

By Senator Brandes

22-01105-16

20161434__

1 A bill to be entitled
2 An act relating to the state group insurance program;
3 amending s. 110.123, F.S.; revising applicability of
4 certain definitions; defining the term "plan year";
5 authorizing the program to include additional
6 benefits; authorizing employees to use a certain
7 portion of the state's contribution to purchase
8 additional program benefits and supplemental benefits
9 under specified circumstances; requiring the program
10 to offer health plans with specified benefit levels;
11 requiring the Department of Management Services to
12 develop a plan for implementation of the benefit
13 levels; requiring the department to submit the plan to
14 the Governor and the Legislature; creating s.
15 110.12303, F.S.; authorizing additional benefits to be
16 included in the program beginning with the 2017 plan
17 year; requiring the department to contract with at
18 least one entity that provides comprehensive pricing
19 and inclusive services for surgery and other medical
20 procedures; providing contract requirements; requiring
21 the department to report to the Governor and the
22 Legislature regarding the contract; requiring the
23 department to establish a price transparency pilot
24 project in certain areas of the state; prescribing
25 pilot project requirements; requiring the department
26 to annually report to the Governor and the Legislature
27 regarding the pilot project; creating s. 110.12304,
28 F.S.; requiring the department to competitively
29 procure an independent benefits consultant; specifying
30 prohibitions, qualifications, and duties of the
31 consultant; requiring the consultant to assist the
32 department in preparing recommendations to be

22-01105-16

20161434__

33 submitted to the Governor and the Legislature by a
34 specified date; requiring the General Appropriations
35 Act to establish premiums for enrollees for the 2017
36 plan year which reflect the differences in benefit
37 design and value among health maintenance organization
38 plan options and preferred provider organization plan
39 options; establishing the share of the health
40 insurance premium for employees, early retirees, and
41 COBRA and Medicare participants participating in the
42 State Group Insurance Plan for specified health care
43 plans and coverage periods; providing appropriations
44 and authorizing positions; providing an effective
45 date.

46
47 Be It Enacted by the Legislature of the State of Florida:

48
49 Section 1. Subsection (2) and paragraphs (b), (f), (h), and
50 (j) of subsection (3) of section 110.123, Florida Statutes, are
51 amended to read:

52 110.123 State group insurance program.—

53 (2) DEFINITIONS.—As used in ss. 110.123-110.1239 ~~this~~
54 ~~section~~, the term:

55 (a) "Department" means the Department of Management
56 Services.

57 (b) "Enrollee" means all state officers and employees,
58 retired state officers and employees, surviving spouses of
59 deceased state officers and employees, and terminated employees
60 or individuals with continuation coverage who are enrolled in an
61 insurance plan offered by the state group insurance program.

22-01105-16

20161434__

62 "Enrollee" includes all state university officers and employees,
63 retired state university officers and employees, surviving
64 spouses of deceased state university officers and employees, and
65 terminated state university employees or individuals with
66 continuation coverage who are enrolled in an insurance plan
67 offered by the state group insurance program.

68 (c) "Full-time state employees" means employees of all
69 branches or agencies of state government holding salaried
70 positions who are paid by state warrant or from agency funds and
71 who work or are expected to work an average of at least 30 or
72 more hours per week; employees paid from regular salary
73 appropriations for 8 months' employment, including university
74 personnel on academic contracts; and employees paid from other-
75 personal-services (OPS) funds as described in subparagraphs 1.
76 and 2. The term includes all full-time employees of the state
77 universities. The term does not include seasonal workers who are
78 paid from OPS funds.

79 1. For persons hired before April 1, 2013, the term
80 includes any person paid from OPS funds who:

81 a. Has worked an average of at least 30 hours or more per
82 week during the initial measurement period from April 1, 2013,
83 through September 30, 2013; or

84 b. Has worked an average of at least 30 hours or more per
85 week during a subsequent measurement period.

86 2. For persons hired after April 1, 2013, the term includes
87 any person paid from OPS funds who:

88 a. Is reasonably expected to work an average of at least 30
89 hours or more per week; or

90 b. Has worked an average of at least 30 hours or more per

22-01105-16

20161434__

91 week during the person's measurement period.

92 (d) "Health maintenance organization" or "HMO" means an
93 entity certified under part I of chapter 641.

94 (e) "Health plan member" means any person participating in
95 a state group health insurance plan, a TRICARE supplemental
96 insurance plan, or a health maintenance organization plan under
97 the state group insurance program, including enrollees and
98 covered dependents thereof.

