

HB 1021

2010

1 A bill to be entitled
2 An act relating to public officers and employees group
3 insurance; amending s. 112.08, F.S.; requiring school
4 districts to procure certain insurance through a
5 purchasing interlocal agreement; providing an exception;
6 requiring school districts to enter into an interlocal
7 agreement to establish the School Districts Insurance
8 Consortium for certain purposes; authorizing individual
9 school districts to opt out of the consortium; authorizing
10 the consortium to advertise for competitive bids for
11 certain types of insurance; requiring the consortium to
12 advertise for proposals for a statewide insurance plan and
13 regional plans; providing criteria and requirements for
14 such plans; providing requirements for awarding contracts;
15 requiring school districts to engage in collective
16 bargaining; providing an effective date.

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

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20 Section 1. Paragraph (a) of subsection (2) of section
21 112.08, Florida Statutes, is amended, and paragraph (d) is added
22 to that subsection, to read:

23 112.08 Group insurance for public officers, employees, and
24 certain volunteers; physical examinations.—

25 (2) (a) Notwithstanding any general law or special act to
26 the contrary, every local governmental unit is authorized to
27 provide and pay out of its available funds for all or part of
28 the premium for life, health, accident, hospitalization, legal

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29 | expense, or annuity insurance, or all or any kinds of such
30 | insurance, for the officers and employees of the local
31 | governmental unit and for health, accident, hospitalization, and
32 | legal expense insurance for the dependents of such officers and
33 | employees upon a group insurance plan and, to that end, to enter
34 | into contracts with insurance companies or professional
35 | administrators to provide such insurance. Before entering any
36 | contract for insurance, the local governmental unit shall
37 | advertise for competitive bids; and such contract shall be let
38 | upon the basis of such bids. School districts shall procure such
39 | insurance through a purchasing interlocal agreement as provided
40 | in paragraph (d) unless the school board of a school district,
41 | at a duly noticed public meeting, determines that the purchase
42 | of such insurance outside of the plan procured through the
43 | interlocal agreement is financially advantageous to the school
44 | district and opts out of such interlocal agreement. If a
45 | contracting health insurance provider becomes financially
46 | impaired as determined by the Office of Insurance Regulation of
47 | the Financial Services Commission or otherwise fails or refuses
48 | to provide the contracted-for coverage or coverages, the local
49 | government may purchase insurance, enter into risk management
50 | programs, or contract with third-party administrators and may
51 | make such acquisitions by advertising for competitive bids or by
52 | direct negotiations and contract. The local governmental unit
53 | may undertake simultaneous negotiations with those companies
54 | which have submitted reasonable and timely bids and are found by
55 | the local governmental unit to be fully qualified and capable of
56 | meeting all servicing requirements. Each local governmental unit

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57 | may self-insure any plan for health, accident, and
58 | hospitalization coverage or enter into a risk management
59 | consortium to provide such coverage, subject to approval based
60 | on actuarial soundness by the Office of Insurance Regulation;
61 | and each shall contract with an insurance company or
62 | professional administrator qualified and approved by the office
63 | to administer such a plan.

64 | (d) Each school district shall enter into an interlocal
65 | agreement, as provided in s. 163.01, with all other school
66 | districts to establish the School Districts Insurance Consortium
67 | through which health, accident, and hospitalization insurance is
68 | to be procured for officers and employees, and the dependents of
69 | such officers and employees, of the school districts unless a
70 | school district opts out as provided in paragraph (a).
71 | Notwithstanding any other provision of law, the consortium may
72 | advertise for competitive bids for such insurance and the
73 | contract or contracts for such insurance shall be let upon the
74 | basis of such bids. The consortium shall advertise for proposals
75 | for a statewide insurance plan as well as for plans providing
76 | coverage on a regional basis. The regions for which coverage
77 | shall be bid shall be defined by rule adopted by the consortium.
78 | In determining appropriate regions, the consortium shall group
79 | school districts geographically in a manner that will include
80 | school districts of varying sizes to ensure the availability of
81 | coverage for all districts in the region. Contracts may be
82 | awarded statewide or on a regional basis and more than one
83 | provider may be selected to provide insurance. School districts
84 | shall engage in collective bargaining with the certified

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85 bargaining agent for any unit of employees for which health,
86 accident, and hospitalization insurance is provided, as required
87 by part II of chapter 447 with regard to coverages to be
88 offered, cost for dependent coverage, deductibles, optional
89 coverages, and other matters required to be bargained under law.

90 Section 2. This act shall take effect July 1, 2010.