

Amendment No. \_\_\_\_ (for drafter's use only)

	<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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4		.	

ORIGINAL STAMP BELOW

Representative(s) Posey and Boyd offered the following:

**Amendment (with title amendment)**

On page 17, line 16,

insert:

Section 11. Paragraph (g) of subsection (3) of section 110.123, Florida Statutes, is amended to read:

110.123 State group insurance program.--

(3) STATE GROUP INSURANCE PROGRAM.--

(g)1. A person eligible to participate in the state group insurance program may be authorized by rules adopted by the department, in lieu of participating in the state group health insurance plan, to exercise an option to elect membership in a health maintenance organization plan which is under contract with the state in accordance with criteria established by this section and by said rules. The offer of optional membership in a health maintenance organization plan permitted by this paragraph may be limited or conditioned by rule as may be necessary to meet the requirements of state and federal laws.

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1           2. The department shall contract with health  
2 maintenance organizations seeking to participate in the state  
3 group insurance program through a request for proposal or  
4 other procurement process, as developed by the Department of  
5 Management Services and determined to be appropriate.  
6           a. The department shall establish a schedule of  
7 minimum benefits for health maintenance organization coverage,  
8 and that schedule shall include: physician services; inpatient  
9 and outpatient hospital services; emergency medical services,  
10 including out-of-area emergency coverage; diagnostic  
11 laboratory and diagnostic and therapeutic radiologic services;  
12 mental health, alcohol, and chemical dependency treatment  
13 services meeting the minimum requirements of state and federal  
14 law; skilled nursing facilities and services; prescription  
15 drugs; and other benefits as may be required by the  
16 department. Additional services may be provided subject to  
17 the contract between the department and the HMO.  
18           b. The department may establish uniform deductibles,  
19 copayments, or coinsurance schedules for all participating HMO  
20 plans.  
21           c. The department may require detailed information  
22 from each health maintenance organization participating in the  
23 procurement process, including information pertaining to  
24 organizational status, experience in providing prepaid health  
25 benefits, accessibility of services, financial stability of  
26 the plan, quality of management services, accreditation  
27 status, quality of medical services, network access and  
28 adequacy, performance measurement, ability to meet the  
29 department's reporting requirements, and the actuarial basis  
30 of the proposed rates and other data determined by the  
31 director to be necessary for the evaluation and selection of

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1 health maintenance organization plans and negotiation of  
2 appropriate rates for these plans. Upon receipt of proposals  
3 by health maintenance organization plans and the evaluation of  
4 those proposals, the department may enter into negotiations  
5 with all of the plans or a subset of the plans, as the  
6 department determines appropriate. Nothing shall preclude the  
7 department from negotiating regional or statewide contracts  
8 with health maintenance organization plans when this is  
9 cost-effective and when the department determines that the  
10 plan offers high value to enrollees.

11 d. The department may limit the number of HMOs that it  
12 contracts with in each service area based on the nature of the  
13 bids the department receives, the number of state employees in  
14 the service area, or any unique geographical characteristics  
15 of the service area. The department shall establish by rule  
16 service areas throughout the state.

17 e. All persons participating in the state group  
18 insurance program who are required to contribute towards a  
19 total state group health premium shall be subject to the same  
20 dollar contribution regardless of whether the enrollee enrolls  
21 in the state group health insurance plan or in an HMO plan.

22 3. The division is authorized to negotiate and to  
23 contract with specialty psychiatric hospitals for mental  
24 health benefits, on a regional basis, for alcohol, drug abuse,  
25 and mental and nervous disorders. The division may establish,  
26 subject to the approval of the Legislature pursuant to  
27 subsection (5), any such regional plan upon completion of an  
28 actuarial study to determine any impact on plan benefits and  
29 premiums.

