

By Senator Latvala

19-819A-00

1                                   A bill to be entitled  
2           An act relating to health insurance; amending  
3           s. 216.136, F.S.; creating the Mandated Health  
4           Insurance Benefits and Providers Estimating  
5           Conference; providing for membership and duties  
6           of the conference; providing duties of  
7           legislative committees that have jurisdiction  
8           over health insurance matters; amending s.  
9           624.215, F.S.; providing that certain  
10          legislative proposals must be submitted to and  
11          assessed by the conference, rather than the  
12          Agency for Health Care Administration; amending  
13          guidelines for assessing the impact of a  
14          proposal to legislatively mandate certain  
15          health coverage; providing prerequisites to  
16          legislative consideration of such proposals;  
17          providing an effective date.

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

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21           Section 1. Subsection (12) is added to section  
22 216.136, Florida Statutes, to read:

23           216.136 Consensus estimating conferences; duties and  
24 principals.--

25           (12) MANDATED HEALTH INSURANCE BENEFITS AND PROVIDERS  
26 ESTIMATING CONFERENCE.--

27           (a) Duties.--The Mandated Health Insurance Benefits  
28 and Providers Estimating Conference shall:

29           1. Develop and maintain, with the Department of  
30 Insurance, a system and program of data collection to assess  
31 the impact of mandated benefits and providers, including costs

1 to employers and insurers, impact of treatment, cost savings  
2 in the health care system, number of providers, and other  
3 appropriate data.

4 2. Prescribe the format, content, and timing of  
5 information that is to be submitted to the conference and used  
6 by the conference in its assessment of proposed and existing  
7 mandated benefits and providers. Such format, content, and  
8 timing requirements are binding upon all parties submitting  
9 information for the conference to use in its assessment of  
10 proposed and existing mandated benefits and providers.

11 3. Provide assessments of proposed and existing  
12 mandated benefits and providers and other studies of mandated  
13 benefits and provider issues as requested by the Legislature  
14 or the Governor. When a legislative measure containing a  
15 mandated health insurance benefit or provider is proposed, the  
16 standing committee of the Legislature which has jurisdiction  
17 over the proposal shall request that the conference prepare  
18 and forward to the Governor and the Legislature a study that  
19 provides, for each measure, a cost-benefit analysis that  
20 assesses the social and financial impact and the medical  
21 efficacy according to prevailing medical standards of the  
22 proposed mandate. The conference has 12 months after the  
23 committee makes its request in which to complete and submit  
24 the conference's report. The standing committee may not  
25 consider such a proposed legislative measure until 12 months  
26 after it has requested the report and has received the  
27 conference's report on the measure.

28 4. The standing committees of the Legislature which  
29 have jurisdiction over health insurance matters shall request  
30 that the conference assess the social and financial impact and  
31 the medical efficacy of existing mandated benefits and

1 providers. The committees shall submit to the conference by  
2 January 1, 2001, a schedule of evaluations that sets forth the  
3 respective dates by which the conference must have completed  
4 its evaluations of particular existing mandates.

5 (b) Principals.--The Executive Office of the Governor,  
6 the Insurance Commissioner, the Director of the Division of  
7 Economic and Demographic Research of the Joint Legislative  
8 Management Committee, and professional staff of the Senate and  
9 the House of Representatives who have health insurance  
10 expertise, or their designees, are the principals of the  
11 Mandated Health Insurance Benefits and Providers Estimating  
12 Conference. The responsibility of presiding over sessions of  
13 the conference shall be rotated among the principals.

14 Section 2. Section 624.215, Florida Statutes, is  
15 amended to read:

16 624.215 Proposals for legislation which mandates  
17 health benefit coverage; review by Legislature.--

18 (1) LEGISLATIVE INTENT.--The Legislature finds that  
19 there is an increasing number of proposals which mandate that  
20 certain health benefits be provided by insurers and health  
21 maintenance organizations as components of individual and  
22 group policies. The Legislature further finds that many of  
23 these benefits provide beneficial social and health  
24 consequences which may be in the public interest. However,  
25 the Legislature also recognizes that most mandated benefits  
26 contribute to the increasing cost of health insurance  
27 premiums. Therefore, it is the intent of the Legislature to  
28 conduct a systematic review of current and proposed mandated  
29 or mandatorily offered health coverages and to establish  
30 guidelines for such a review. This review will assist the  
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1 Legislature in determining whether mandating a particular  
2 coverage is in the public interest.

