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1
2 An act relating to the state group insurance program;
3 requiring the Division of State Group Insurance to
4 contract for postpayment claims review services for
5 the state group health insurance plans; requiring that
6 compensation under the contract be paid from amounts
7 identified as claim overpayments recovered by the
8 vendor; directing the Division of State Group
9 Insurance to contract for dependent eligibility
10 verification services for the state group insurance
11 program; providing a limitation on compensation to the
12 contract vendor; authorizing a grace period to
13 document eligibility; requiring that the Department of
14 Management Services obtain budget authority to expend
15 certain funds pursuant to the contract; requiring the
16 department to adopt rules; prohibiting the Department
17 of Management Services from renewing any contract with
18 a health maintenance organization if such renewal
19 restricts the Legislature's authority to modify or
20 limit any benefit or plan option during the 2011
21 calendar year; requiring that the Department of
22 Management Services require costing options for both
23 fully insured and self-insured plan designs under the
24 state employee health insurance program; requiring
25 that the department recommend the best value to the
26 Legislature by a specified date; requiring that the
27 department solicit information from the private sector
28 for financing and outsourcing a defined contribution
29 plan through a written request for information;

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30 providing requirements for the written request for
31 information; requiring that responses received from
32 vendors be provided to certain legislative budget
33 chairs by a specified date; providing an effective
34 date.

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

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38 Section 1. The Division of State Group Insurance is
39 directed to competitively procure:

40 (1) Postpayment claims review services for the state group
41 health insurance plans established pursuant to s. 110.123,
42 Florida Statutes. Compensation under the contract shall be paid
43 from amounts identified as claim overpayments that are made by
44 or on behalf of the health plans and that are recovered by the
45 vendor. The vendor may retain that portion of the amount
46 recovered as provided in the contract. The contract must require
47 the vendor to maintain all necessary documentation supporting
48 the amounts recovered, retained, and remitted to the division;
49 and

50 (2) A contingency-based contract for dependent eligibility
51 verification services for the state group insurance program;
52 however, compensation under the contract may not exceed
53 historical claim costs for the prior 12 months for the dependent
54 populations disenrolled as a result of the vendor's services.
55 The division may establish a 3-month grace period and hold
56 subscribers harmless for past claims of ineligible dependents.
57 The Department of Management Services shall submit budget
58 amendments pursuant to chapter 216, Florida Statutes, in order

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59 to obtain budget authority necessary to expend funds from the
60 State Employees' Group Health Self-Insurance Trust Fund for
61 payments to the vendor as provided in the contract. The
62 Department of Management Services shall adopt rules providing a
63 process for verifying dependent eligibility.

64 Section 2. For the 2011 calendar year, the Department of
65 Management Services may not renew any contract between the
66 department and a state-contracted health maintenance
67 organization if such renewal restricts the authority of the
68 Legislature to modify or limit any benefit or plan option during
69 the calendar year.

70 Section 3. For the state group insurance program, the
71 Department of Management Services shall require costing options
72 for both fully insured and self-insured plan designs, or some
73 combination thereof, as part of the department's solicitation
74 for health maintenance organization contracts. Prior to
75 contracting, the department shall recommend to the Legislature,
76 no later than February 1, 2011, the best value to the State
77 group insurance program relating to health maintenance
78 organizations.

79 Section 4. The Department of Management Services shall
80 solicit information from the private sector through a written
81 request for information which relates to contracting with a
82 single vendor for the financing and outsourcing of a defined
83 contribution plan that will provide a single access point for
84 plan participants to select any option available to them through
85 a full cafeteria plan meeting the requirements and regulations
86 of s. 125 of the Internal Revenue Code. The request for
87 information must seek information from vendors regarding the

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88 plan for state employee health benefits which will provide
89 consumer-driven health products and other health insurance
90 options, as well as all other qualified benefits. The vendor
91 shall include design features for risk pooling which will
92 prevent adverse selection, and shall provide information
93 regarding the effects of these features on the state as well as
94 plan participants. The request for information must also ask
95 respondents to identify how they can provide or offer an
96 Internet-based decision-support technology, product portability,
97 and incentives for healthy behaviors and the management of
98 chronic disease and conditions. The request for information must
99 state that eligibility determinations and enrollment
100 administration, the collecting and accounting of payroll
101 deductions or direct-pay benefit contributions, and transfers of
102 employer or employee contributions to a single contracted vendor
103 will remain in-house, but will require that the necessary system
104 provide for an interface between the department and the
105 contracted vendor. The request for information must include a
106 window of time for written questions by interested parties and
107 department answers to ensure that decision-useful information is
108 submitted in response to the request for information. The
109 request for information must also provide the ability for
110 vendors to submit general pricing information. Responses
111 received from vendors as a result of the request for information
112 shall be submitted to the chair of the Senate Ways and Means
113 Committee and the chair of the House Full Appropriations Council
114 on General Government and Health Care by September 30, 2010.

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