

By Senator Justice

16-00163-10

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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
 5 health insurance program and the prescription drug
 6 coverage program to include all counties,
 7 municipalities, special taxing districts, and district
 8 school boards rather than only small counties and
 9 municipalities and certain school boards; specifying
 10 prerequisites and conditions for participation;
 11 providing a minimum period of enrollment; requiring
 12 that a participating county, municipality, special
 13 taxing district, or school board reimburse the
 14 Department of Management Services for its costs,
 15 including administrative costs; prohibiting a county,
 16 municipality, special taxing district, or school board
 17 from participating in the state's cafeteria plan that
 18 allows for pretax treatment of premium contributions;
 19 authorizing the Department of Management Services to
 20 adopt rules; providing an effective date.

21
 22 Be It Enacted by the Legislature of the State of Florida:

23
 24 Section 1. Section 110.1228, Florida Statutes, is amended
 25 to read:

26 110.1228 Participation by ~~small~~ counties, ~~small~~
 27 municipalities, special taxing districts, and district school
 28 boards ~~located in small counties.~~-

29 (1) As used in this section, the term-

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30 ~~(a) "district school board" has the same meaning as in s.~~
31 ~~1003.01 means a district school board located in a small county~~
32 ~~or a district school board that receives funding pursuant to s.~~
33 ~~1011.62(7).~~

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

37 ~~(c) "Small county" means a county that has a population of~~
38 ~~100,000 or fewer according to the most recent decennial census.~~

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

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

53 (4) As a prerequisite to the adoption of an ordinance or
54 resolution for participation in the state group health insurance
55 program and prescription drug coverage program, a ~~small~~ county,
56 ~~small~~ municipality, special taxing district, or district school
57 board shall issue a request for proposals to provide health
58 insurance and prescription drug coverage. Such request for

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

71 (5) If the department determines that a ~~small~~ county, ~~small~~
72 municipality, special taxing district, or district school board
73 is eligible to enroll, the ~~small~~ county, ~~small~~ municipality,
74 special taxing district, or district school board must agree to
75 the following terms and conditions:

76 (a) The minimum enrollment or contractual period will be 3
77 years.

78 (b) The ~~small~~ county, ~~small~~ municipality, special taxing
79 district, or district school board must pay to the department an
80 initial administrative fee of not less than \$2.61 per enrollee
81 per month, or such other amount established annually to fully
82 reimburse the department for its costs.

83 (c) Termination of participation of a ~~small~~ county, ~~small~~
84 municipality, special taxing district, or district school board
85 requires written notice 1 year before the termination date.

86 (d) If participation is terminated, a ~~small~~ county, ~~small~~
87 municipality, special taxing district, or district school board

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88 may not reapply for participation for a period of 2 years.

89 (e) ~~Small~~ Counties, ~~small~~ municipalities, special taxing
90 districts, and district school boards shall reimburse the state
91 for 100 percent of its costs, including administrative costs.

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

104 (g) The ~~small~~ county, ~~small~~ municipality, special taxing
105 district, or district school board shall furnish the department
106 any information requested by the department which the department
107 considers necessary to administer the state group health
108 insurance program and the prescription drug coverage program.

109 (h) The ~~small~~ county, ~~small~~ municipality, special taxing
110 district, or district school board shall adopt the state's
111 eligibility rules.

112 (i) The ~~small~~ county, ~~small~~ municipality, special taxing
113 district, or district school board may not participate in the
114 state's cafeteria plan that allows for pretax treatment of
115 premium contributions. If pretax treatment is desirable for
116 employees of these participating employers, each employee of a

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117 participating employer shall execute a salary reduction
118 agreement with that employer, and each participating employer
119 shall establish its own cafeteria plan.

120 (j) The ~~small~~ county, ~~small~~ municipality, special taxing
121 district, or district school board shall pay monthly premiums in
122 amounts sufficient to cover claims costs, department
123 administrative costs, and third-party administrative costs and
124 provide for adequate reserves and cash flow by contributing 3
125 months' premiums and costs in advance of the coverage effective
126 date.

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

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

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