99 (f) "Part-time state employee" means an employee of any
100 branch or agency of state government who is paid by state
101 warrant from salary appropriations or from agency funds, and who
102 is employed for less than an average of 30 hours per week or, if
103 on academic contract or seasonal or other type of employment
104 which is less than year-round, who is employed for less than 8
105 months during any 12-month period. ~~The term, but~~ does not
106 include a person paid from other-personal-services (OPS) funds,
107 but. ~~The term~~ includes all part-time employees of the state
108 universities.

109 (g) "Plan year" means a calendar year.

110 (h) ~~(g)~~ "Retired state officer or employee" or "retiree"
111 means any state or state university officer or employee who
112 retires under a state retirement system or a state optional
113 annuity or retirement program or is placed on disability
114 retirement, and who was insured under the state group insurance
115 program at the time of retirement, and who begins receiving
116 retirement benefits immediately after retirement from state or
117 state university office or employment. The term also includes
118 any state officer or state employee who retires under the
119 Florida Retirement System Investment Plan established under part

22-01105-16

20161434__

120 II of chapter 121 if he or she:

121 1. Meets the age and service requirements to qualify for
122 normal retirement as set forth in s. 121.021(29); or

123 2. Has attained the age specified by s. 72(t)(2)(A)(i) of
124 the Internal Revenue Code and has 6 years of creditable service.

125 (i)~~(h)~~ "State agency" or "agency" means any branch,
126 department, or agency of state government. "State agency" or
127 "agency" includes any state university for purposes of this
128 section only.

129 (j)~~(i)~~ "Seasonal workers" has the same meaning as provided
130 under 29 C.F.R. s. 500.20(s)(1).

131 (k)~~(j)~~ "State group health insurance plan or plans" or
132 "state plan or plans" means ~~mean~~ the state self-insured health
133 insurance plan or plans offered to state officers and employees,
134 retired state officers and employees, and surviving spouses of
135 deceased state officers and employees pursuant to this section.

136 (l)~~(k)~~ "State-contracted HMO" means any health maintenance
137 organization under contract with the department to participate
138 in the state group insurance program.

139 (m)~~(l)~~ "State group insurance program" or "programs" means
140 the package of insurance plans offered to state officers and
141 employees, retired state officers and employees, and surviving
142 spouses of deceased state officers and employees pursuant to
143 this section, including the state group health insurance plan or
144 plans, health maintenance organization plans, TRICARE
145 supplemental insurance plans, and other plans required or
146 authorized by law.

147 (n)~~(m)~~ "State officer" means any constitutional state
148 officer, any elected state officer paid by state warrant, or any

22-01105-16

20161434__

149 appointed state officer who is commissioned by the Governor and
150 who is paid by state warrant.

151 (o)~~(n)~~ "Surviving spouse" means the widow or widower of a
152 deceased state officer, full-time state employee, part-time
153 state employee, or retiree if such widow or widower was covered
154 as a dependent under the state group health insurance plan, a
155 TRICARE supplemental insurance plan, or a health maintenance
156 organization plan established pursuant to this section at the
157 time of the death of the deceased officer, employee, or retiree.
158 The term "Surviving spouse" also means any widow or widower who
159 is receiving or eligible to receive a monthly state warrant from
160 a state retirement system as the beneficiary of a state officer,
161 full-time state employee, or retiree who died prior to July 1,
162 1979. For the purposes of this section, any such widow or
163 widower shall cease to be a surviving spouse upon his or her
164 remarriage.

165 (p)~~(e)~~ "TRICARE supplemental insurance plan" means the
166 Department of Defense Health Insurance Program for eligible
167 members of the uniformed services authorized by 10 U.S.C. s.
168 1097.

169 (3) STATE GROUP INSURANCE PROGRAM.—

170 (b) It is the intent of the Legislature to offer a
171 comprehensive package of health insurance and retirement
172 benefits and a personnel system for state employees which are
173 provided in a cost-efficient and prudent manner, and to allow
174 state employees the option to choose benefit plans which best
175 suit their individual needs. ~~Therefore,~~ The state group
176 insurance program ~~is established which~~ may include the state
177 group health insurance plan or plans, health maintenance

22-01105-16

20161434__

178 organization plans, group life insurance plans, TRICARE
 179 supplemental insurance plans, group accidental death and
 180 dismemberment plans, ~~and~~ group disability insurance plans, ~~and~~
 181 ~~Furthermore, the department is additionally authorized to~~
 182 ~~establish and provide as part of the state group insurance~~
 183 ~~program any other group insurance plans or coverage choices, and~~
 184 other benefits authorized by law ~~that are consistent with the~~
 185 ~~provisions of this section.~~

186 (f) Except as provided for in subparagraph (h)2., the state
 187 contribution toward the cost of any plan in the state group
 188 insurance program must ~~shall~~ be uniform with respect to all
 189 state employees in a state collective bargaining unit
 190 participating in the same coverage tier in the same plan. This
 191 section does not prohibit the development of separate benefit
 192 plans for officers and employees exempt from the career service
 193 or the development of separate benefit plans for each collective
 194 bargaining unit. For the 2019 plan year and thereafter, if the
 195 state's contribution is more than the premium cost of the health
 196 plan selected by the employee, subject to federal limitation,
 197 the employee may elect to have the balance:

- 198 1. Credited to the employee's flexible spending account;
- 199 2. Credited to the employee's health savings account;
- 200 3. Used to purchase additional benefits offered through the
 201 state group insurance program; or
- 202 4. Used to increase the employee's salary.

