group  
29 insurance program shall, upon the request of the division,  
30 submit to the division standardized data for the purpose of  
31 comparison of the appropriateness, quality, and efficiency of

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1 care provided by the HMO. Such standardized data shall  
2 include: membership profiles; inpatient and outpatient  
3 utilization by age and sex, type of service, provider type,  
4 and facility; and emergency care experience. Requirements and  
5 timetables for submission of such standardized data and such  
6 other data as the division deems necessary to evaluate the  
7 performance of participating HMOs shall be adopted by rule.

8 8.7. The division shall, after consultation with  
9 representatives from each of the unions representing state and  
10 university employees, establish a comprehensive package of  
11 insurance benefits including, but not limited to, supplemental  
12 health and life coverage, dental care, long-term care, and  
13 vision care to allow state employees the option to choose the  
14 benefit plans which best suit their individual needs.

15 a. Based upon a desired benefit package, the division  
16 shall issue a request for proposal for health insurance  
17 providers interested in participating in the state group  
18 insurance program, and the division shall issue a request for  
19 proposal for insurance providers interested in participating  
20 in the non-health-related components of the state group  
21 insurance program. Upon receipt of all proposals, the  
22 division may enter into contract negotiations with insurance  
23 providers submitting bids or negotiate a specially designed  
24 benefit package. Insurance providers offering or providing  
25 supplemental coverage as of May 30, 1991, which qualify for  
26 pretax benefit treatment pursuant to s. 125 of the Internal  
27 Revenue Code of 1986, with 5,500 or more state employees  
28 currently enrolled may be included by the division in the  
29 supplemental insurance benefit plan established by the  
30 division without participating in a request for proposal,  
31 submitting bids, negotiating contracts, or negotiating a

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1 specially designed benefit package. These contracts shall  
2 provide state employees with the most cost-effective and  
3 comprehensive coverage available; however, no state or agency  
4 funds shall be contributed toward the cost of any part of the  
5 premium of such supplemental benefit plans.

6 b. Pursuant to the applicable provisions of s.  
7 110.161, and s. 125 of the Internal Revenue Code of 1986, the  
8 division shall enroll in the pretax benefit program those  
9 state employees who voluntarily elect coverage in any of the  
10 supplemental insurance benefit plans as provided by  
11 sub-subparagraph a.

12 c. Nothing herein contained shall be construed to  
13 prohibit insurance providers from continuing to provide or  
14 offer supplemental benefit coverage to state employees as  
15 provided under existing agency plans.

16  
17 (Redesignate subsequent sections.)

18  
19

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

21 And the title is amended as follows:

22 On page 1, line 13, after the semicolon,

23

24 insert:

25 amending s. 110.123, F.S.; requiring the  
26 state-contracted health maintenance  
27 organization to provide an enrollee with  
28 continued access to a treating health care  
29 provider who loses provider status under the  
30 program; providing limitations; providing  
31 applicability;