

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1479 Uninsured Task Force/Medical Care
SPONSOR(S): Antone
TIED BILLS: None. **IDEN./SIM. BILLS:** SB 2234(i)

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Health Services (Sub)		Chavis	Collins
2) Health Care			
3) Insurance			
4) Appropriations			
5)			

SUMMARY ANALYSIS

HB 1479 creates a 13-member Uninsured Task Force for the purpose of investigating how to reduce the cost of treating uninsured persons. In addition, the bill specifies the composition of the task force and requires the task force to develop innovative solutions for:

- Treating the uninsured;
- Reducing the caseloads in hospital emergency rooms; and
- Streamlining the resources, treatment centers, community health centers, county health clinics, and other health care facilities that treat the uninsured.

The bill requires the task force to select a chair and to meet at the call of the chair at least once a month. The members of the task force are to serve without compensation; however, such members are entitled to travel and per diem expenses, as provided in statute. The bill requires the task force to:

- Develop solutions;
- Make recommendations; and
- Report to the President of the Senate and the Speaker of the House of Representatives at the beginning of the 2004 Regular Session.

The bill takes effect upon becoming law.

The study of the uninsured and insured people of Florida is a well documented, annually updated area of research. The most expansive state-funded study, entitled the "Florida Health Insurance Study," was conducted by the Agency for Health Care Administration and published in 2000. In addition, many private associations, universities, and social policy organizations have conducted and continue to conduct research and publish reports on various aspects related to health care coverage or the lack thereof.

The bill does not provide any executive or legislative branch oversight of the task force, although the Department of Health is represented on the task force. The bill requires a report to be submitted to the Legislature, but does not provide for administrative support in preparing the report. The bill authorized members of the task force to be reimbursed for travel and per diem expenses, as provided in statute, but does not provide an appropriation for the authorization.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1479.hc.doc
DATE: March 21, 2003

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a “no” above, please explain:

B. EFFECT OF PROPOSED CHANGES:

HB 1479 creates the “Uninsured Task Force” for the purpose of investigating how to reduce the cost of treating uninsured persons. The task force is to be comprised of one member of each of the following:

- The Orange County Medical Society;
- The Florida Academy of Family Practitioners;
- A faith-based health care provider;
- A progress health maintenance organization;
- The Central Florida Partnership on Health Disparities;
- The Department of Health;
- The Association of Community Health Centers;
- The Florida Chamber of Commerce;
- The Emergency Management Service Organization;
- Enterprise Florida, Inc.; and
- The Florida Hospital Association.

In addition, the task force must include the Chief Financial Officer for the Broward County Hospital and the Deputy Director of Orange County.

The bill requires the task force to develop innovative solutions for treating the uninsured, reducing the caseloads in the emergency rooms of hospitals, and streamlining the resources, treatment centers, community health centers, county health clinics, and other health care facilities that treat uninsured persons.

The task force is required to select a chair and meet at the call of the chair; however, it must meet at least once a month. Members of the task force are to serve without compensation, but are entitled to reimbursement for travel and per diem expenses as provided in s. 112.061, F.S.

The bill requires the task force to develop solutions, make recommendations, and report to the President of the Senate and the Speaker of the House of Representatives at the beginning of the 2004 regular session.

The bill takes effect upon becoming law.

The bill provides no appropriation for the authorized travel and per diem expenses and does not provide for administrative support for the task force meetings and the legislative report.

The Uninsured in Florida – Studies, Reports, Workgroups, and Surveys

The study of the uninsured and insured people of Florida is a well documented, annually updated area of research. The most expansive state-funded study, entitled the "Florida Health Insurance Study," was conducted by the Agency for Health Care Administration and published in 2000. In addition, many private associations, universities, and social policy organizations have conducted and continue to conduct research and publish reports on various aspects related to health care coverage or the lack thereof.

Florida Health Insurance Study

In 1997, the Florida Legislature created the Florida Health Insurance Study (FHIS) as a multi-year, multi-project study to obtain information on coverage and safety-net access on both a statewide and a regional basis. The study was managed by the Agency for Health Care Administration (AHCA), Florida's consolidated state health agency, and survey research was contracted to the University of Florida. A distinguished advisory panel of national and state experts provided advice and consultation to the state team. The survey questions and sampling design were carefully developed.

The telephone survey counted more than 37,000 people in more than 14,000 households and conducted almost 1,000 interviews in Spanish. Its sampling design allowed accurate estimates in each of 17 districts. The groups that were likeliest to lack insurance were "over sampled," that is, surveyed in larger proportions. This had the effect of holding a magnifying glass over the area that most concerns policy makers. Statistical weights were then used to create estimates that match the proportions of each group in the total population.

