

By Senator Webster

9-916A-03

See HB 539

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A bill to be entitled
An act relating to assessments for the Florida
Birth-Related Neurological Injury Compensation
Plan; amending s. 766.314, F.S.; providing that
assessments shall not be required for children
born in a family practice teaching hospital;
updating terminology; providing for retroactive
application; providing an effective date.

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

Section 1. Paragraph (a) of subsection (4) of section
766.314, Florida Statutes, is amended, and subsection (7) of
that section is reenacted for the purpose of incorporating a
reference to subsection (4) of that section, to read:

766.314 Assessments; plan of operation.--

(4) The following persons and entities shall pay into
the association an initial assessment in accordance with the
plan of operation:

(a) On or before October 1, 1988, each hospital
licensed under chapter 395 shall pay an initial assessment of
\$50 per infant delivered in the hospital during the prior
calendar year, as reported to the Agency for Health Care
Administration; provided, however, that a hospital owned or
operated by the state or a county, special taxing district, or
other political subdivision of the state shall not be required
to pay the initial assessment or any assessment required by
subsection (5). The term "infant delivered" includes live
births and not stillbirths, but the term does not include
infants delivered by employees or agents of the former Board
of Regents, the Board of Governors, or the board of trustees

1 of a state university or those born in a teaching hospital as
2 defined in s. 408.07 or a family practice teaching hospital as
3 defined in s. 395.806. The initial assessment and any
4 assessment imposed pursuant to subsection (5) may not include
5 any infant born to a charity patient (as defined by rule of
6 the Agency for Health Care Administration) or born to a
7 patient for whom the hospital receives Medicaid reimbursement,
8 if the sum of the annual charges for charity patients plus the
9 annual Medicaid contractals of the hospital exceeds 10
10 percent of the total annual gross operating revenues of the
11 hospital. The hospital is responsible for documenting, to the
12 satisfaction of the association, the exclusion of any birth
13 from the computation of the assessment. Upon demonstration of
14 financial need by a hospital, the association may provide for
15 installment payments of assessments.

16 (7)(a) The Department of Insurance shall undertake an
17 actuarial investigation of the requirements of the plan based
18 on the plan's experience in the first year of operation and
19 any additional relevant information, including without
20 limitation the assets and liabilities of the plan. Pursuant to
21 such investigation, the Department of Insurance shall
22 establish the rate of contribution of the entities listed in
23 paragraph (5)(c) for the tax year beginning January 1, 1990.
24 Following the initial valuation, the Department of Insurance
25 shall cause an actuarial valuation to be made of the assets
26 and liabilities of the plan no less frequently than
27 biennially. Pursuant to the results of such valuations, the
28 Department of Insurance shall prepare a statement as to the
29 contribution rate applicable to the entities listed in
30 paragraph (5)(c). However, at no time shall the rate be
31 greater than 0.25 percent of net direct premiums written.

1 (b) If the Department of Insurance finds that the plan
2 cannot be maintained on an actuarially sound basis based on
3 the assessments and appropriations listed in subsections (4)
4 and (5), the department shall increase the assessments
5 specified in subsection (4) on a proportional basis as needed.

6 Section 2. This act shall take effect upon becoming a
7 law and those provisions eliminating assessments for children
8 born in a family practice teaching hospital shall be given
9 retroactive application to July 1, 1997.

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