

1 A bill to be entitled
 2 An act relating to local government officers and
 3 employees; amending s. 110.1228, F.S.; expanding
 4 eligibility for participation in the state group health
 5 insurance program and the prescription drug coverage
 6 program to include all counties, municipalities, and
 7 district school boards rather than only small counties and
 8 municipalities and certain school boards; specifying
 9 prerequisites and conditions for participation; providing
 10 a minimum period of enrollment; requiring that a
 11 participating county, municipality, or school board
 12 reimburse the Department of Management Services for its
 13 costs, including administrative costs; prohibiting a
 14 county, municipality, or school board from participating
 15 in the state's plan allowing for pretax treatment of
 16 premium contributions; authorizing the Department of
 17 Management Services to adopt rules; providing an effective
 18 date.

19
 20 Be It Enacted by the Legislature of the State of Florida:

21
 22 Section 1. Section 110.1228, Florida Statutes, is amended
 23 to read:

24 110.1228 Participation by ~~small~~ counties, ~~small~~
 25 municipalities, and district school boards ~~located in small~~
 26 ~~counties~~.--

27 (1) As used in this section, the term--
 28 ~~(a)~~ "district school board" has the same meaning as in s.

29 ~~1003.01 means a district school board located in a small county~~
 30 ~~or a district school board that receives funding pursuant to s.~~
 31 ~~1011.62(7).~~

32 ~~(b) "Small municipality" means an incorporated~~
 33 ~~municipality that has a population of 12,500 or fewer according~~
 34 ~~to the most recent decennial census.~~

35 ~~(c) "Small county" means a county that has a population of~~
 36 ~~100,000 or fewer according to the most recent decennial census.~~

37 (2) The governing body of a ~~small~~ county or ~~small~~
 38 municipality or a district school board may apply for
 39 participation in the state group health insurance program
 40 authorized in s. 110.123 and the prescription drug coverage
 41 program authorized by s. 110.12315 by submitting an application
 42 along with a \$500 nonrefundable fee to the department.

43 (3) Any costs or savings to the state group health
 44 insurance program or the prescription drug coverage program
 45 resulting from such participation shall be passed on to the
 46 local government participants and their employees. Such costs or
 47 savings shall be delineated based on the impact to the state,
 48 state officers and employees, and local government employers and
 49 their employees.

50 (4) As a prerequisite to the adoption of an ordinance or
 51 resolution for participation in the state group health insurance
 52 program and prescription drug coverage program, a ~~small~~ county,
 53 ~~small~~ municipality, or district school board shall issue a
 54 request for proposals to provide health insurance and
 55 prescription drug coverage. Such request for proposals shall
 56 seek coverages equivalent to those offered currently by the

57 ~~small~~ county, ~~small~~ municipality, or district school board and
 58 coverages equivalent to the state group health insurance program
 59 and prescription drug coverage program. Such request for
 60 proposals must provide an opportunity for the receipt of
 61 competitive proposals from all interested parties without
 62 restriction. The ~~small~~ county, ~~small~~ municipality, or ~~and~~
 63 district school board shall review and consider all responsive
 64 proposals before ~~prior to~~ the adoption of any ordinance or
 65 resolution for participation in the state group health insurance
 66 program and prescription drug coverage program.

67 (5) If the department determines that a ~~small~~ county,
 68 ~~small~~ municipality, or district school board is eligible to
 69 enroll, the ~~small~~ county, ~~small~~ municipality, or district school
 70 board must agree to the following terms and conditions:

71 (a) The minimum enrollment or contractual period will be 3
 72 years.

73 (b) The ~~small~~ county, ~~small~~ municipality, or district
 74 school board must pay to the department an initial
 75 administrative fee of not less than \$2.61 per enrollee per
 76 month, or such other amount established annually to fully
 77 reimburse the department for its costs.

78 (c) Termination of participation of a ~~small~~ county, ~~small~~
 79 municipality, or district school board requires written notice 1
 80 year before the termination date.

81 (d) If participation is terminated, a ~~small~~ county, ~~small~~
 82 municipality, or district school board may not reapply for
 83 participation for a period of 2 years.

84 (e) ~~Small~~ Counties, ~~small~~ municipalities, and district

85 school boards shall reimburse the state for 100 percent of its
86 costs, including administrative costs.

87 (f) If a ~~small~~ county, ~~small~~ municipality, or district
88 school board employer fails to make the payments required by
89 this section to fully reimburse the state, the Department of
90 Revenue or the Department of Financial Services shall, upon the
91 request of the Department of Management Services, deduct the
92 amount owed by the employer from any funds not pledged to bond
93 debt service satisfaction that are to be distributed by it to
94 the ~~small~~ county, ~~small~~ municipality, or district school board.
95 The amounts so deducted shall be transferred to the Department
96 of Management Services for further distribution to the trust
97 funds in accordance with this chapter.

98 (g) The ~~small~~ county, ~~small~~ municipality, or district
99 school board shall furnish the department any information
100 requested by the department which the department considers
101 necessary to administer the state group health insurance program
102 and the prescription drug coverage program.

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

105 (i) The ~~small~~ county, ~~small~~ municipality, or district
106 school board may not participate in the state's cafeteria plan
107 that allows for pretax treatment of premium contributions. If
108 pretax treatment is desirable for employees of these
109 participating employers, each employee of a participating
110 employer shall execute a salary reduction agreement with that
111 employer, and each participating employer shall establish its
112 own cafeteria plan.

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113 (j) The ~~small~~ county, ~~small~~ municipality, or district
114 school board shall pay monthly premiums in amounts sufficient to
115 cover claims costs, department administrative costs, and third-
116 party administrative costs and provide for adequate reserves and
117 cash flow by contributing 3 months' premiums and costs in
118 advance of the coverage effective date.

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

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

123 Section 2. This act shall take effect October 1, 2008.