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CHAMBER ACTION

<u>Senate</u>	.	<u>House</u>
Comm: RCS	.	
3/18/2008	.	
	.	
	.	

1 The Committee on Banking and Insurance (Peaden) recommended the
 2 following **amendment**:

3
 4 **Senate Amendment (with title amendment)**

5 Delete everything after the enacting clause
 6 and insert:

7
 8 Section 1. Subsection (5) of section 409.814, Florida
 9 Statutes, is amended to read:

10 409.814 Eligibility.--A child who has not reached 19 years
 11 of age whose family income is equal to or below 200 percent of
 12 the federal poverty level is eligible for the Florida Kidcare
 13 program as provided in this section. For enrollment in the
 14 Children's Medical Services Network, a complete application
 15 includes the medical or behavioral health screening. If,

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16 subsequently, an individual is determined to be ineligible for
17 coverage, he or she must immediately be disenrolled from the
18 respective Florida Kidcare program component.

19 (5) A child whose family income is above 200 percent of
20 the federal poverty level or a child who is excluded under the
21 provisions of subsection (4) may participate in the Medikids
22 program as provided in s. 409.8132 or, if the child is
23 ineligible for Medikids by reason of age, in the Florida Healthy
24 Kids program, subject to the following provisions:

25 (a) The family is not eligible for premium assistance
26 payments and must pay the full cost of the premium, including
27 any administrative costs.

28 ~~(b) The agency is authorized to place limits on enrollment~~
29 ~~in Medikids by these children in order to avoid adverse~~
30 ~~selection. The number of children participating in Medikids~~
31 ~~whose family income exceeds 200 percent of the federal poverty~~
32 ~~level must not exceed 10 percent of total enrollees in the~~
33 ~~Medikids program.~~

34 (b)(e) The board of directors of the Florida Healthy Kids
35 Corporation may ~~is authorized to place limits on enrollment of~~
36 ~~these children in order to avoid adverse selection. In addition,~~
37 ~~the board is authorized to offer a reduced benefit package to~~
38 ~~these children in order to limit program costs for such~~
39 ~~families. The number of children participating in the Florida~~
40 ~~Healthy Kids program whose family income exceeds 200 percent of~~
41 ~~the federal poverty level must not exceed 10 percent of total~~
42 ~~enrollees in the Florida Healthy Kids program.~~

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43 Section 2. Subsections (5) and (10) of section 408.909,
44 Florida Statutes, are amended to read:

45 408.909 Health flex plans.--

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

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

49 (b) Have a family income equal to or less than 300 ~~200~~
50 percent of the federal poverty level;

51 ~~(c) Are eligible under a federally approved Medicaid~~
52 ~~demonstration waiver and reside in Palm Beach County or Miami-~~
53 ~~Dade County;~~

54 (c) ~~(d)~~ Are not covered by a private insurance policy and
55 are not eligible for coverage through a public health insurance
56 program, such as Medicare or Medicaid, ~~unless specifically~~
57 ~~authorized under paragraph (c),~~ or another public health care
58 program, such as Kidcare, and have not been covered at any time
59 during the past 6 months; and

60 (d) ~~(e)~~ Have applied for health care coverage through an
61 approved health flex plan and have agreed to make any payments
62 required for participation, including periodic payments or
63 payments due at the time health care services are provided.

64 (10) EXPIRATION.--This section expires July 1, 2013 ~~2008~~.

65 Section 3. Section 408.9091, Florida Statutes, is created
66 to read:

67 408.9091 Cover Florida Health Care Access Act.--

68 (1) SHORT TITLE.--This section may be cited as the "Cover
69 Florida Health Access Program Act."

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70 (2) INTENT.--The Legislature finds that a significant
71 proportion of state residents are unable to obtain affordable
72 health insurance coverage. The Legislature also finds that
73 existing "health flex" plan coverage has had limited
74 participation due in part to narrow eligibility restrictions as
75 well as minimal benefit options for catastrophic and emergency
76 care coverage. Therefore, it is the Legislature's intent to
77 expand the availability of health care options for uninsured
78 residents by developing an affordable health care product that
79 emphasizes coverage for basic and preventive health care
80 services; provides inpatient hospital, urgent, and emergency
81 care services; and is offered statewide by approved health
82 insurers, health maintenance organizations, health-care-
83 provider-sponsored organizations, or health care districts.