The survey asked whether a person was covered under various programs, then probed whether those who were not covered under any of the programs named actually were uninsured and, if so, why. In addition to the phone survey, in-person interviews were conducted by a market research firm that specialized in "hard to reach" populations in settings in three telephone-poor Florida communities. Published in January 2001, key findings of this multi-year study included the following:

- While Florida's population has increased steadily throughout the 1990's the number of uninsured Floridians has fallen;
- The uninsured are heavily concentrated in certain regions of the state and in those regions they are putting significant stress on safety net providers;
- The uninsured are best defined by four characteristics: income, employment status, ethnicity, and region of the state;
- Florida's Medicaid program has begun the transition from a welfare program to a health care program;
- A majority of welfare leavers and their families have secured health care coverage; and
- It is estimated that a majority of welfare leavers will retain coverage, in the future, as they transition from welfare to work.

The study also found that there remained significant opportunities for improvement, including the need to:

- Create a clearer vision of the importance of health insurance for WAGES leavers;
- Improve the linking of welfare leavers and transitional benefits, including modification of data systems;
- Overcome obstacles to non-citizens and special populations;
- Simplify complex rules and policies; and
- Improve customer perspective.

As a response to the study, AHCA developed a plan of action to:

- Expand the KidCare program in Medicaid to all eligible children;
- Include non-citizen children in the health insurance program;
- Held a statewide health care insurance summit funded by the Robert Wood Johnson Foundation, to bring together national researchers and the leaders in the affected areas to help solve the problem;
- Provide for additional AHCA research to focus on targeted areas of the state where the problem exists;
- Simplify the Medicaid application process for determining eligibility in the program;
- Expand and enhance AHCA outreach programs to make citizens aware of the availability of health care insurance; and
- Review the best practices in other states that have had success in obtaining insurance for their citizens.

Governor's Health Care Summit on Solutions for the Uninsured

On September 21-22, 2000, Governor Bush hosted the Florida Governor's Health Care Summit which was co-sponsored by the Agency for Health Care Administration (AHCA), the Robert Wood Johnson Foundation, and Florida International University's College of Health and Urban Affairs. The conference featured over 70 state and nationally known health care professionals who discussed the need for health care coverage among several target groups.

Governor Jeb Bush addressed in his presentation the problems related to legislative mandates which exacerbated consumers' problems in obtaining affordable health insurance.

Florida: Profile on the Uninsured

In November 29, 2000, the Alliance for Health Reform, a bipartisan, not-for-profit group, with the support of the Robert Wood Johnson Foundation, published "Florida, Profile on the Uninsured." According to the Profile, Florida was a "pacesetter in providing coverage to uninsured children" by redoubling efforts to enroll eligible children in Medicaid. The Profile pointed out that "the state faces challenges, however, notably a large uninsured immigrant population and hundreds of thousands of workers in industries that do not offer health care coverage."

Florida Annual Policy Survey

The Florida Annual Policy Survey (FAPS) is a survey of Florida residents' opinions on various policy related issues. Since 1979, this survey has been designed to monitor the policy interests and attitudes of Floridians on important issues facing state and local governments. The 2001 FAPS was a statewide, random-digit dialed, computer-assisted telephone survey of adult Florida residents living in households. Respondents were chosen through a two-stage random selection process. A random list of Florida households was generated and adults within each household were selected at random. Included in the survey were questions related to issues about Floridians and their health insurance coverage. The 2001 survey found that among working age adults:

- Almost 1 in 5 respondents (18.2%) reported having no health insurance.
- Younger people were less likely to have health insurance than older people.
- Those with lower incomes were more likely to lack health insurance coverage.
- People with low levels of education were also less likely to have health insurance coverage.
- Married people held a distinct advantage over the unmarried in terms of health care coverage.
- Health insurance coverage did not vary much by gender, as the coverage rates for men and women were similar.
- Race mattered for health insurance coverage.

In addition, uninsured individuals were asked how long it had been since they were last insured. The data suggested that more than half (53%) of the uninsured had not been insured in the last 2 years. When asked why they were uninsured, respondents noted primarily economic reasons. Over 40% noted that they did not have health insurance because of changes in their employment. Another 40% simply claimed that health care coverage was too costly. Others claimed that they had become ineligible (8.9%) or that they did not need health insurance, had not gotten health insurance yet, or claimed that getting health insurance was not worth the hassle (8.3%).

Institute for Child Health Policy - The Statewide Children's Health Insurance Survey

On April 19, 2002, the Institute for Child Health Policy published "The Statewide Children's Health Insurance Survey." The purpose of the survey was to:

- Develop estimates of uninsured children in Florida at a state level;
- Develop estimates of Healthy Kids Program eligibility;
- Make comparisons to the percentage of uninsured children estimated from the 1998 survey; and
- Determine the sociodemographic and health characteristics of children.

According to the survey, reasons for uninsurance were:

- 58% can't afford it;
- 33% other reasons;
- 4% employer does not offer;
- 2% children healthy;
- 1% don't believe in insurance; and
- 1% have a pre-existing condition.

