

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

20  
 21 Be It Enacted by the Legislature of the State of Florida:

22  
 23           Section 1.   Section 110.1228, Florida Statutes, is amended  
 24           to read:

25           110.1228   Participation by ~~small~~ counties, ~~small~~  
 26           municipalities, special taxing districts, and district school  
 27           boards ~~located in small counties.~~-

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

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

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

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

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

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

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

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

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

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

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

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

85 (d) If participation is terminated, a ~~small~~ county, ~~small~~  
 86 municipality, special taxing district, or district school board  
 87 may not reapply for participation for a period of 2 years.

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

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

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

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

111 (i) The ~~small~~ county, ~~small~~ municipality, special taxing  
 112 district, or district school board may not participate in the

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113 state's cafeteria plan that allows for pretax treatment of  
114 premium contributions. If pretax treatment is desirable for  
115 employees of these participating employers, each employee of a  
116 participating employer shall execute a salary reduction  
117 agreement with that employer, and each participating employer  
118 shall establish its own cafeteria plan.

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

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

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

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