

By Representative Boyd

1                                   A bill to be entitled  
2           An act relating to state group insurance  
3           program; amending s. 110.123, F.S.; requiring  
4           provision of a comprehensive indemnity dental  
5           plan providing unrestricted enrollee access to  
6           dentists; providing an effective date.

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

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10           Section 1. Paragraph (g) of subsection (3) of section  
11 110.123, Florida Statutes, is amended to read:

12           110.123 State group insurance program.--

13           (3) STATE GROUP INSURANCE PROGRAM.--

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

25           2. The department shall contract with health  
26 maintenance organizations seeking to participate in the state  
27 group insurance program through a request for proposal or  
28 other procurement process, as developed by the Department of  
29 Management Services and determined to be appropriate.

30           a. The department shall establish a schedule of  
31 minimum benefits for health maintenance organization coverage,

1 and that schedule shall include: physician services; inpatient  
2 and outpatient hospital services; emergency medical services,  
3 including out-of-area emergency coverage; diagnostic  
4 laboratory and diagnostic and therapeutic radiologic services;  
5 mental health, alcohol, and chemical dependency treatment  
6 services meeting the minimum requirements of state and federal  
7 law; skilled nursing facilities and services; prescription  
8 drugs; and other benefits as may be required by the  
9 department. Additional services may be provided subject to  
10 the contract between the department and the HMO.

11           b. The department may establish uniform deductibles,  
12 copayments, or coinsurance schedules for all participating HMO  
13 plans.

14           c. The department may require detailed information  
15 from each health maintenance organization participating in the  
16 procurement process, including information pertaining to  
17 organizational status, experience in providing prepaid health  
18 benefits, accessibility of services, financial stability of  
19 the plan, quality of management services, accreditation  
20 status, quality of medical services, network access and  
21 adequacy, performance measurement, ability to meet the  
22 department's reporting requirements, and the actuarial basis  
23 of the proposed rates and other data determined by the  
24 director to be necessary for the evaluation and selection of  
25 health maintenance organization plans and negotiation of  
26 appropriate rates for these plans. Upon receipt of proposals  
27 by health maintenance organization plans and the evaluation of  
28 those proposals, the department may enter into negotiations  
29 with all of the plans or a subset of the plans, as the  
30 department determines appropriate. Nothing shall preclude the  
31 department from negotiating regional or statewide contracts

1 with health maintenance organization plans when this is  
2 cost-effective and when the department determines that the  
3 plan offers high value to enrollees.

4 d. The department may limit the number of HMOs that it  
5 contracts with in each service area based on the nature of the  
6 bids the department receives, the number of state employees in  
7 the service area, or any unique geographical characteristics  
8 of the service area. The department shall establish by rule  
9 service areas throughout the state.

10 e. All persons participating in the state group  
11 insurance program who are required to contribute towards a  
12 total state group health premium shall be subject to the same  
13 dollar contribution regardless of whether the enrollee enrolls  
14 in the state group health insurance plan or in an HMO plan.

15 3. The division is authorized to negotiate and to  
16 contract with specialty psychiatric hospitals for mental  
17 health benefits, on a regional basis, for alcohol, drug abuse,  
18 and mental and nervous disorders. The division may establish,  
19 subject to the approval of the Legislature pursuant to  
20 subsection (5), any such regional plan upon completion of an  
21 actuarial study to determine any impact on plan benefits and  
22 premiums.

23 4. In addition to contracting pursuant to subparagraph  
24 2., the department shall enter into contract with any HMO to  
25 participate in the state group insurance program which:

26 a. Serves greater than 5,000 recipients on a prepaid  
27 basis under the Medicaid program;

28 b. Does not currently meet the 25 percent  
29 non-Medicare/non-Medicaid enrollment composition requirement  
30 established by the Department of Health excluding participants  
31 enrolled in the state group insurance program;

1           c. Meets the minimum benefit package and copayments  
2 and deductibles contained in sub-subparagraphs 2.a. and b.;

3           d. Is willing to participate in the state group  
4 insurance program at a cost of premiums that is not greater  
5 than 95 percent of the cost of HMO premiums accepted by the  
6 department in each service area; and

7           e. Meets the minimum surplus requirements of s.  
8 641.225.

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10 The department is authorized to contract with HMOs that meet  
11 the requirements of sub-subparagraphs a. through d. prior to  
12 the open enrollment period for state employees. The  
13 department is not required to renew the contract with the HMOs  
14 as set forth in this paragraph more than twice. Thereafter,  
15 the HMOs shall be eligible to participate in the state group  
16 insurance program only through the request for proposal  
17 process described in subparagraph 2.

18           5. All enrollees in the state group health insurance  
19 plan or any health maintenance organization plan shall have  
20 the option of changing to any other health plan which is  
21 offered by the state within any open enrollment period  
22 designated by the department. Open enrollment shall be held at  
23 least once each calendar year.

24           6. When a contract between a treating provider and the  
25 state-contracted health maintenance organization is terminated  
26 for any reason other than for cause, each party shall allow  
27 any enrollee for whom treatment was active to continue  
28 coverage and care when medically necessary, through completion  
29 of treatment of a condition for which the enrollee was  
30 receiving care at the time of the termination, until the  
31 enrollee selects another treating provider, or until the next

1 open enrollment period offered, whichever is longer, but no  
2 longer than 6 months after termination of the contract. Each  
3 party to the terminated contract shall allow an enrollee who  
4 has initiated a course of prenatal care, regardless of the  
5 trimester in which care was initiated, to continue care and  
6 coverage until completion of postpartum care. This does not  
7 prevent a provider from refusing to continue to provide care  
8 to an enrollee who is abusive, noncompliant, or in arrears in  
9 payments for services provided. For care continued under this  
10 subparagraph, the program and the provider shall continue to  
11 be bound by the terms of the terminated contract. Changes made  
12 within 30 days before termination of a contract are effective  
13 only if agreed to by both parties.

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

23           8. The department may establish and direct, with  
24 respect to collective bargaining issues, a comprehensive  
25 package of insurance benefits that may include supplemental  
26 health and life coverage, dental care, long-term care, vision  
27 care, and other benefits it determines necessary to enable  
28 state employees to select from among benefit options that best  
29 suit their individual and family needs.

30           a. Based upon a desired benefit package, the  
31 department shall issue a request for proposal for health

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