The survey found that:

- The percentage of uninsured children overall had increased;
- The number of uninsured children in most categories had increased;
- Progress had been made in some sectors;
- The Healthy Kids Program had good name recognition;
- There was a high percentage of children with special health care needs; and
- There were documented problems of poor access to care among uninsured.

The Florida Chamber Federation – The State of Health Insurance in Florida

For the past two and a half years, the Florida Chamber of Commerce and its partners in the Florida Chamber Federation have been conducting statewide surveys of Florida employers. The most recent survey was conducted in November and December 2002. Nearly 4,000 Florida employers responded to the survey, from the Northwest to the Keys. Seventy-eight percent of the survey respondents had fewer than fifty employees. The survey was released on February 5, 2003. According to the survey, 86% of employers had an increase in health insurance premiums in the last 12 months. In addition, 75% of the 86% were subject to health insurance premiums of more than 10%, while 47% of the 86% had experienced an increase of more than 20%. Furthermore, 42% of the employers indicated that they were considering dropping health insurance if they experienced additional increases in premiums. The survey also found that the increase in premiums were forcing employers to consider drastic changes to their group health insurance program and that during the past three years, many employers have had to modify the health care service they provide.

The Florida Insurance Council

The Florida Insurance Council (Council) consists of the Florida Association of Domestic Insurance Companies (FADIC), the Florida Insurance News Service (FINS) and the Florida Insurance Council (FIC). The Council is now Florida's largest company trade association, representing 42 insurers groups - consisting of 225 companies - which write over \$20 billion a year in premium volume and provide all lines of coverage, including health insurance. The Council publishes the "Florida Insurance FACT Book" (book). The book contains key insurance statistics and analysis relating to various types of insurance, including health care insurance. The book is updated annually and is available on-line. The information provided in the most recent edition (updated on October 3, 2002), included the following:

- 12 million Floridians have health insurance, 3 million are uninsured;
- Carriers wrote \$12.5 billion in health insurance on 8.5 million Floridians;
- Large groups dominate market;
- 154,000 employers offer coverage in small group market;
- Individual market smallest segment in Florida health insurance system;
- Florida Comprehensive Health Association remains closed to new enrollment;
- 1.9 Million Floridians covered by Medicaid;
- 2.9 Million Floridians enrolled in Medicare; and
- Estimates vary: 17 to 19 percent of Florida's residents don't have health insurance.

Department of Health, Office of Health Professional Recruitment and U.S. Department of Health and Human Services, Bureau of Health Professionals, Federal Division of Shortage Designation

The state Office of Health Professional Recruitment works with the federal Division of Shortage Designation to determine areas of the state that are considered underserved. Currently, there are two types of designations – Health Professional Shortage Areas (HPSAs) and Medically Under-served Areas or Populations (MUAs/MUPs). Both designations consider primary care physician-to-population ratios, as well as other high-need indicators: poverty levels, the percentage of the population that is elderly, the infant death rate and rate of low birth weight, and barriers to accessing care. Annually, the Department of Health produces articles, papers, and reports, together and separately with the U.S. Department of Health and Human Services related to health care and health care workforce.

[http://www9.myflorida.com/rw_webmaster/news/abstracts/index.html and <http://bhpr.hrsa.gov/shortage/>]

C. SECTION DIRECTORY:

Section 1. Provides a legislative finding; creates the "Uninsured Task Force;" provides for appointment to the task force; provides purpose of the task force; authorizes reimbursement for travel and per diem expenses for task force; and requires report by task force to be submitted to the President of the Senate and the Speaker of the House of Representatives at the beginning of the 2004 Regular Session.

Section 2. Provides that the act takes effect upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

The bill provides that the members of the task force are to serve without compensation; however, are entitled to reimbursement for travel and per diem expenses, as provided in s. 112.061, F.S. [See D. FISCAL COMMENTS below.]

The bill is silent as to the provision of administrative support for the task force and the preparation of the task force's report to the Legislature and costs associated with such support.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

The bill provides that the members of the task force are to serve without compensation; however, are entitled to reimbursement for travel and per diem expenses, as provided in s. 112.061, F.S. Section 112.061(3), F.S., requires that all travel must be authorized and approved by the head of the agency, or his or her designated representative from whose funds the traveler is being paid. The bill does not designate an agency or department or branch of government to provide authorization for travel. Due to a lack of an authorization authority, it is unclear from the bill how the per diem reimbursement process would be accomplished.

The bill requires the task force to prepare a report and submit it to the Legislature; however, the bill does not provide administrative support for the task force to prepare the report.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. This bill does not reduce the percentage of state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenues.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

The bill authorizes the task force to be reimbursed for their travel and per diem expenses; however the bill does not provides neither agency oversight nor an appropriation from the budget for such reimbursements. The bill requires the task force to produce a report but does not provide administrative support for the production of the report.

There are two scrivener's errors in the bill:

- Line 20, remove the word "progress;" and
- Line 24, remove the word "Hospital."

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES