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LEGISLATIVE ACTION

Senate

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House

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04/30/2010 04:03 PM

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The Conference Committee on CS for SB 2374 recommended the following:

1           **Senate Conference Committee Amendment (with title**  
2 **amendment)**

3  
4           Delete everything after the enacting clause  
5 and insert:

6           Section 1. The Division of State Group Insurance is  
7 directed to competitively procure:

8           (1) Postpayment claims review services for the state group  
9 health insurance plans established pursuant to s. 110.123,  
10 Florida Statutes. Compensation under the contract shall be paid  
11 from amounts identified as claim overpayments that are made by  
12 or on behalf of the health plans and that are recovered by the



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13 vendor. The vendor may retain that portion of the amount  
14 recovered as provided in the contract. The contract must require  
15 the vendor to maintain all necessary documentation supporting  
16 the amounts recovered, retained, and remitted to the division;  
17 and

18 (2) A contingency-based contract for dependent eligibility  
19 verification services for the state group insurance program;  
20 however, compensation under the contract may not exceed  
21 historical claim costs for the prior 12 months for the dependent  
22 populations disenrolled as a result of the vendor's services.  
23 The division may establish a 3-month grace period and hold  
24 subscribers harmless for past claims of ineligible dependents.  
25 The Department of Management Services shall submit budget  
26 amendments pursuant to chapter 216, Florida Statutes, in order  
27 to obtain budget authority necessary to expend funds from the  
28 State Employees' Group Health Self-Insurance Trust Fund for  
29 payments to the vendor as provided in the contract. The  
30 Department of Management Services shall adopt rules providing a  
31 process for verifying dependent eligibility.

32 Section 2. For the 2011 calendar year, the Department of  
33 Management Services may not renew any contract between the  
34 department and a state-contracted health maintenance  
35 organization if such renewal restricts the authority of the  
36 Legislature to modify or limit any benefit or plan option during  
37 the calendar year.

38 Section 3. For the state group insurance program, the  
39 Department of Management Services shall require costing options  
40 for both fully insured and self-insured plan designs, or some  
41 combination thereof, as part of the department's solicitation



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42 for health maintenance organization contracts. Prior to  
43 contracting, the department shall recommend to the Legislature,  
44 no later than February 1, 2011, the best value to the State  
45 group insurance program relating to health maintenance  
46 organizations.

47 Section 4. The Department of Management Services shall  
48 solicit information from the private sector through a written  
49 request for information which relates to contracting with a  
50 single vendor for the financing and outsourcing of a defined  
51 contribution plan that will provide a single access point for  
52 plan participants to select any option available to them through  
53 a full cafeteria plan meeting the requirements and regulations  
54 of s. 125 of the Internal Revenue Code. The request for  
55 information must seek information from vendors regarding the  
56 plan for state employee health benefits which will provide  
57 consumer-driven health products and other health insurance  
58 options, as well as all other qualified benefits. The vendor  
59 shall include design features for risk pooling which will  
60 prevent adverse selection, and shall provide information  
61 regarding the effects of these features on the state as well as  
62 plan participants. The request for information must also ask  
63 respondents to identify how they can provide or offer an  
64 Internet-based decision-support technology, product portability,  
65 and incentives for healthy behaviors and the management of  
66 chronic disease and conditions. The request for information must  
67 state that eligibility determinations and enrollment  
68 administration, the collecting and accounting of payroll  
69 deductions or direct-pay benefit contributions, and transfers of  
70 employer or employee contributions to a single contracted vendor



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71 will remain in-house, but will require that the necessary system  
72 provide for an interface between the department and the  
73 contracted vendor. The request for information must include a  
74 window of time for written questions by interested parties and  
75 department answers to ensure that decision-useful information is  
76 submitted in response to the request for information. The  
77 request for information must also provide the ability for  
78 vendors to submit general pricing information. Responses  
79 received from vendors as a result of the request for information  
80 shall be submitted to the chair of the Senate Ways and Means  
81 Committee and the chair of the House Full Appropriations Council  
82 on General Government and Health Care by September 30, 2010.

83 Section 5. This act shall take effect July 1, 2010.

84  
85 ===== T I T L E A M E N D M E N T =====

86 And the title is amended as follows:

87 Delete everything before the enacting clause  
88 and insert:

89 A bill to be entitled  
90 An act relating to the state group insurance program;  
91 requiring the Division of State Group Insurance to  
92 contract for postpayment claims review services for  
93 the state group health insurance plans; requiring that  
94 compensation under the contract be paid from amounts  
95 identified as claim overpayments recovered by the  
96 vendor; directing the Division of State Group  
97 Insurance to contract for dependent eligibility  
98 verification services for the state group insurance  
99 program; providing a limitation on compensation to the



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100 contract vendor; authorizing a grace period to  
101 document eligibility; requiring that the Department of  
102 Management Services obtain budget authority to expend  
103 certain funds pursuant to the contract; requiring the  
104 department to adopt rules; prohibiting the Department  
105 of Management Services from renewing any contract with  
106 a health maintenance organization if such renewal  
107 restricts the Legislature's authority to modify or  
108 limit any benefit or plan option during the 2011  
109 calendar year; requiring that the Department of  
110 Management Services require costing options for both  
111 fully insured and self-insured plan designs under the  
112 state employee health insurance program; requiring  
113 that the department recommend the best value to the  
114 Legislature by a specified date; requiring that the  
115 department solicit information from the private sector  
116 for financing and outsourcing a defined contribution  
117 plan through a written request for information;  
118 providing requirements for the written request for  
119 information; requiring that responses received from  
120 vendors be provided to certain legislative budget  
121 chairs by a specified date; providing an effective  
122 date.