

By the Committees on Governmental Oversight and Productivity;  
Banking and Insurance; and Senators Mitchell, Clary, Rossin,  
McKay and Latvala

302-2130-00

1                                   A bill to be entitled  
2           An act relating to the state group health  
3           insurance and prescription drug programs;  
4           creating s. 110.1228, F.S.; authorizing  
5           specified local governmental entities to apply  
6           for participation; providing eligibility  
7           requirements for enrollment; exempting the  
8           program from ss. 624.436-624.446, F.S.;  
9           authorizing the Department of Management  
10          Services to adopt rules; providing a  
11          conditional effective date.

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

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15           Section 1. Section 110.1228, Florida Statutes, is  
16          created to read:

17           110.1228 Participation by small counties, small  
18 municipalities, and district school boards or special  
19 districts located in small counties.--

20           (1) As used in this section, the term:

21           (a) "Department" means the Department of Management  
22 Services.

23           (b) "District school board" means any district school  
24 board located in a small county.

25           (c) "Small municipality" means any incorporated  
26 municipality that has a population of 12,500 or less according  
27 to the most recent decennial census.

28           (d) "Small county" means any county that has a  
29 population of 100,000 or less according to the most recent  
30 decennial census.

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1           (e) "Special district" means any district as defined  
2 in s. 189.403, which is located wholly or partially in a small  
3 county, except districts created pursuant to chapter 373.

4           (2) The governing body of a small county or a small  
5 municipality or a district school board or a special district  
6 may apply for participation in the state group health  
7 insurance program authorized in s. 110.123 and the  
8 prescription drug coverage program authorized by s. 110.12315.  
9 The department shall determine whether the municipality,  
10 county, district school board, or special district meets the  
11 terms and conditions for enrollment.

12           (3) As a prerequisite to applying for participation in  
13 the state group health insurance program and the prescription  
14 drug coverage program, a small county, small municipality,  
15 district school board, or special district must pass an  
16 ordinance or resolution ratifying such application to the  
17 state group health insurance program and the prescription drug  
18 coverage program.

19           (4) If the department determines that a small  
20 municipality, small county, district school board, or special  
21 district is eligible to enroll, the small municipality or  
22 county or district school board or special district must agree  
23 to the following terms and conditions:

24           (a) The minimum enrollment or contractual period will  
25 be 3 years.

26           (b) Withdrawal of participation of a small  
27 municipality, small county, district school board, or special  
28 district requires written notice 1 year prior to the  
29 termination date.

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1           (c) If coverage is terminated, a small municipality,  
2 small county, district school board, or special district may  
3 not reapply for participation for a period of 2 years.

4           (d) If any employer other than a state employer fails  
5 to make the premium payment required by this chapter, the  
6 Department of Revenue or the Department of Banking and  
7 Finance, shall, upon the request of the Department of  
8 Management Services, deduct the amount owed by the employer  
9 from any funds to be distributed by it to the small county,  
10 small municipality, district school board, or special  
11 district. The amounts so deducted shall be transferred to the  
12 department for further distribution to the trust funds in  
13 accordance with this chapter.

14           (e) The small municipality, small county, district  
15 school board, or special district shall furnish the department  
16 such information in the form and format requested by the  
17 department which the department considers necessary to  
18 administer the state group health insurance program and the  
19 prescription drug program.

20           (5) The provisions of ss. 624.436-624.446 do not apply  
21 to the State Group Insurance Program or to this section.

22           (6) The Department of Management Services may adopt  
23 rules to administer this section.

24           Section 2. The Department of Management Services shall  
25 request from the Internal Revenue Service, by October 1, 2000,  
26 a written determination letter and a favorable private letter  
27 ruling, stating that the State Group Self-Insurance program is  
28 a facially qualified plan. The department shall notify the  
29 President of the Senate and the Speaker of the House of  
30 Representatives within 30 days after receipt of the favorable  
31 or unfavorable letters.

1           Section 3. This act shall take effect upon becoming a  
2 law, except that section 1 shall take effect July 1, 2001, but  
3 only if the Department of Management Services receives the  
4 favorable letters prior to that date. If the favorable letters  
5 are not received by July 1, 2001, section 1 shall not take  
6 effect.

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8                           STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN  
9   COMMITTEE SUBSTITUTE FOR  
10   CS/SB 414

11 The Committee Substtiute adds special districts in designated  
12 small population areas as an approved party to contract for  
13 enrollment in the state group health insurance program.  
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