

**STORAGE NAME:** h2157.ga  
**DATE:** March 24, 2000

**HOUSE OF REPRESENTATIVES  
COMMITTEE ON  
GENERAL APPROPRIATIONS  
ANALYSIS**

**BILL #:** HB 2157 (PCB GA 00-23)

**RELATING TO:** State Employee Benefits

**SPONSOR(S):** General Appropriations Committee and Representative Pruitt

**TIED BILL(S):**

**ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:**

- (1) GENERAL APPROPRIATIONS YEAS 17 NAYS 0
  - (2)
  - (3)
  - (4)
  - (5)
- 

**I. SUMMARY:**

Section 37 of chapter 99-228, Laws of Florida, set the amount of co-payments required for the state employees' prescription drug program for FY 1999-2000; these provisions expire June 30, 2000. The co-payments are \$7 for generic drugs and \$20 for brand name drugs, regardless of whether the purchases were prescription card purchases or mail order purchases.

Section 110.1239, Florida Statutes, requires the Division of State Group Insurance (DSGI) to determine the level of premiums necessary to fully fund the state group health insurance program for the next fiscal year. The law also provides legislative intent that the insurance program should be managed, administered, operated and funded in a manner to maximize the protection of health benefits for the employees. The provisions of this section are scheduled to expire June 30, 2000.

This legislation removes repealers on sections 110.12315 and 110.1239, F.S. As a result, the current prescription co-payments required for the state group health insurance program are continued beyond June 30, 2000, and the Division of State Group Insurance must continue to determine, and recommend to the Legislature, the premiums necessary to maintain adequate funding for the program in the next fiscal year.

There is no direct fiscal impact on any state or local revenue source.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- |                                   |                              |                             |   |
|-----------------------------------|------------------------------|-----------------------------|---|
| 1. <u>Less Government</u>         | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u>             | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. <u>Individual Freedom</u>      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u>      | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

B. PRESENT SITUATION:

Section 37 of chapter 99-228, Laws of Florida, set the amount of co-payments required for the state employees' prescription drug program for FY 1999-2000; these provisions expire June 30, 2000. The co-payments are \$7 for generic drugs and \$20 for brand name drugs, regardless of whether the purchases were prescription card purchases or mail order purchases. Pursuant to subsection 110.12315, F.S., prescription card purchases are limited to 30 day supplies and mail order purchases are limited to 90 day supplies.

Section 110.1239, F.S., requires the Division of State Group Insurance (DSGI) to determine the level of premiums necessary to fully fund the state group health insurance program for the next fiscal year. The law also provides legislative intent that the insurance program should be managed, administered, operated and funded in a manner to maximize the protection of health benefits for the employees. The provisions of this section are scheduled to expire June 30, 2000.

C. EFFECT OF PROPOSED CHANGES:

This legislation removes the repealers on ss. 110.12315 and 110.1239, F.S. Thus, the provisions continue in effect beyond June 30, 2000.

D. SECTION-BY-SECTION ANALYSIS:

Section 1 amends s. 110.12315, F.S., to remove the scheduled expiration of the prescription drug co-payment schedule.

Section 2 amends s. 110.1239, F.S., to remove the scheduled expiration of DSGI's determination of necessary premium levels.

Section 3 provides that the act is effective upon becoming a law.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

This legislation continues the current level of co-payments required to be paid by state employees for participation in the prescription drug program.

D. FISCAL COMMENTS:

None.

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require counties or municipalities to spend funds or to take any actions requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill does not reduce the authority of counties or municipalities to raise revenues in the aggregate, as such authority existed on February 1, 1989.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the percentage of a state tax shared with counties and municipalities as an aggregate on February 1, 1989.

**STORAGE NAME:** h2157.ga

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**PAGE 4**

V. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. OTHER COMMENTS:

None.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

Not applicable.

VII. SIGNATURES:

COMMITTEE ON GENERAL APPROPRIATIONS:

Prepared by:

Staff Director:

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