

By Senators Mitchell, Latvala, Clary, Smith and Lawson

4-789-01

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           relating to multiple-employer welfare  
10          arrangements; authorizing the Department of  
11          Management Services to adopt rules; providing a  
12          conditional effective date.

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

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

18           110.1228 Participation by small counties, small  
19 municipalities, and district school boards located in small  
20 counties.--

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

22           (a) "District school board" means a district school  
23 board located in a small county.

24           (b) "Small municipality" means an incorporated  
25 municipality that has a population of 12,500 or fewer  
26 according to the most recent decennial census.

27           (c) "Small county" means a county that has a  
28 population of 100,000 or fewer according to the most recent  
29 decennial census.

30           (2) The governing body of a small county or small  
31 municipality or a district school board may apply for

1 participation in the state group health insurance program  
2 authorized in s. 110.123 and the prescription drug coverage  
3 program authorized by s. 110.12315 by submitting an  
4 application along with a \$500 nonrefundable fee to the  
5 department.

6 (3) As a prerequisite to applying for participation in  
7 the state group health insurance program and the prescription  
8 drug coverage program, a small county, small municipality, or  
9 district school board must adopt an ordinance or resolution  
10 ratifying such application to the state group health insurance  
11 program and the prescription drug coverage program.

12 (4) If the department determines that a small  
13 municipality, small county, or district school board is  
14 eligible to enroll, the small municipality, small county, or  
15 district school board must agree to the following terms and  
16 conditions:

17 (a) The minimum enrollment or contractual period will  
18 be 3 years.

19 (b) It must pay to the department a monthly  
20 administrative fee not to exceed \$2.75 per enrollee per month.

21 (c) Termination of participation of a small  
22 municipality, small county, or district school board requires  
23 written notice 1 year before the termination date.

24 (d) If participation is terminated, a small  
25 municipality, small county, or district school board may not  
26 reapply for participation for a period of 2 years.

27 (e) If a small county, small municipality, or district  
28 school board employer fails to make the premium payment  
29 required by this chapter, the Department of Revenue or the  
30 Department of Banking and Finance shall, upon the request of  
31 the Department of Management Services, deduct the amount owed

1 by the employer from any funds to be distributed by it to the  
2 small county, small municipality, or district school board.  
3 The amounts so deducted shall be transferred to the department  
4 for further distribution to the trust funds in accordance with  
5 this chapter.

6 (f) The small municipality, small county, or district  
7 school board shall furnish the department information  
8 requested by the department which the department considers  
9 necessary to administer the state group health insurance  
10 program and the prescription drug program.

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

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

15 Section 2. This act, except for this section, which  
16 shall take effect upon becoming a law, shall take effect  
17 October 1, 2001, if the Department of Management Services  
18 receives the favorable letters described in section 1 of  
19 chapter 2000-363, Laws of Florida, before that date. If the  
20 Department of Management Services receives such favorable  
21 letters on or after October 1, 2001, and before October 1,  
22 2002, this act shall take effect October 1, 2002, and if the  
23 department receives such favorable letters on or after October  
24 1, 2002, this act shall not take effect.

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27 SENATE SUMMARY

28 Provides conditions under which small municipalities and  
29 small counties, as defined, and school districts of small  
30 counties, may participate in the state's group insurance  
31 program and prescription drug program.