

By Senator Wasserman Schultz

32-147-02

1                                   A bill to be entitled  
2           An act relating to health insurance; creating  
3           ss. 627.64191, 627.65741, F.S.; prohibiting  
4           individual and group health insurance policies  
5           from excluding coverage for a benefit if a  
6           determination has been made by the United  
7           States Equal Employment Opportunity Commission  
8           that the exclusion of that benefit under any  
9           employer health benefit plan violates Title VII  
10          of the Civil Rights Act, as amended; requiring  
11          the Department of Insurance to make a  
12          determination when approving policy forms;  
13          amending ss. 627.6699, 641.31, F.S.; applying  
14          this requirement to standard and basic health  
15          benefit plans issued by small employer carriers  
16          and health maintenance contracts; providing for  
17          application; providing an effective date.

18  
19 Be It Enacted by the Legislature of the State of Florida:

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21           Section 1.   Section 627.64191, Florida Statutes, is  
22 created to read:

23           627.64191 Compliance with decisions of the United  
24 States Equal Employment Opportunity Commission.--Individual  
25 health insurance policies may not exclude coverage for a  
26 particular benefit if a determination has been made by the  
27 United States Equal Employment Opportunity Commission that the  
28 exclusion of that benefit under any employer's health benefit  
29 plan violates Title VII of the Civil Rights Act of 1964, as  
30 amended by the Pregnancy Discrimination Act of 1978. The  
31 department must determine compliance with this requirement in

1 approving form filings under ss. 627.410 and 627.411, based on  
2 decisions rendered by the United States Equal Employment  
3 Opportunity Commission before January 1, 2001.

4 Section 2. Section 627.65741, Florida Statutes, is  
5 created to read:

6 627.65741 Consistency with decisions of the United  
7 States Equal Employment Opportunity Commission.--Group health  
8 insurance policies may not exclude coverage for a particular  
9 benefit if a determination has been made by the United States  
10 Equal Employment Opportunity Commission that the exclusion of  
11 that benefit under any employer's health benefit plan violates  
12 Title VII of the Civil Rights Act of 1964, as amended by the  
13 Pregnancy Discrimination Act of 1978. The department must  
14 determine compliance with this requirement in approving form  
15 filings under ss. 627.410 and 627.411, based on decisions  
16 rendered by the United States Equal Employment Opportunity  
17 Commission before January 1, 2001.

18 Section 3. Paragraph (b) of subsection (12) of section  
19 627.6699, Florida Statutes, is amended to read:

20 627.6699 Employee Health Care Access Act.--

21 (12) STANDARD, BASIC, AND LIMITED HEALTH BENEFIT  
22 PLANS.--

23 (b)1. Each small employer carrier issuing new health  
24 benefit plans shall offer to any small employer, upon request,  
25 a standard health benefit plan and a basic health benefit plan  
26 that meets the criteria set forth in this section.

27 2. For purposes of this subsection, the terms  
28 "standard health benefit plan" and "basic health benefit plan"  
29 mean policies or contracts that a small employer carrier  
30 offers to eligible small employers that contain:

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1           a. An exclusion for services that are not medically  
2 necessary or that are not covered preventive health services;  
3 and

4           b. A procedure for preauthorization by the small  
5 employer carrier, or its designees.

6           3. A small employer carrier may include the following  
7 managed care provisions in the policy or contract to control  
8 costs:

9           a. A preferred provider arrangement or exclusive  
10 provider organization or any combination thereof, in which a  
11 small employer carrier enters into a written agreement with  
12 the provider to provide services at specified levels of  
13 reimbursement or to provide reimbursement to specified  
14 providers. Any such written agreement between a provider and a  
15 small employer carrier must contain a provision under which  
16 the parties agree that the insured individual or covered  
17 member has no obligation to make payment for any medical  
18 service rendered by the provider which is determined not to be  
19 medically necessary. A carrier may use preferred provider  
20 arrangements or exclusive provider arrangements to the same  
21 extent as allowed in group products that are not issued to  
22 small employers.

23           b. A procedure for utilization review by the small  
24 employer carrier or its designees.

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26 This subparagraph does not prohibit a small employer carrier  
27 from including in its policy or contract additional managed  
28 care and cost containment provisions, subject to the approval  
29 of the department, which have potential for controlling costs  
30 in a manner that does not result in inequitable treatment of  
31 insureds or subscribers. The carrier may use such provisions

1 to the same extent as authorized for group products that are  
2 not issued to small employers.

3 4. The standard health benefit plan shall include:  
4 a. Coverage for inpatient hospitalization;  
5 b. Coverage for outpatient services;  
6 c. Coverage for newborn children pursuant to s.  
7 627.6575;  
8 d. Coverage for child care supervision services  
9 pursuant to s. 627.6579;  
10 e. Coverage for adopted children upon placement in the  
11 residence pursuant to s. 627.6578;  
12 f. Coverage for mammograms pursuant to s. 627.6613;  
13 g. Coverage for handicapped children pursuant to s.  
14 627.6615;  
15 h. Emergency or urgent care out of the geographic  
16 service area; and  
17 i. Coverage for services provided by a hospice  
18 licensed under s. 400.602 in cases where such coverage would  
19 be the most appropriate and the most cost-effective method for  
20 treating a covered illness.

21 5. The standard health benefit plan and the basic  
22 health benefit plan may include a schedule of benefit  
23 limitations for specified services and procedures. If the  
24 committee develops such a schedule of benefits limitation for  
25 the standard health benefit plan or the basic health benefit  
26 plan, a small employer carrier offering the plan must offer  
27 the employer an option for increasing the benefit schedule  
28 amounts by 4 percent annually.

29 6. The basic health benefit plan shall include all of  
30 the benefits specified in subparagraph 4.; however, the basic  
31 health benefit plan shall place additional restrictions on the

1 benefits and utilization and may also impose additional cost  
2 containment measures.

3 7. Sections 627.419(2), (3), and (4), 627.6574,  
4 627.65741, 627.6612, 627.66121, 627.66122, 627.6616, 627.6618,  
5 627.668, and 627.66911 apply to the standard health benefit  
6 plan and to the basic health benefit plan. However,  
7 notwithstanding said provisions, the plans may specify limits  
8 on the number of authorized treatments, if such limits are  
9 reasonable and do not discriminate against any type of  
10 provider.

11 8. Each small employer carrier that provides for  
12 inpatient and outpatient services by allopathic hospitals may  
13 provide as an option of the insured similar inpatient and  
14 outpatient services by hospitals accredited by the American  
15 Osteopathic Association when such services are available and  
16 the osteopathic hospital agrees to provide the service.

17 Section 4. Subsection (40) is added to section 641.31,  
18 Florida Statutes, to read:

19 641.31 Health maintenance contracts.--

20 (40) Health maintenance contracts may not exclude  
21 coverage for a particular benefit if a determination has been  
22 made by the United States Equal Employment Opportunity  
23 Commission that the exclusion of that benefit under any  
24 employer's health benefit plan violates Title VII of the Civil  
25 Rights Act of 1964, as amended by the Pregnancy Discrimination  
26 Act of 1978. The department must determine compliance with  
27 this requirement in approving form filings under this section,  
28 based on decisions rendered by the United States Equal  
29 Employment Opportunity Commission before January 1, 2001.  
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