30 4. In addition to contracting pursuant to subparagraph  
31 2., the department shall enter into contract with any HMO to

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- 1 participate in the state group insurance program which:
- 2 a. Serves greater than 5,000 recipients on a prepaid
- 3 basis under the Medicaid program;
- 4 b. Does not currently meet the 25 percent
- 5 non-Medicare/non-Medicaid enrollment composition requirement
- 6 established by the Department of Health excluding participants
- 7 enrolled in the state group insurance program;
- 8 c. Meets the minimum benefit package and copayments
- 9 and deductibles contained in sub-subparagraphs 2.a. and b.;
- 10 d. Is willing to participate in the state group
- 11 insurance program at a cost of premiums that is not greater
- 12 than 95 percent of the cost of HMO premiums accepted by the
- 13 department in each service area; and
- 14 e. Meets the minimum surplus requirements of s.
- 15 641.225.
- 16
- 17 The department is authorized to contract with HMOs that meet
- 18 the requirements of sub-subparagraphs a. through d. prior to
- 19 the open enrollment period for state employees. The
- 20 department is not required to renew the contract with the HMOs
- 21 as set forth in this paragraph more than twice. Thereafter,
- 22 the HMOs shall be eligible to participate in the state group
- 23 insurance program only through the request for proposal
- 24 process described in subparagraph 2.
- 25 5. All enrollees in the state group health insurance
- 26 plan or any health maintenance organization plan shall have
- 27 the option of changing to any other health plan which is
- 28 offered by the state within any open enrollment period
- 29 designated by the department. Open enrollment shall be held at
- 30 least once each calendar year.
- 31 6. When a contract between a treating provider and the

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

21           7. Any HMO participating in the state group insurance  
22 program shall submit health care utilization and cost data to  
23 the department, in such form and in such manner as the  
24 division shall require, as a condition of participating in the  
25 program. The department shall enter into negotiations with  
26 its contracting HMOs to determine the nature and scope of the  
27 data submission and the final requirements, format, penalties  
28 associated with noncompliance, and timetables for submission.  
29 These determinations shall be adopted by rule.

30           8. The department may establish and direct, with  
31 respect to collective bargaining issues, a comprehensive

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1 package of insurance benefits that may include supplemental  
2 health and life coverage, dental care, long-term care, vision  
3 care, and other benefits it determines necessary to enable  
4 state employees to select from among benefit options that best  
5 suit their individual and family needs.

6 a. Based upon a desired benefit package, the  
7 department shall issue a request for proposal for health  
8 insurance providers interested in participating in the state  
9 group insurance program, and the division shall issue a  
10 request for proposal for insurance providers interested in  
11 participating in the non-health-related components of the  
12 state group insurance program. Upon receipt of all proposals,  
13 the department may enter into contract negotiations with  
14 insurance providers submitting bids or negotiate a specially  
15 designed benefit package. Insurance providers offering or  
16 providing supplemental coverage as of May 30, 1991, which  
17 qualify for pretax benefit treatment pursuant to s. 125 of the  
18 Internal Revenue Code of 1986, with 5,500 or more state  
19 employees currently enrolled may be included by the department  
20 in the supplemental insurance benefit plan established by the  
21 department without participating in a request for proposal,  
22 submitting bids, negotiating contracts, or negotiating a  
23 specially designed benefit package. These contracts shall  
24 provide state employees with the most cost-effective and  
25 comprehensive coverage available; however, no state or agency  
26 funds shall be contributed toward the cost of any part of the  
27 premium of such supplemental benefit plans. With respect to  
28 dental coverage, the division shall include in any  
29 solicitation or contract for any state group dental program  
30 made after July 1, 2001, a comprehensive indemnity dental plan  
31 option which offers enrollees a completely unrestricted choice

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1 of dentists. If a dental plan is endorsed, or in some manner  
2 recognized as the preferred product, such plan shall include a  
3 comprehensive indemnity dental plan option which provides  
4 enrollees with a completely unrestricted choice of dentists.

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

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

15         Section 12. This act shall take effect July 1, 2001.

16  
17  
18 ===== T I T L E   A M E N D M E N T =====

19 And the title is amended as follows:

20         On page 2, line 15, after the semicolon  
21 remove from the title of the bill:

22  
23 and insert in lieu thereof:

24         amending s. 110.123, F.S.; requiring  
25         solicitations or contracts or a state group  
26         dental program to include a comprehensive  
27         indemnity dental plan option providing  
28         enrollees an unrestricted access to dentists;