

By the Committee on Banking and Insurance; and Senator Peadar

311-2048-04

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A bill to be entitled
An act relating to health flex plans; amending
s. 408.909, F.S.; redefining the term "health
flex plan entity" to include a public-private
partnership; expanding a pilot program of the
Agency for Health Care Administration and the
Office of Insurance Regulation of the Financial
Services Commission to establish statewide
health flex plans; requiring the agency to
ensure that health flex plans follow grievance
procedures similar to those required of health
maintenance organizations; requiring the office
to provide oversight of health flex plan
advertising and marketing; requiring the agency
and the office to obtain information on
specified benefit packages; providing an
effective date.

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

Section 1. Paragraph (f) of subsection (2), and
subsections (3) and (9) of section 408.909, Florida Statutes,
are amended to read:

408.909 Health flex plans.--

(2) DEFINITIONS.--As used in this section, the term:

(f) "Health flex plan entity" means a health insurer,
health maintenance organization,
health-care-provider-sponsored organization, local government,
health care district, ~~or~~ other public or private
community-based organization, or public-private partnership
that develops and implements an approved health flex plan and

1 is responsible for administering the health flex plan and
2 paying all claims for health flex plan coverage by enrollees
3 of the health flex plan.

4 (3) HEALTH FLEX ~~PILOT~~ PROGRAM.--The agency and the
5 office shall each approve or disapprove health flex plans that
6 provide health care coverage for eligible participants ~~who~~
7 ~~reside in the three areas of the state that have the highest~~
8 ~~number of uninsured persons, as identified in the Florida~~
9 ~~Health Insurance Study conducted by the agency and in Indian~~
10 ~~River County.~~A health flex plan may limit or exclude benefits
11 otherwise required by law for insurers offering coverage in
12 this state, may cap the total amount of claims paid per year
13 per enrollee, may limit the number of enrollees, or may take
14 any combination of those actions.

15 (a) The agency shall develop guidelines for the review
16 of applications for health flex plans and shall disapprove or
17 withdraw approval of plans that do not meet or no longer meet
18 minimum standards for quality of care and access to care. The
19 agency shall ensure that the health flex plans follow
20 grievance procedures similar to those required of health
21 maintenance organizations.

22 (b) The office shall develop guidelines for the review
23 of health flex plan applications and provide regulatory
24 oversight of advertisement and marketing procedures for health
25 flex plans. The office shall disapprove or shall withdraw
26 approval of plans that:

27 1. Contain any ambiguous, inconsistent, or misleading
28 provisions or any exceptions or conditions that deceptively
29 affect or limit the benefits purported to be assumed in the
30 general coverage provided by the health flex plan;

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1 2. Provide benefits that are unreasonable in relation
2 to the premium charged or contain provisions that are unfair
3 or inequitable or contrary to the public policy of this state,
4 that encourage misrepresentation, or that result in unfair
5 discrimination in sales practices; or

6 3. Cannot demonstrate that the health flex plan is
7 financially sound and that the applicant is able to underwrite
8 or finance the health care coverage provided.

9 (c) The agency and the Financial Services Commission
10 may adopt rules ~~as needed~~ to administer this section.

11 (9) PROGRAM EVALUATION.--The agency and the office
12 shall evaluate the pilot program and its effect on the
13 entities that seek approval as health flex plans, on the
14 number of enrollees, and on the scope of the health care
15 coverage offered under a health flex plan; shall provide an
16 assessment of the health flex plans and their potential
17 applicability in other settings; shall use health flex plans
18 to gather more information to evaluate benefit packages
19 designed for low-income consumers;and shall, by January 1,
20 2005 ~~2004~~, jointly submit a report to the Governor, the
21 President of the Senate, and the Speaker of the House of
22 Representatives.

23 Section 2. This act shall take effect upon becoming a
24 law.

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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 1744

- Includes public-private partnerships within the definition of a "health flex plan entity."
- Requires the Agency for Health Care Administration to ensure health flex plans follow grievance procedures similar to health maintenance organizations. The Office of Insurance Regulation is required to provide regulatory oversight of health flex plan advertisement and marketing procedures.
- Mandates that the Office on Insurance Regulation and the Agency for Health Care Administration use health flex plans to gather more information to evaluate benefit packages designed for low-income consumers, such information to be included in a report due January 1, 2005.