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2 An act relating to group insurance for public  
3 officers, employees, and volunteers; amending  
4 s. 112.08, F.S.; prescribing procedure for a  
5 local governmental unit to replace health  
6 insurance when the contracting provider becomes  
7 financially impaired or fails or refuses to  
8 provide coverage; providing an effective date.  
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10 Be It Enacted by the Legislature of the State of Florida:  
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12 Section 1. Paragraph (a) of subsection (2) of section  
13 112.08, Florida Statutes, is amended to read:

14 112.08 Group insurance for public officers, employees,  
15 and certain volunteers; physical examinations.--

16 (2)(a) Every local governmental unit is authorized to  
17 provide and pay out of its available funds for all or part of  
18 the premium for life, health, accident, hospitalization, legal  
19 expense, or annuity insurance, or all or any kinds of such  
20 insurance, for the officers and employees of the local  
21 governmental unit and for health, accident, hospitalization,  
22 and legal expense insurance for the dependents of such  
23 officers and employees upon a group insurance plan and, to  
24 that end, to enter into contracts with insurance companies or  
25 professional administrators to provide such insurance. Before  
26 entering any contract for insurance, the local governmental  
27 unit shall advertise for competitive bids; and such contract  
28 shall be let upon the basis of such bids. If a contracting  
29 health insurance provider becomes financially impaired as  
30 determined by the Department of Insurance or otherwise fails  
31 or refuses to provide the contracted-for coverage or

1 coverages, the local government may purchase insurance, enter  
2 into risk-management programs, or contract with third-party  
3 administrators and may make such acquisitions by advertising  
4 for competitive bids or by direct negotiations and contract.  
5 ~~However,~~The local governmental unit may undertake  
6 simultaneous negotiations with those companies which have  
7 submitted reasonable and timely bids and are found by the  
8 local governmental unit to be fully qualified and capable of  
9 meeting all servicing requirements. Each local governmental  
10 unit may self-insure any plan for health, accident, and  
11 hospitalization coverage or enter into a risk management  
12 consortium to provide such coverage, subject to approval based  
13 on actuarial soundness by the Department of Insurance; and  
14 each shall contract with an insurance company or professional  
15 administrator qualified and approved by the Department of  
16 Insurance to administer such a plan.

17 Section 2. This act shall take effect upon becoming a  
18 law.

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