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1 A bill to be entitled
2 An act relating to health care; providing a short
3 title; providing legislative findings and intent;
4 creating the Florida Health Benefits Exchange
5 Legislative Study Committee; providing membership and
6 duties; requiring administrative and technical support
7 by the Office of Insurance Regulation; requiring a
8 report to the Governor and Legislature; providing for
9 expiration of the committee; providing for
10 nullification of the act if a certain section of the
11 Patient Protection and Affordable Care Act is repealed
12 or substantially amended; providing an effective date.

13
14 WHEREAS, 404,000 Florida companies are small businesses
15 with fewer than 100 employees, representing 97 percent of all
16 Florida businesses, and

17 WHEREAS, 97 percent of these Florida small businesses
18 employ fewer than 50 workers, yet only 31.2 percent of such
19 Florida businesses offer health insurance coverage to their
20 employees, and

21 WHEREAS, 97.6 percent of businesses in Florida with more
22 than 50 employees offer health insurance coverage, and

23 WHEREAS, under the Patient Protection and Affordable Care
24 Act businesses with fewer than 50 employees are not subject to
25 fines or penalties for not offering health insurance coverage,
26 and

27 WHEREAS, under the Patient Protection and Affordable Care
28 Act all businesses with fewer than 100 employees are eligible

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29 | for the benefits offered through the health benefits exchanges
30 | authorized by the Patient Protection and Affordable Care Act,
31 | and

32 | WHEREAS, rising health insurance premiums are jeopardizing
33 | employer-sponsored coverage for an increasing number of
34 | Floridians and consuming an increasing portion of Floridians'
35 | wages, and

36 | WHEREAS, more than 4 million Floridians currently lack
37 | health insurance coverage, millions more are underinsured in
38 | that they lack affordable coverage with a sufficient benefits
39 | package, and the most currently insured will be at risk for
40 | losing affordable coverage at some point, NOW, THEREFORE,

41 |

42 | Be It Enacted by the Legislature of the State of Florida:

43 |

44 | Section 1. Short title.—This act may be cited as the
45 | "Florida Health Benefits Exchange Act."

46 | Section 2. Legislative findings.—The Legislature finds
47 | that:

48 | (1) The health benefits exchanges authorized by the
49 | federal Patient Protection and Affordable Care Act provide a
50 | uniquely effective resource through which the state can leverage
51 | the private health insurance market to best ensure that
52 | Floridians can choose, acquire, and keep quality health
53 | coverage.

54 | (2) Section 1311 of the Patient Protection and Affordable
55 | Care Act provides a framework for the establishment of health
56 | benefits exchanges that will allow individuals and small

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57 businesses with up to 100 employees to shop for, select, and
58 enroll in private health insurance plans that meet their needs
59 at competitive prices.

60 (3) The Patient Protection and Affordable Care Act further
61 provides that both individuals and small businesses will have
62 access to federal tax credits through such health benefits
63 exchanges, which will make such quality coverage affordable.

64 (4) The Patient Protection and Affordable Care Act
65 continues the current framework of delegating the authority to
66 regulate health insurance to the states.

67 (5) Although the Patient Protection and Affordable Care
68 Act includes minimum standards and requirements for state-based
69 health benefits exchanges, Florida would have broad flexibility
70 in the design and operation of a state-based health benefits
71 exchange.

72 (6) A state-based health benefits exchange must be
73 certified as in compliance with the requirements of section 1311
74 of the Patient Protection and Affordable Care Act by January 1,
75 2013, and must be operational by January 1, 2014, or a federally
76 administered health benefits exchange will be established in its
77 stead.

78 (7) The preponderance of states, including most of those
79 challenging the constitutionality of the Patient Protection and
80 Affordable Care Act, are actively preparing to implement state-
81 based health benefits exchanges.

82 (8) The state is best positioned to implement a health
83 benefits exchange that is responsive to the coverage gaps and
84 market landscape unique to this state while protecting

85 Floridians from the burden of excessive federal regulation.

86 (9) It is in the best interest of the state, its citizens,
 87 and its businesses to establish and operate or provide for the
 88 operation of a state-based health benefits exchange and to
 89 commence efforts toward that end without delay.

