

1 A bill to be entitled
2 An act relating to health flex plans; amending
3 s. 408.909, F.S.; revising the definition of
4 the term "health flex plans"; authorizing plans
5 to limit the term of coverage; extending the
6 required period without coverage before one is
7 eligible to participate; extending the
8 expiration date for the program; amending s.
9 409.904, F.S.; postponing the effective date of
10 changes to standards for eligibility for
11 certain optional medical assistance, including
12 coverage under the medically needy program;
13 providing appropriations; providing for
14 retroactive application; providing effective
15 dates.

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

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19 Section 1. Subsections (2), (3), (5), and (10) of
20 section 408.909, Florida Statutes, are amended to read:
21 408.909 Health flex plans.--
22 (2) DEFINITIONS.--As used in this section, the term:
23 (a) "Agency" means the Agency for Health Care
24 Administration.
25 (b) "Department" means the Department of Insurance.
26 (c) "Enrollee" means an individual who has been
27 determined to be eligible for and is receiving health care
28 coverage under a health flex plan approved under this section.
29 (d) "Health care coverage" or "health flex plan
30 coverage" means health care services that are covered as
31 benefits under an approved health flex plan or that are

1 otherwise provided, either directly or through arrangements
2 with other persons, via a health flex plan on a prepaid per
3 capita basis or on a prepaid aggregate fixed-sum basis.

4 (e) "Health flex plan" means a health plan approved
5 under subsection (3) which guarantees payment for specified
6 health care coverage provided to the enrollee who purchases
7 coverage directly from the plan or through a small business
8 purchasing arrangement sponsored by a local government, or who
9 enrolls through his or her employer and payment for coverage
10 is made in whole or in part by the employer.

11 (f) "Health flex plan entity" means a health insurer,
12 health maintenance organization,
13 health-care-provider-sponsored organization, local government,
14 health care district, or other public or private
15 community-based organization that develops and implements an
16 approved health flex plan and is responsible for administering
17 the health flex plan and paying all claims for health flex
18 plan coverage by enrollees of the health flex plan.

19 (3) PILOT PROGRAM.--The agency and the department
20 shall each approve or disapprove health flex plans that
21 provide health care coverage for eligible participants who
22 reside in the three areas of the state that have the highest
23 number of uninsured persons, as identified in the Florida
24 Health Insurance Study conducted by the agency and in Indian
25 River County and Duval County. A health flex plan may limit or
26 exclude benefits otherwise required by law for insurers
27 offering coverage in this state, may cap the total amount of
28 claims paid per year per enrollee, may limit the number of
29 enrollees or the term of coverage, or may take any combination
30 of those actions.

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1 (a) The agency shall develop guidelines for the review
2 of applications for health flex plans and shall disapprove or
3 withdraw approval of plans that do not meet or no longer meet
4 minimum standards for quality of care and access to care.

5 (b) The department shall develop guidelines for the
6 review of health flex plan applications and shall disapprove
7 or shall withdraw approval of plans that:

8 1. Contain any ambiguous, inconsistent, or misleading
9 provisions or any exceptions or conditions that deceptively
10 affect or limit the benefits purported to be assumed in the
11 general coverage provided by the health flex plan;

12 2. Provide benefits that are unreasonable in relation
13 to the premium charged or contain provisions that are unfair
14 or inequitable or contrary to the public policy of this state,
15 that encourage misrepresentation, or that result in unfair
16 discrimination in sales practices; or

17 3. Cannot demonstrate that the health flex plan is
18 financially sound and that the applicant is able to underwrite
19 or finance the health care coverage provided.

20 (c) The agency and the department may adopt rules as
21 needed to administer this section.

22 (5) ELIGIBILITY.--Eligibility to enroll in an approved
23 health flex plan is limited to residents of this state who:

24 (a) Are 64 years of age or younger;

25 (b) Have a family income equal to or less than 200
26 percent of the federal poverty level;

27 (c) Are not covered by a private insurance policy and
28 are not eligible for coverage through a public health
29 insurance program, such as Medicare or Medicaid, or another
30 public health care program, such as KidCare, and have not been
31 covered at any time during the past 6 months, except that a

1 small business purchasing arrangement sponsored by a local
2 government may limit enrollment to residents of this state who
3 have not been covered at any time during the past 12 months;
4 and

5 (d) Have applied for health care coverage through an
6 approved health flex plan and have agreed to make any payments
7 required for participation, including periodic payments or
8 payments due at the time health care services are provided.

9 (10) EXPIRATION.--This section expires July 1, 2008
10 ~~2004~~.

11 Section 2. Effective May 1, 2003, subsection (2) of
12 section 409.904, Florida Statutes, is amended to read:

13 409.904 Optional payments for eligible persons.--The
14 agency may make payments for medical assistance and related
15 services on behalf of the following persons who are determined
16 to be eligible subject to the income, assets, and categorical
17 eligibility tests set forth in federal and state law. Payment
18 on behalf of these Medicaid eligible persons is subject to the
19 availability of moneys and any limitations established by the
20 General Appropriations Act or chapter 216.

21 (2) A caretaker relative or parent, a pregnant woman,
22 a child under age 19 who would otherwise qualify for Florida
23 Kidcare Medicaid, a child up to age 21 who would otherwise
24 qualify under s. 409.903(1), a person age 65 or over, or a
25 blind or disabled person, who would otherwise be eligible for
26 Florida Medicaid, except that the income or assets of such
27 family or person exceed established limitations. For a family
28 or person in one of these coverage groups, medical expenses
29 are deductible from income in accordance with federal
30 requirements in order to make a determination of eligibility.
31 Expenses used to meet spend-down liability are not

1 reimbursable by Medicaid. Effective July ~~May~~ 1, 2003, when
2 determining the eligibility of a pregnant woman, a child, or
3 an aged, blind, or disabled individual, \$270 shall be deducted
4 from the countable income of the filing unit. When determining
5 the eligibility of the parent or caretaker relative as defined
6 by Title XIX of the Social Security Act, the additional income
7 disregard of \$270 does not apply. A family or person eligible
8 under the coverage known as the "medically needy," is eligible
9 to receive the same services as other Medicaid recipients,
10 with the exception of services in skilled nursing facilities
11 and intermediate care facilities for the developmentally
12 disabled.

13 Section 3. The non-recurring sums of \$8,265,777 from
14 the General Revenue Fund, \$2,505,224 from the Grants and
15 Donations Trust Fund, and \$11,727,287 from the Medical Care
16 Trust Fund are appropriated to the Agency for Health Care
17 Administration to implement section 3 of this act during the
18 2002-2003 fiscal year. This section takes effect May 1, 2003.

19 Section 4. Except as otherwise expressly provided,
20 this act shall take July 1, 2003, but if it becomes a law
21 after May 1, 2003, sections 2 and 3 of this act shall operate
22 retroactively to that date.

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