

By Representative Murman

1 A bill to be entitled
 2 An act relating to health care access;
 3 providing legislative intent; providing
 4 definitions; providing for a pilot program for
 5 health flex plans for certain uninsured
 6 persons; providing criteria; exempting approved
 7 health flex plans from certain licensing
 8 requirements; providing criteria for
 9 eligibility to enroll in a health flex plan;
 10 requiring health flex plan providers to
 11 maintain certain records; providing
 12 requirements for denial, nonrenewal, or
 13 cancellation of coverage; specifying coverage
 14 under an approved health flex plan is not an
 15 entitlement; providing for civil actions
 16 against health plan entities by the Agency for
 17 Health Care Administration under certain
 18 circumstances; providing an effective date.

19
 20 Be It Enacted by the Legislature of the State of Florida:

21
 22 Section 1. Health flex plans.--
 23 (1) INTENT.--The Legislature finds that a significant
 24 portion of the residents of this state are not able to obtain
 25 affordable health insurance coverage. Therefore it is the
 26 intent of the Legislature to expand the availability of health
 27 care options for lower income uninsured state residents by
 28 encouraging health insurers, health maintenance organizations,
 29 health care provider-sponsored organizations, local
 30 governments, health care districts, or other public or private
 31 community-based organizations to develop alternative

1 approaches to traditional health insurance which emphasize
2 coverage for basic and preventive health care services. To
3 the maximum extent possible, such options should be
4 coordinated with existing governmental or community-based
5 health services programs in a manner which is consistent with
6 the objectives and requirements of such programs.

7 (2) DEFINITIONS.--As used in this section:

8 (a) "Agency" means the Agency for Health Care
9 Administration.

10 (b) "Approved plan" means a health flex plan approved
11 under subsection (3) which guarantees payment by the health
12 plan entity for specified health care services provided to the
13 enrollee.

14 (c) "Enrollee" means an individual who has been
15 determined eligible for and is receiving health benefits under
16 a health flex plan approved under this section.

17 (d) "Health care coverage" means payment for health
18 care services covered as benefits under an approved plan or
19 that otherwise provides, either directly or through
20 arrangements with other persons, covered health care services
21 on a prepaid per capita basis or on a prepaid aggregate
22 fixed-sum basis.

23 (e) "Health plan entity" means a health insurer,
24 health maintenance organization, health care
25 provider-sponsored organization, local government, health care
26 districts, or other public or private community-based
27 organization which develops and implements an approved plan,
28 and is responsible for financing and paying all claims by
29 enrollees of the plan.

30 (3) PILOT PROGRAM.--The agency, in consultation with
31 the Department of Insurance, shall approve or disapprove

1 health flex plans which provide health care coverage for
2 eligible participants residing in the three areas of the state
3 having the highest number of uninsured residents as determined
4 by the agency. A plan may limit or exclude benefits otherwise
5 required by law for insurers offering coverage in this state,
6 cap the total amount of claims paid in 1 year per enrollee, or
7 limit the number of enrollees covered. The agency shall not
8 approve or shall withdraw approval of a plan which:
9 (a) Contains any ambiguous, inconsistent, or
10 misleading provisions, or exceptions or conditions that
11 deceptively affect or limit the benefits purported to be
12 assumed in the general coverage provided by the plan;
13 (b) Provides benefits that are unreasonable in
14 relation to the premium charged, contains provisions that are
15 unfair or inequitable or contrary to the public policy of this
16 state or that encourage misrepresentation, or result in unfair
17 discrimination in sales practices; or
18 (c) Cannot demonstrate that the plan is financially
19 sound and the applicant has the ability to underwrite or
20 finance the benefits provided.
21 (4) LICENSE NOT REQUIRED.--A health flex plan approved
22 under this section shall not be subject to the licensing
23 requirements of the Florida Insurance Code or chapter 641,
24 Florida Statutes, relating to health maintenance
25 organizations, unless expressly made applicable. However, for
26 the purposes of prohibiting unfair trade practices, health
27 flex plans shall be considered insurance subject to the
28 applicable provisions of part IX of chapter 626, Florida
29 Statutes, except as otherwise provided in this section.
30 (5) ELIGIBILITY.--Eligibility to enroll in an approved
31 health flex plan is limited to residents of this state who:

- 1 (a) Are 64 years of age or younger;
2 (b) Have a family income equal to or less than 200
3 percent of the federal poverty level;
4 (c) Are not covered by a private insurance policy and
5 are not eligible for coverage through a public health
6 insurance program such as Medicare or Medicaid, or other
7 public health care program, including, but not limited to,
8 Kidcare, and have not been covered at any time during the past
9 6 months; and
10 (d) Have applied for health care benefits through an
11 approved health flex plan and agree to make any payments
12 required for participation, including periodic payments or
13 payments due at the time health care services are provided.
14 (6) RECORDS.--Every health flex plan provider shall
15 maintain reasonable records of its loss, expense, and claims
16 experience and shall make such records reasonably available to
17 enable the agency to monitor and determine the financial
18 viability of the plan, as necessary.
19 (7) NOTICE.--The denial of coverage by the health plan
20 entity shall be accompanied by the specific reasons for
21 denial, nonrenewal, or cancellation. Notice of nonrenewal or
22 cancellation shall be provided at least 45 days in advance of
23 such nonrenewal or cancellation except that 10 days' written
24 notice shall be given for cancellation due to nonpayment of
25 premiums. If the health plan entity fails to give the
26 required notice, the plan shall remain in effect until notice
27 is appropriately given.
28 (8) NONENTITLEMENT.--Coverage under an approved health
29 flex plan is not an entitlement and no cause of action shall
30 arise against the state, local governmental entity, or other
31 political subdivision of this state or the agency for failure

1 to make coverage available to eligible persons under this
2 section.

3 (9) CIVIL ACTIONS.--In addition to an administrative
4 action initiated under subsection (4), the agency may seek any
5 remedy provided by law, including, but not limited to, the
6 remedies provided in s. 812.035, Florida Statutes, if the
7 agency finds that a health plan entity has engaged in any act
8 resulting in injury to an enrollee covered by a plan approved
9 under this section.

10 Section 2. This act shall take effect July 1, 2001.

11

12 *****

13 HOUSE SUMMARY

14

15 Provides for a pilot program for health flex plans for
16 uninsured persons. Exempts approved health flex plans
17 from insurance code licensing requirements. Provides
18 criteria for eligibility to enroll in a health flex plan.
19 Requires health flex plan providers to maintain records.
20 Provides requirements for denial, nonrenewal, or
21 cancellation of coverage. Specifies that coverage under
22 an approved health flex plan is not an entitlement. See
23 bill for details.

19

20

21

22

23

24

25

26

27

28

29

30

31