90 Section 3. Florida Health Benefits Exchange.—It is the
 91 intent of the Legislature that:

92 (1) The state establish and operate or provide for the
 93 operation of a state-based health benefits exchange, to be known
 94 as the Florida Health Benefits Exchange, in accordance with the
 95 Patient Protection and Affordable Care Act.

96 (2) The Florida Health Benefits Exchange perform all of
 97 the core functions of a state-based health benefits exchange as
 98 set forth in section 1311 of the Patient Protection and
 99 Affordable Care Act and in pertinent federal regulations and
 100 guidance.

101 (3) The Florida Health Benefits Exchange establish
 102 separate risk pools for individuals and small businesses.

103 (4) The Florida Health Benefits Exchange supplement any
 104 existing private health insurance market serving individuals and
 105 small businesses in this state.

106 (5) Upon passage of this act, the state concertedlly work
 107 to establish the Florida Health Benefits Exchange within the
 108 timetable set forth in federal law, including certification by
 109 January 1, 2013, and operation by January 1, 2014.

110 Section 4. Florida Health Benefits Exchange Legislative
 111 Study Committee.—

112 (1) There is created the Florida Health Benefits Exchange

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113 Legislative Study Committee to examine issues pertaining to the
114 establishment and operation of the Florida Health Benefits
115 Exchange.

116 (2) The committee shall develop findings and
117 recommendations with respect to the Florida Health Benefits
118 Exchange, including, but not limited to:

119 (a) The entity or agency to be responsible for operation.

120 (b) The governance structure.

121 (c) The nature of relationships with relevant state and
122 federal entities, including oversight and interagency
123 coordination.

124 (d) Requirements for transparency, disclosure, fraud
125 prevention and detection, accountability, and quality.

126 (e) Standards for plans to be sold.

127 (f) Mechanisms and strategies for limiting adverse
128 selection.

129 (g) Mechanisms and strategies for adding value, promoting
130 competition and choice, and cost containment.

131 (h) Infrastructure, technology, and staffing requirements.

132 (i) Regulatory roles and responsibilities.

133 (j) Coordination with other publicly supported health
134 coverage programs with respect to eligibility determination and
135 enrollment.

136 (k) Outreach to, education of, and support for employers,
137 consumers, and insurers.

138 (l) Financing and sustainability.

139 (m) Changes to state statutes and administrative rules
140 necessary for establishment and operation.

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141 (3) The committee shall consist of 12 members appointed as
142 follows:

143 (a) Three members of the Senate appointed by the President
144 of the Senate.

145 (b) Three members of the Senate appointed by the Minority
146 Leader of the Senate.

147 (c) Three members of the House of Representatives
148 appointed by the Speaker of the House of Representatives.

149 (d) Three members of the House of Representatives
150 appointed by the Minority Leader of the House of
151 Representatives.

152
153 Committee members shall be appointed within 30 days after the
154 effective date of this act.

155 (4) The President of the Senate and the Speaker of the
156 House of Representatives shall each select one of their
157 respective appointees to serve as a co-chair of the committee.

158 (5) The committee must hold at least four in-person
159 meetings. The first meeting must be convened within 45 days
160 after the effective date of this act.

161 (6) The Office of Insurance Regulation must provide all
162 necessary administrative and technical support for the
163 committee.

164 (7) The committee must submit to the Governor and
165 Legislature a written report of its findings and recommendations
166 with respect to the establishment and operation of the Florida
167 Health Benefits Exchange by September 30, 2012.

168 (8) The committee must continue in existence until its

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169 objectives are achieved, but not later than January 31, 2013.

170 Section 5. Effect of subsequent federal action.—In the
171 event that section 1311 of the Patient Protection and Affordable
172 Care Act is repealed or substantially amended such that the
173 establishment and operation of health benefits exchanges or
174 related entities is no longer anticipated, this act is null and
175 void.

176 Section 6. This act shall take effect upon becoming a law.