

By the Committee on Governmental Oversight and Productivity;
and Senator Latvala

302-2198-00

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.

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

20
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 conference's report on the measure.

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

1 January 1, 2001, a schedule of evaluations that sets forth the
2 respective dates by which the conference must have completed
3 its evaluations of particular existing mandates.

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

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

15 624.215 Proposals for legislation which mandates
16 health benefit coverage; review by Legislature.--

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

1 (2) MANDATED HEALTH COVERAGE; REPORT TO THE MANDATED
2 HEALTH INSURANCE BENEFITS AND PROVIDERS ESTIMATING CONFERENCE
3 ~~AGENCY FOR HEALTH CARE ADMINISTRATION AND LEGISLATIVE~~
4 ~~COMMITTEES~~; GUIDELINES FOR ASSESSING IMPACT.--Every person or
5 organization seeking consideration of a legislative proposal
6 which would mandate a health coverage or the offering of a
7 health coverage by an insurance carrier, health care service
8 contractor, or health maintenance organization as a component
9 of individual or group policies, shall submit to the Mandated
10 Health Insurance Benefits and Providers Estimating Conference
11 ~~Agency for Health Care Administration and the legislative~~
12 ~~committees having jurisdiction~~ a report which assesses the
13 social and financial impacts of the proposed coverage.
14 Guidelines for assessing the impact of a proposed mandated or
15 mandatorily offered health coverage must, to the extent that
16 information is available, ~~shall~~ include:
17 (a) To what extent is the treatment or service
18 generally used by a significant portion of the population.
19 (b) To what extent is the insurance coverage generally
20 available.
21 (c) If the insurance coverage is not generally
22 available, to what extent does the lack of coverage result in
23 persons avoiding necessary health care treatment.
24 (d) If the coverage is not generally available, to
25 what extent does the lack of coverage result in unreasonable
26 financial hardship.
27 (e) The level of public demand for the treatment or
28 service.
29 (f) The level of public demand for insurance coverage
30 of the treatment or service.
31

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

4 (h) A report of the extent to which ~~To what extent~~
5 ~~will~~ the coverage will increase or decrease the cost of the
6 treatment or service.

7 (i) A report of the extent to which ~~To what extent~~
8 ~~will~~ the coverage will increase the appropriate uses of the
9 treatment or service.

10 (j) A report of the extent to which ~~To what extent~~
11 ~~will~~ the mandated treatment or service will be a substitute
12 for a more expensive treatment or service.

13 (k) A report of the extent to which ~~To what extent~~
14 ~~will~~ the coverage will increase or decrease the administrative
15 expenses of insurance companies and the premium and
16 administrative expenses of policyholders.

17 (l) A report as to the impact of this coverage on the
18 total cost of health care.

19
20 The reports required in paragraphs (h) through (l) shall be
21 reviewed by the Mandated Health Insurance Benefits and
22 Providers Conference using a certified actuary. The standing
23 committee of the Legislature which has jurisdiction over the
24 legislative proposal must request and receive a report from
25 the Mandated Health Insurance Benefits and Providers
26 Estimating Conference before the committee considers the
27 proposal. The committee may not consider a legislative
28 proposal that would mandate a health coverage or the offering
29 of a health coverage by an insurance carrier, health care
30 service contractor, or health maintenance organization until
31 after the committee's request to the Mandated Health Insurance

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

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

5

6 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
7 COMMITTEE SUBSTITUTE FOR
8 SB 2152

8

9 Modifies the bill by restoring current statutory language
10 which provides that guidelines for assessing the impact of a
11 proposed mandated or mandatorily offered health coverage, to
the extent that the information is available, include certain
items.

12 Removes requirement that the reports filed by persons or
13 organizations seeking a mandated health benefit be prepared by
a certified actuary. Instead authorizes the committee to have
14 them reviewed by a certified actuary.

14

15 Makes technical and grammatical changes.

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31