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A bill to be entitled

2 An act relating to health insurance benefits for state 3 employees; amending s. 110.123, F.S.; authorizing the 4 University of Florida Board of Trustees to provide or 5 arrange for the provision of health and other self-6 insurance or insurance programs under certain 7 conditions; requiring the board to offer the programs 8 to certain persons; prohibiting the programs from commencing before a specified date; providing 9 10 requirements for state funding for the insurance 11 programs; providing procedural requirements relating to the program for the Department of Management 12 13 Services, the Executive Office of the Governor, and 14 the Legislature; providing applicability; providing 15 for the state's monthly contribution for employees 16 under the state group insurance program; amending s. 17 110.12315, F.S.; revising the conditions under which pharmacies are provided reimbursement for prescription 18 19 medicines that are dispensed to members of the state group health insurance plan under the state employees' 20 21 prescription drug program; authorizing the Department 22 of Management Services to implement a supply limit 23 program for certain maintenance drugs; reenacting 24 provisions specifying copayment amounts for the state 25 employees' prescription drug program; providing an effective date. 26 27

28 Be It Enacted by the Legislature of the State of Florida: Page 1 of 6

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30 Section 1. Paragraph (a) of subsection (12) of section 31 110.123, Florida Statutes, is amended, and subsection (14) is 32 added to that section, to read:

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110.123 State group insurance program.-

34 (12) HEALTH SAVINGS ACCOUNTS.—The department is authorized 35 to establish health savings accounts for full-time and part-time 36 state employees in association with a health insurance plan 37 option authorized by the Legislature and conforming to the 38 requirements and limitations of federal provisions relating to 39 the Medicare Prescription Drug, Improvement, and Modernization 40 Act of 2003.

(a)1. A member participating in this health insurance plan 41 42 option is eligible to receive an employer contribution into the 43 employee's health savings account from the State Employees Health Insurance Trust Fund in an amount to be determined by the 44 45 Legislature. A member is not eligible for an employer 46 contribution upon termination of employment. For the 2011-2012 47 fiscal year, The state's monthly contribution for employees having individual coverage shall be \$41.66 and the monthly 48 49 contribution for employees having family coverage shall be 50 \$83.33.

2. A member participating in this health insurance plan
option is eligible to deposit the member's own funds into a
health savings account.

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(14) UNIVERSITY OF FLORIDA BOARD OF TRUSTEES.—

55 (a) Notwithstanding any other provision of this section or 56 any other law, rule, or regulation, and in lieu of participation

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57 in state group insurance programs or any part thereof, the 58 University of Florida Board of Trustees, at its option, may 59 provide, or arrange for the provision of, health and other self-60 insurance or insurance programs, including the necessary 61 administrative support services required to implement and 62 administer such programs, for its employees, including all of 63 its employees who retire on or after implementation of such 64 programs, and may require actuarially determined employee 65 premium payments. The University of Florida Board of Trustees 66 may include in such programs and assess actuarially determined 67 premiums to its students, the employees of its direct-support 68 organizations and other affiliated organizations, and other 69 persons and entities, as may be determined by the board of 70 trustees. The University of Florida Board of Trustees shall also 71 offer such programs to its retirees who retired prior to the 72 implementation of such programs. Such programs may include, but 73 are not limited to, health and life insurance, pharmacy, and other supplemental or tax-favored plans. In implementing such 74 75 programs, the University of Florida Board of Trustees may not 76 commence coverage prior to January 1, 2013. 77 (b) State funding for such insurance programs for active 78 employees paid from Educational and General activity funds shall 79 be determined by using the health insurance premium rates 80 established in the General Appropriations Act for coverage for active state employees, reduced by the per capita amount of the 81 82 actuarially determined implicit subsidy included in the employer

83 paid cost for active employees' participation in the state group

84 insurance program which is associated with retired employees

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85	participating in the state group insurance program. The
86	university shall pay the cost of the actuarial study required to
87	determine the implicit subsidy. The department shall submit the
88	actuarially determined amount of the implicit subsidy and the
89	actuary's methodology used for its determination to the
90	Executive Office of the Governor for approval. The Executive
91	Office of the Governor shall provide notice of the implicit
92	subsidy amount and the actuary's methodology used for its
93	determination pursuant to s. 216.177(2)(a). If the chair of the
94	House of Representatives Appropriations Committee and the chair
95	of the Senate Budget Committee or the President of the Senate
96	and the Speaker of the House of Representatives object to the
97	actuarially determined amount or the actuary's methodology used
98	for its determination, the Governor shall void such
99	determination and methodology and direct the department to
100	recalculate the amount of the implicit subsidy. Upon
101	implementation of the plan by the University of Florida, the
102	university shall transfer, on the last day of each calendar
103	quarter after implementation, the reduction amount for the
104	implicit subsidy to the State Employees Health Insurance Trust
105	Fund and shall submit the necessary budget amendment to the
106	Executive Office of the Governor to accomplish the transfers.
107	Section 110.161 does not apply to any insurance programs
108	developed under this subsection.
109	Section 2. Paragraph (b) of subsection (2) of section
110	110.12315, Florida Statutes, is amended, and, notwithstanding
111	section 75 of chapter 2011-47, Laws of Florida, paragraph (a) of
112	subsection (7) of that section, as reenacted by section 74 of
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113 chapter 2011-47, Laws of Florida, does not revert to the text of 114 that paragraph in existence on December 31, 2010, and is 115 reenacted and amended, to read:

116 110.12315 Prescription drug program.—The state employees' 117 prescription drug program is established. This program shall be 118 administered by the Department of Management Services, according 119 to the terms and conditions of the plan as established by the 120 relevant provisions of the annual General Appropriations Act and 121 implementing legislation, subject to the following conditions:

(2) In providing for reimbursement of pharmacies for
prescription medicines dispensed to members of the state group
health insurance plan and their dependents under the state
employees' prescription drug program:

126 (b) There shall be a 30-day supply limit for prescription card purchases and 90-day supply limit for mail order or mail 127 128 order prescription drug purchases. The Department of Management Services may implement a 90-day supply limit program for certain 129 130 maintenance drugs as determined by the department at retail 131 pharmacies participating in the program if the department 132 determines it to be in the best financial interest of the state. 133 Under the state employees' prescription drug program (7)

134 copayments must be made as follows:

(a) Effective January 1, <u>2012</u> 2011, for the State Group
Health Insurance Standard Plan:

For generic drug with card \$7.
 For preferred brand name drug with card \$30.
 For nonpreferred brand name drug with card
 For generic mail order drug \$14.
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\$50.

5. For preferred brand name mail order drug \$60.
6. For nonpreferred brand name mail order drug \$100.
Section 3. This act shall take effect July 1, 2012.

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