

By Senator Justice

16-00314-08

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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~~

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30 ~~or a district school board that receives funding pursuant to s.~~
31 ~~1011.62(7).~~

32 ~~(b) "Small municipality" means an incorporated municipality~~
33 ~~that has a population of 12,500 or fewer according to the most~~
34 ~~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 local
46 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 seek
56 coverages equivalent to those offered currently by the ~~small~~
57 county, ~~small~~ municipality, or district school board and
58 coverages equivalent to the state group health insurance program

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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, ~~small~~
68 municipality, or district school board is eligible to enroll, the
69 ~~small~~ county, ~~small~~ municipality, or district school board must
70 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 administrative
75 fee of not less than \$2.61 per enrollee per month, or such other
76 amount established annually to fully reimburse the department for
77 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

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

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

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117 | cash flow by contributing 3 months' premiums and costs in advance
118 | 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.