3 (2) MANDATED HEALTH COVERAGE; REPORT TO THE MANDATED  
4 HEALTH INSURANCE BENEFITS AND PROVIDERS ESTIMATING CONFERENCE  
5 ~~AGENCY FOR HEALTH CARE ADMINISTRATION AND LEGISLATIVE~~  
6 ~~COMMITTEES~~; GUIDELINES FOR ASSESSING IMPACT.--Every person or  
7 organization seeking consideration of a legislative proposal  
8 which would mandate a health coverage or the offering of a  
9 health coverage by an insurance carrier, health care service  
10 contractor, or health maintenance organization as a component  
11 of individual or group policies, shall submit to the Mandated  
12 Health Insurance Benefits and Providers Estimating Conference  
13 ~~Agency for Health Care Administration and the legislative~~  
14 ~~committees having jurisdiction~~ a report which assesses the  
15 social and financial impacts of the proposed coverage.  
16 Guidelines for assessing the impact of a proposed mandated or  
17 mandatorily offered health coverage must, ~~to the extent that~~  
18 ~~information is available~~, shall include:

19 (a) To what extent is the treatment or service  
20 generally used by a significant portion of the population.

21 (b) To what extent is the insurance coverage generally  
22 available.

23 (c) If the insurance coverage is not generally  
24 available, to what extent does the lack of coverage result in  
25 persons avoiding necessary health care treatment.

26 (d) If the coverage is not generally available, to  
27 what extent does the lack of coverage result in unreasonable  
28 financial hardship.

29 (e) The level of public demand for the treatment or  
30 service.

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1 (f) The level of public demand for insurance coverage  
2 of the treatment or service.

3 (g) The level of interest of collective bargaining  
4 agents in negotiating for the inclusion of this coverage in  
5 group contracts.

6 (h) A report, prepared by a certified actuary, of the  
7 extent to which ~~To what extent will~~ the coverage will increase  
8 or decrease the cost of the treatment or service.

9 (i) A report, prepared by a certified actuary, of the  
10 extent to which ~~To what extent will~~ the coverage will increase  
11 the appropriate uses of the treatment or service.

12 (j) A report, prepared by a certified actuary, of the  
13 extent to which ~~To what extent will~~ the mandated treatment or  
14 service will be a substitute for a more expensive treatment or  
15 service.

16 (k) A report, prepared by a certified actuary, of the  
17 extent to which ~~To what extent will~~ the coverage will increase  
18 or decrease the administrative expenses of insurance companies  
19 and the premium and administrative expenses of policyholders.

20 (l) A report, prepared by a certified actuary, as to  
21 the impact of this coverage on the total cost of health care.

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23 The standing committee of the Legislature which has  
24 jurisdiction over the legislative proposal must request and  
25 receive a report from the Mandated Health Insurance Benefits  
26 and Providers Estimating Conference before the committee  
27 considers the proposal. The committee may not consider a  
28 legislative proposal that would mandate a health coverage or  
29 the offering of a health coverage by an insurance carrier,  
30 health care service contractor, or health maintenance  
31 organization until after the committee's request to the

1 Mandated Health Insurance Benefits and Providers Estimating  
2 Conference has been answered. As used in this section, the  
3 term "health coverage mandate" includes mandating the use of a  
4 type of provider.

5 Section 3. This act shall take effect July 1, 2000.

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8 SENATE SUMMARY

9 Creates the Mandated Health Insurance Benefits and  
10 Providers Estimating Conference. Provides for conference  
11 membership and duties. Provides duties of legislative  
12 committees that have jurisdiction over health insurance  
13 matters. Provides that certain proposals for legislative  
14 enactment of health care mandates must be submitted to  
15 and assessed by the conference, rather than the Agency  
16 for Health Care Administration. Amends guidelines for  
17 assessing the impact of such proposals. Provides that the  
18 conference must have submitted its report on any such  
19 proposal before a legislative committee may consider the  
20 proposal.  
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