

1 A bill to be entitled
2 An act relating to health insurance; providing a short
3 title; providing a definition; authorizing an employee of
4 a corporation that employs a specified number of employees
5 to participate in the state group health insurance plan;
6 providing conditions for eligibility to participate in the
7 state group health insurance plan; authorizing a state
8 resident to participate in the state group health
9 insurance plan under certain conditions; requiring certain
10 premium payments to be made electronically; requiring a
11 corporation to apply for participation in the state group
12 health insurance plan; requiring a corporation to agree to
13 specified terms and conditions before participating in the
14 plan; providing for open enrollment in the state group
15 health insurance plan for eligible corporate employees and
16 state residents; providing a corporate income tax credit
17 to corporations participating in the plan for a specified
18 percentage of contributions made towards employee
19 premiums; limiting the total amount of tax credits
20 available to all eligible corporations to a specified
21 amount; authorizing the Department of Management Services
22 to adopt rules for the implementation and administration
23 of the act; authorizing the Department of Revenue to adopt
24 rules for implementing the act and allocating tax credits;
25 creating s. 625.083, F.S.; requiring financial reports of
26 certain health insurers to be reported on a combined
27 corporate basis; providing an effective date.
28

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

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31 Section 1. Short title.—Sections 2 through 7 of this act
32 may be cited as the "Middle Class and Small Business Free to
33 Choose Act."

34 Section 2. Eligibility to participate in the state group
35 health insurance plan.—

36 (1) For purposes of this section, the term "total premium
37 cost of the plan" means the sum of the state's contribution
38 towards the premium for a state employee's participation in a
39 state group health insurance plan and the state employee's
40 premium payment for participation in the plan.

41 (2) An employee of any business employing fewer than 25
42 employees that is duly incorporated under the laws of this state
43 is eligible to participate in the state group health insurance
44 plan as defined in s. 110.123, Florida Statutes, under the
45 following conditions:

46 (a) The corporation employing the employee must pay at
47 least the same contribution towards the premium for each
48 employee who enrolls in the plan as the state pays towards the
49 premium for a state employee who enrolls in the same plan.

50 (b) Each employee of the corporation who enrolls in the
51 plan must pay the difference between the corporation's
52 contribution to the plan and the total premium cost of the plan.

53 (c) An employee of the corporation may enroll only in a
54 plan available to a state employee employed in the same
55 locality.

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56 (3) Any state resident is eligible to participate in the
57 state group health insurance plan as defined in s. 110.123,
58 Florida Statutes, and may enroll in any plan available to a
59 state employee residing in the same locality if such state
60 resident agrees to pay the total premium cost of the plan.

61 (4) All corporate contributions towards a premium and all
62 payments for the cost of a premium made by a corporate employee
63 or state resident enrolling in a state group health insurance
64 plan must be remitted electronically to the Department of
65 Management Services.

66 Section 3. Participation by a corporation in the state
67 group health insurance plan.—

68 (1) The board of directors of a corporation eligible for
69 participation in the state group health insurance plan under
70 section 2 may apply for participation in the plan by submitting
71 an application to the Department of Management Services.

72 (2) If the Department of Management Services determines
73 that the corporation is eligible to participate in the state
74 group health insurance plan, the corporation must agree to the
75 following terms and conditions:

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

78 (b) Termination of participation in the plan by the
79 corporation requires written notice 1 year before the
80 termination date.

81 (c) If participation in the plan is terminated, the
82 corporation may not reapply for participation in the plan for a
83 period of at least 2 years.

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84 (d) The corporation must reimburse the state for 100
85 percent of the state's costs, including administrative costs.

86 (e) The corporation must furnish the Department of
87 Management Services with any information requested by the
88 department which the department considers necessary to
89 administer the state group health insurance plan for the
90 employees of the corporation.

91 Section 4. Open enrollment period for eligible corporate
92 employees and state residents.—On or before January 1, 2012, the
93 Department of Management Services must provide for an open
94 enrollment period of not less than 45 days for eligible
95 corporate employees or state residents who want to obtain the
96 health insurance coverage provided under this act. The options
97 offered during the open enrollment period must provide the same
98 health insurance coverage as the coverage provided for active
99 state employees under the premium payment conditions specified
100 in section 2.

101 Section 5. The Department of Management Services may adopt
102 rules for the implementation and administration of this act.

103 Section 6. Tax credit for corporate contributions towards
104 employee health insurance premiums.—

105 (1) A corporation whose employees are eligible to
106 participate in the state group health insurance plan under this
107 act is eligible for a credit against the corporate income tax
108 imposed under chapter 220, Florida Statutes, in an amount equal
109 to 50 percent of the total amount contributed in the calendar
110 year towards payment of premiums for its employees who are
111 enrolled in a state group health insurance plan.

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112 (2) The combined total amount of tax credits that may be
113 granted and approved for all eligible corporations under this
114 section during any calendar year is \$250 million. Applications
115 must be filed with the Department of Revenue for contributions
116 made in the preceding calendar year, and credits must be granted
117 in the order in which completed applications are received. If
118 the combined total amount of available credits is exceeded in
119 any calendar year, credits otherwise available under this
120 section may be taken by a corporation only if the corporation's
121 application has already been granted and approved.

122 Section 7. The Department of Revenue may adopt rules for
123 the purpose of implementing this act and allocating the tax
124 credits provided in this act to corporations contributing
125 towards the cost of their employees' health insurance premiums.

126 Section 8. Section 625.083, Florida Statutes, is created
127 to read:

128 625.083 Financial reports; health insurers.—A financial
129 report of any health insurer who is required to file such report
130 under the insurance code, including any financial report filed
131 for the purpose of determining the financial condition of the
132 health insurer, must report the health insurer's finances on a
133 combined corporate basis that includes any and all subsidiaries
134 of the health insurer.

135 Section 9. This act shall take effect July 1, 2011.