



HB 0157

2003

1 A bill to be entitled
 2 An act relating to state group insurance programs;
 3 amending s. 110.1228, F.S.; expanding eligibility for
 4 participation in the state group health insurance program
 5 and the prescription drug coverage program; providing for
 6 participation by employees of all elected district school
 7 boards rather than only district school boards located in
 8 small counties; providing requirements for application and
 9 enrollment; providing certain limitations; providing for
 10 applicability; providing an effective date.

11
 12 Be It Enacted by the Legislature of the State of Florida:

13
 14 Section 1. Section 110.1228, Florida Statutes, is amended
 15 to read:

16 110.1228 Participation by small counties, small
 17 municipalities, and district school boards ~~located in small~~
 18 ~~counties.--~~

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

20 (a) "District school board" means a district school board
 21 as defined in s. 1003.01(1) ~~located in a small county or a~~
 22 ~~district school board that receives funding pursuant to s.~~
 23 ~~1011.62(6).~~

24 (b) "Small municipality" means an incorporated
 25 municipality that has a population of 12,500 or fewer according
 26 to the most recent decennial census.

27 (c) "Small county" means a county that has a population of
 28 100,000 or fewer according to the most recent decennial census.

29 (2) The governing body of a small county or small
 30 municipality or a district school board may apply for



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31 participation in the state group health insurance program
32 authorized in s. 110.123 and the prescription drug coverage
33 program authorized by s. 110.12315 by submitting an application
34 along with a \$500 nonrefundable fee to the department.

35 (3) Any costs or savings to the state group health
36 insurance program or the prescription drug coverage program
37 resulting from such participation shall be passed on to the
38 local government participants and their employees. Such costs or
39 savings shall be delineated based on the impact to the state,
40 state officers and employees, and local government employers and
41 their employees.

42 (4) As a prerequisite to the adoption of an ordinance or
43 resolution for participation in the state group health insurance
44 program and prescription drug coverage program, a small county,
45 small municipality, or district school board shall issue a
46 request for proposals to provide health insurance and
47 prescription drug coverage. Such request for proposals shall
48 seek coverages equivalent to those offered currently by the
49 small county, small municipality, or district school board and
50 coverages equivalent to the state group health insurance program
51 and prescription drug coverage program. Such request for
52 proposals must provide an opportunity for the receipt of
53 competitive proposals from all interested parties without
54 restriction. The small county, small municipality, and district
55 school board shall review and consider all responsive proposals
56 prior to the adoption of any ordinance or resolution for
57 participation in the state group health insurance program and
58 prescription drug coverage program.

59 (5) If the department determines that a small county,
60 small municipality, or district school board is eligible to



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61 enroll, the small county, small municipality, or district school
 62 board must agree to the following terms and conditions:

63 (a) The minimum enrollment or contractual period will be 3
 64 years.

65 (b) The small county, small municipality, or district
 66 school board must pay to the department an initial
 67 administrative fee of not less than \$2.61 per enrollee per
 68 month, or such other amount established annually to fully
 69 reimburse the department for its costs.

70 (c) Termination of participation of a small county, small
 71 municipality, or district school board requires written notice 1
 72 year before the termination date.

73 (d) If participation is terminated, a small county, small
 74 municipality, or district school board may not reapply for
 75 participation for a period of 2 years.

76 (e) Small counties, small municipalities, and district
 77 school boards shall reimburse the state for 100 percent of its
 78 costs, including administrative costs.

79 (f) If a small county, small municipality, or district
 80 school board employer fails to make the payments required by
 81 this section to fully reimburse the state, the Department of
 82 Revenue or the Department of Banking and Finance shall, upon the
 83 request of the Department of Management Services, deduct the
 84 amount owed by the employer from any funds not pledged to bond
 85 debt service satisfaction that are to be distributed by it to
 86 the small county, small municipality, or district school board.
 87 The amounts so deducted shall be transferred to the Department
 88 of Management Services for further distribution to the trust
 89 funds in accordance with this chapter.



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90 (g) The small county, small municipality, or district
91 school board shall furnish the department any information
92 requested by the department which the department considers
93 necessary to administer the state group health insurance program
94 and the prescription drug coverage program.

95 (h) The small county, small municipality, or district
96 school board shall adopt the state's eligibility rules.

97 (i) The small county, small municipality, or district
98 school board may not participate in the state's cafeteria plan
99 that allows for pretax treatment of premium contributions. If
100 pretax treatment is desirable for employees of these
101 participating employers, each employee of a participating
102 employer shall execute a salary reduction agreement with that
103 employer, and each participating employer shall establish its
104 own cafeteria plan.

105 (j) The small county, small municipality, or district
106 school board shall pay monthly premiums in amounts sufficient to
107 cover claims costs, department administrative costs, and third-
108 party administrative costs and provide for adequate reserves and
109 cash flow by contributing 3 months' premiums and costs in
110 advance of the coverage effective date.

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

113 (7) The Department of Management Services may adopt rules
114 necessary to administer this section.

115 Section 2. This act shall take effect July 1, 2003, and
116 applies to enrollment participation for district school boards
117 on and after January 1, 2004.