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

85 (a) "Agency" means the Agency for Health Care
86 Administration.

87 (b) "Office" means the Office of Insurance Regulation of
88 the Financial Services Commission.

89 (c) "Enrollee" means an individual who has been determined
90 to be eligible for and is receiving health insurance coverage
91 under a Cover Florida plan.

92 (d) "Cover Florida plan" means a consumer choice benefit
93 plan approved under this section which guarantees payment or
94 coverage for specified benefits provided to an enrollee.

95 (e) "Cover Florida plan coverage" means health care
96 services that are covered as benefits under a Cover Florida
97 plan.



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98 (f) "Cover Florida plan entity" means a health insurer,
99 health maintenance organization, health-care-provider-sponsored
100 organization, or health care district that develops and
101 implements a Cover Florida plan and is responsible for
102 administering the plan and paying all claims for Cover Florida
103 plan coverage by enrollees.

104 (g) "Cover Florida Plus" plan means a supplemental
105 insurance product, such as for additional catastrophic coverage
106 or dental, vision, or cancer coverage, approved under this
107 section and offered to all enrollees.

108 (4) PROGRAM.--The agency and the office shall jointly
109 establish and administer the Cover Florida Health Care Access
110 Program.

111 (a) General Cover Florida plan components must require
112 that:

113 1. Plans are offered as guaranteed issue to enrollees,
114 subject to exclusions for preexisting conditions approved by the
115 office and the agency.

116 2. Plans are portable, such that the enrollee remains
117 covered regardless of employment status or the cost-sharing of
118 premiums.

119 3. Insurers may provide for cost containment through
120 limits on the number of services, caps on benefit payments, and
121 copayments for services.

122 4. A Cover Florida health plan entity makes all benefit
123 plan and marketing materials available in English and Spanish.

124 5. In order to provide for consumer choice, insurers
125 develop two alternative benefit option plans having different

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126 cost and benefit levels, including at least one plan that
127 provides catastrophic coverage.

128 6. Plans without catastrophic coverage provide coverage
129 options for the following services, including, but not limited
130 to:

131 a. Preventive health services, including preventive
132 screenings, annual health assessments, and well-care and well-
133 woman services, including mammograms, screenings for cervical
134 cancer, noninvasive colorectal or prostate screenings, and
135 immunizations.

136 b. Incentives for routine, preventive care.

137 c. Office visits for the diagnosis and treatment of
138 illness or injury.

139 d. Office surgery, including anesthesia.

140 e. Services related to behavioral health services.

141 f. Durable medical equipment and prosthetics.

142 g. Diabetic supplies.

143 7. Plans providing catastrophic coverage, at a minimum,
144 provide coverage options for all of the services listed under
145 subparagraph 6., and in addition include, but are not limited
146 to, coverage options for:

147 a. Inpatient hospital stays.

148 b. Hospital emergency care services.

149 c. Urgent care services.

150 d. Outpatient facility services, outpatient surgery, and
151 outpatient diagnostic services.



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152 8. Plans offer prescription drug benefit coverage on all
153 plans, or use a prescription drug manager, such as the Florida
154 Discount Drug Card Program.

155 9. Plans provide, in enrollment materials, plain-language
156 information on policy benefit coverage, benefit limits, cost-
157 sharing requirements, and exclusions and a clear representation
158 of what is not covered in the plan.

159 10. Plans offered through a qualified employer meet the
160 requirements of s. 125 of the Internal Revenue Code.

161 (b) Guidelines shall be developed to ensure that Cover
162 Florida plans meet minimum standards for quality of care and
163 access to care. The agency shall ensure that the Cover Florida
164 plans follow standardized grievance procedures.

165 (c) Changes in Cover Florida plan benefits, premiums, and
166 policy forms are subject to regulatory oversight by the office
167 and agency as provided by rules adopted by the Financial
168 Services Commission and the agency.

169 (d) The agency, the office, and the Executive Office of
170 the Governor shall develop a public awareness program to be
171 implemented throughout the state for the promotion of the Cover
172 Florida Health Access Program.

173 (e) Public or private entities may design programs to
174 encourage Floridians to participate in the Cover Florida Health
175 Access Program, or to encourage employers to cosponsor some
176 share of Cover Florida plan premiums for employees.

