

By Representative Detert

1 A bill to be entitled
 2 An act relating to the state group health
 3 insurance and prescription drug programs;
 4 creating s. 110.1229, 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 declaration that the act fulfills important
 13 state interest; providing an effective date.

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

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 17 Section 1. Section 110.1229, Florida Statutes, is
 18 created to read:

19 110.1229 Participation by medium-sized counties,
 20 medium-sized municipalities, and district school boards
 21 located in medium-sized counties.--

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

23 (a) "District school board" means a district school
 24 board located in a medium-sized county.

25 (b) "Medium-sized county" means a county that has a
 26 population of 500,000 or fewer according to the most recent
 27 decennial census.

28 (c) "Medium-sized municipality" means an incorporated
 29 municipality that has a population of between 12,500 and
 30 50,000 according to the most recent decennial census.

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1 (2) The governing body of a medium-sized county or
2 medium-sized municipality or a district school board may apply
3 for participation in the state group health insurance program
4 authorized in s. 110.123 and the prescription drug coverage
5 program authorized by s. 110.12315 by submitting an
6 application along with a \$500 nonrefundable fee to the
7 department.

8 (3) Any costs or savings to the state group health
9 insurance program or the prescription drug coverage program
10 resulting from such participation shall be passed on to the
11 local government participants and their employees. Such costs
12 or savings shall be delineated based on the impact to the
13 state, state officers and employees, and local government
14 employers and their employees.

15 (4) As a prerequisite to the adoption of an ordinance
16 or resolution for participation in the state group health
17 insurance program and prescription drug coverage program, a
18 medium-sized county, medium-sized municipality, or district
19 school board shall issue a request for proposals to provide
20 health insurance and prescription drug coverage. Such request
21 for proposals shall seek coverages equivalent to those offered
22 currently by the medium-sized county, medium-sized
23 municipality, or district school board and coverages
24 equivalent to the state group health insurance program and
25 prescription drug coverage program. Such request for proposals
26 must provide an opportunity for the receipt of competitive
27 proposals from all interested parties without restriction. The
28 medium-sized county, medium-sized municipality, and district
29 school board shall review and consider all responsive
30 proposals prior to the adoption of any ordinance or resolution
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1 for participation in the state group health insurance program
2 and prescription drug coverage program.

3 (5) If the department determines that a medium-sized
4 county, medium-sized municipality, or district school board is
5 eligible to enroll, the medium-sized county, medium-sized
6 municipality, or district school board must agree to the
7 following terms and conditions:

8 (a) The minimum enrollment or contractual period will
9 be 3 years.

10 (b) The medium-sized county, medium-sized
11 municipality, or district school board must pay to the
12 department an initial administrative fee of not less than
13 \$2.61 per enrollee per month, or such other amount established
14 annually to fully reimburse the department for its costs.

15 (c) Termination of participation of a medium-sized
16 county, medium-sized municipality, or district school board
17 requires written notice 1 year before the termination date.

18 (d) If participation is terminated, a medium-sized
19 county, medium-sized municipality, or district school board
20 may not reapply for participation for a period of 2 years.

21 (e) Medium-sized counties, medium-sized
22 municipalities, and district school boards shall reimburse the
23 state for 100 percent of its costs, including administrative
24 costs.

25 (f) If a medium-sized county, medium-sized
26 municipality, or district school board employer fails to make
27 the payments required by this section to fully reimburse the
28 state, the Department of Revenue or the Department of Banking
29 and Finance shall, upon the request of the Department of
30 Management Services, deduct the amount owed by the employer
31 from any funds not pledged to bond debt service satisfaction

1 that are to be distributed by it to the medium-sized county,
2 medium-sized municipality, or district school board. The
3 amounts so deducted shall be transferred to the Department of
4 Management Services for further distribution to the trust
5 funds in accordance with this chapter.

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

12 (h) The medium-sized county, medium-sized
13 municipality, or district school board shall adopt the state's
14 eligibility rules.

15 (i) The medium-sized county, medium-sized
16 municipality, or district school board may not participate in
17 the state's cafeteria plan that allows for pretax treatment of
18 premium contributions. If pretax treatment is desirable for
19 employees of these participating employers, each employee of a
20 participating employer shall execute a salary reduction
21 agreement with that employer, and each participating employer
22 shall establish its own cafeteria plan.

23 (j) The medium-sized county, medium-sized
24 municipality, or district school board shall pay monthly
25 premiums in amounts sufficient to cover claims costs,
26 department administrative costs, and third-party
27 administrative costs and provide for adequate reserves and
28 cash flow by contributing 3 months' premiums and costs in
29 advance of the coverage effective date.

30 (6) The provisions of ss. 624.436-624.446 do not apply
31 to the State Group Insurance Program or to this section.