177 (5) PLAN PROPOSALS.--The agency and the office shall
178 announce, no later than July 1, 2008, an invitation to negotiate



179 for Cover Florida plan entities to design a Cover Florida plan
180 proposal in which benefits and premiums are specified.

181 (a) The invitation to negotiate shall include guidelines
182 for the review of Cover Florida plan applications, policy forms,
183 and all associated forms, and provide regulatory oversight of
184 Cover Florida plan advertisement and marketing procedures. A
185 plan shall be disapproved or withdrawn if the plan:

186 1. Contains any ambiguous, inconsistent, or misleading
187 provisions or any exceptions or conditions that deceptively
188 affect or limit the benefits purported to be assumed in the
189 general coverage provided by the plan;

190 2. Provides benefits that are unreasonable in relation to
191 the premium charged or contains provisions that are unfair or
192 inequitable, that are contrary to the public policy of this
193 state, that encourage misrepresentation, or that result in
194 unfair discrimination in sales practices;

195 3. Cannot demonstrate that the plan is financially sound
196 and that the applicant is able to underwrite or finance the
197 health care coverage provided;

198 4. Cannot demonstrate that the applicant and its
199 management are in compliance with the standards required under
200 s. 624.404(3); or

201 5. Does not guarantee that enrollees may participate in
202 the Cover Florida plan entity's comprehensive network of
203 providers, as determined by the office, the agency, and the
204 contract.

205 (b) The agency and the office may announce an invitation
206 to negotiate for companies that offer supplemental insurance or

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207 discount medical plans that are licensed under part II of
208 chapter 636 to design Cover Florida Plus products.

209 (c) The agency and office shall approve at least one Cover
210 Florida plan entity having an existing statewide network of
211 providers, and may approve at least one regional network plan in
212 each existing Medicaid area.

213 (6) LICENSE NOT REQUIRED.--

214 (a) The licensing requirements of the Florida Insurance
215 Code and chapter 641, relating to health maintenance
216 organizations, do not apply to a Cover Florida plan approved
217 under this section unless expressly made applicable. However,
218 for the purpose of prohibiting unfair trade practices, Cover
219 Florida plans are considered to be insurance subject to the
220 applicable provisions of part IX of chapter 626, except as
221 otherwise provided in this section.

222 (b) Cover Florida plans are not covered by the Florida
223 Life and Health Insurance Guaranty Association under part III of
224 chapter 631 or by the Health Maintenance Organization Consumer
225 Assistance Plan under part IV of chapter 631.

226 (7) ELIGIBILITY.--Eligibility to enroll in a Cover Florida
227 plan is limited to residents of this state who meet all of the
228 following:

229 (a) Are 19 to 64 years of age.

230 (b) Are not covered by a private insurance policy and are
231 not eligible for coverage through a public health insurance
232 program, such as Medicare, Medicaid, or Kidcare.

233 (c) Have not been covered by any health insurance program
234 at any time during the past 6 months, unless coverage under a



235 health insurance program was terminated within the previous 6
236 months due to:

237 1. Loss of a job that provided an employer-sponsored
238 health benefit plan;

239 2. Exhaustion of coverage that was continued under COBRA
240 or continuation-of-coverage requirements under s. 627.6692;

241 3. Reaching the limiting age under the policy; or

242 4. Death of, or divorce from, a spouse who was provided
243 employer-sponsored health benefit plan.

244 (d) Have applied for health care coverage through a Cover
245 Florida plan and have agreed to make any payments required for
246 participation, including periodic payments or payments due at
247 the time health care services are provided.

248 (8) RECORDS.--Each Cover Florida plan must maintain
249 enrollment data and provide network data and reasonable records
250 to enable the office and agency to monitor plans and to
251 determine the financial viability of the Cover Florida plan, as
252 necessary.

253 (9) NONENTITLEMENT.--Coverage under a Cover Florida plan
254 is not an entitlement, and a cause of action does not arise
255 against the state, a local government entity, any other
256 political subdivision of this state, or the agency or office for
257 failure to make coverage available to eligible persons under
258 this section.

259 (10) PROGRAM EVALUATION.--The agency and the office shall:

260 (a) Evaluate the Cover Florida program and its effect on
261 the entities that seek approval as Cover Florida plans, on the

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262 number of enrollees, and on the scope of the health care
263 coverage offered under a Cover Florida plan;

264 (b) Provide an assessment of the Cover Florida plans and
265 their potential applicability in other settings;

266 (c) Use Cover Florida plans to gather more information to
267 evaluate low-income, consumer-driven benefit packages; and

268 (d) Jointly submit by March 1, 2009, and annually
269 thereafter, a report to the Governor, the President of the
270 Senate, and the Speaker of the House of Representatives
271 providing the information specified in paragraphs (a)-(c) and
272 recommendations relating to the successful implementation and
273 administration of the program.

274 (11) RULEMAKING AUTHORITY.--The agency and the Financial
275 Services Commission may adopt rules as needed to administer this
276 section.

277 Section 4. Effective upon this act becoming law and
278 applicable to policies issued or renewed on or after October 1,
279 2008, section 627.6562, Florida Statutes, is amended to read:

280 627.6562 Dependent coverage.--

281 (1) If an insurer offers coverage that insures dependent
282 children of the policyholder or certificateholder, the policy
283 must insure a dependent child of the policyholder or
284 certificateholder at least until the end of the calendar year in
285 which the child reaches the age of 25, if the child meets all of
286 the following:

287 (a) The child is dependent upon the policyholder or
288 certificateholder for support.



289 (b) The child is living in the household of the
290 policyholder or certificateholder, or the child is a full-time
291 or part-time student.

292 (2) A policy that is subject to the requirements of
293 subsection (1) must also offer the policyholder or
294 certificateholder the option to insure a child of the
295 policyholder or certificateholder at least until the end of the
296 calendar year in which the child reaches the age of 30, if the
297 child:

298 (a) Is unmarried and does not have a dependent of his or
299 her own;

300 (b) Is a resident of this state or a full-time or part-
301 time student; and

302 (c) Is not provided coverage as a named subscriber,
303 insured, enrollee, or covered person under any other group,
304 blanket, or franchise health insurance policy or individual
305 health benefits plan, or entitled to benefits under Title XVIII
306 of the Social Security Act.

307 (3) If, pursuant to subsection (2), a child is provided
308 coverage under the parent's policy after the end of the calendar
309 year in which the child reaches age 25, and coverage for the
310 child is subsequently terminated, the child is not eligible to
311 be covered under the parent's policy unless the child was
312 continuously covered by other creditable coverage without a gap
313 in coverage of more than 63 days. For the purposes of this
314 subsection, the term "creditable coverage" has the same meaning
315 as defined in s. 627.6561(5).

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344 Office of the Governor, the agency, and the office to
345 develop a public awareness program; authorizing public and
346 private entities to design or extend incentives for
347 participation in the Cover Florida Access Program;
348 requiring the agency and the office to announce an
349 invitation to negotiate for Cover Florida plan entities to
350 design a coverage proposal; requiring the agency and the
351 office to approve one plan entity; authorizing the agency
352 and the office to approve one regional network plan in
353 each existing Medicaid area; requiring the invitation to
354 negotiate to include certain guidelines; providing certain
355 conditions in which plans are disapproved or withdrawn;
356 authorizing the agency and the office to announce an
357 invitation to negotiate for companies that offer
358 supplemental insurance or discount medical plans;
359 providing that certain licensing requirements or ch. 641,
360 F.S., are not applicable to a Cover Florida plan;
361 providing that Cover Florida plans are considered
362 insurance under certain conditions; excluding Cover
363 Florida plans from the Florida Life and Health Insurance
364 Guaranty Association and the Health Maintenance
365 Organization Consumer Assistance Plan; providing
366 requirements for eligibility in a Cover Florida plan;
367 requiring each Cover Florida plan to maintain and provide
368 certain records; providing that coverage under a Cover
369 Florida plan is not an entitlement and does not give rise
370 to a cause of action; requiring the agency and the office
371 to evaluate the Cover Florida program and submit an annual



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372 | report to the Governor and the Legislature; requiring the
373 | agency and the Financial Services Commission to adopt
374 | rules; amending s. 627.6562, F.S.; requiring insurance
375 | policies that provide dependent coverage to provide the
376 | policyholder with the option of insuring a child until the
377 | age of 30 under certain circumstances; providing an
378 | effective date.