203 (h)1. A person eligible to participate in the state group
 204 insurance program may be authorized by rules adopted by the
 205 department, in lieu of participating in the state group health
 206 insurance plan, to exercise an option to elect membership in a

22-01105-16

20161434__

207 health maintenance organization plan that ~~which~~ is under
208 contract with the state in accordance with criteria established
209 by this section and such ~~by said~~ rules. The offer of optional
210 membership in a health maintenance organization plan permitted
211 by this paragraph may be limited or conditioned by rule as may
212 be necessary to meet the requirements of state and federal laws.

213 2. The department shall contract with health maintenance
214 organizations seeking to participate in the state group
215 insurance program through a request for proposal or other
216 procurement process, as developed by the Department of
217 Management Services and determined to be appropriate.

218 a. The department shall establish a schedule of minimum
219 benefits for health maintenance organization coverage, which
220 must include ~~and that schedule shall include:~~ physician
221 services; inpatient and outpatient hospital services; emergency
222 medical services, including out-of-area emergency coverage;
223 diagnostic laboratory and diagnostic and therapeutic radiologic
224 services; mental health, alcohol, and chemical dependency
225 treatment services meeting the minimum requirements of state and
226 federal law; skilled nursing facilities and services;
227 prescription drugs; age-based and gender-based wellness
228 benefits; and other benefits as may be required by the
229 department. Additional services may be provided subject to the
230 contract between the department and the HMO. As used in this
231 paragraph, the term "age-based and gender-based wellness
232 benefits" includes aerobic exercise, education in alcohol and
233 substance abuse prevention, blood cholesterol screening, health
234 risk appraisals, blood pressure screening and education,
235 nutrition education, program planning, safety belt education,

22-01105-16

20161434__

236 smoking cessation, stress management, weight management, and
237 women's health education.

238 b. The department may establish uniform deductibles,
239 copayments, coverage tiers, or coinsurance schedules for all
240 participating HMO plans.

241 c. The department may require detailed information from
242 each health maintenance organization participating in the
243 procurement process, including information pertaining to
244 organizational status, experience in providing prepaid health
245 benefits, accessibility of services, financial stability of the
246 plan, quality of management services, accreditation status,
247 quality of medical services, network access and adequacy,
248 performance measurement, ability to meet the department's
249 reporting requirements, and the actuarial basis of the proposed
250 rates and other data determined by the director to be necessary
251 for the evaluation and selection of health maintenance
252 organization plans and negotiation of appropriate rates for
253 these plans. Upon receipt of proposals by health maintenance
254 organization plans and the evaluation of those proposals, the
255 department may enter into negotiations with all of the plans or
256 a subset of the plans, as the department determines appropriate.
257 Nothing shall preclude the department from negotiating regional
258 or statewide contracts with health maintenance organization
259 plans when this is cost-effective and when the department
260 determines that the plan offers high value to enrollees.

261 d. The department may limit the number of HMOs that it
262 contracts with in each service area based on the nature of the
263 bids the department receives, the number of state employees in
264 the service area, or any unique geographical characteristics of

22-01105-16

20161434__

265 the service area. The department shall establish by rule service
266 areas throughout the state.

267 e. All persons participating in the state group insurance
268 program may be required to contribute towards a total state
269 group health premium that may vary depending upon the plan,
270 coverage level, and coverage tier selected by the enrollee and
271 the level of state contribution authorized by the Legislature.

272 3. The department is authorized to negotiate and to
273 contract with specialty psychiatric hospitals for mental health
274 benefits, on a regional basis, for alcohol, drug abuse, and
275 mental and nervous disorders. The department may establish,
276 subject to the approval of the Legislature pursuant to
277 subsection (5), any such regional plan upon completion of an
278 actuarial study to determine any impact on plan benefits and
279 premiums.

280 4. In addition to contracting pursuant to subparagraph 2.,
281 the department may ~~enter into contract with any HMO~~ to
282 participate in the state group insurance program with any HMO
283 that ~~which~~:

284 a. Serves more ~~greater~~ than 5,000 recipients on a prepaid
285 basis under the Medicaid program;

286 b. Does not currently meet the 25-percent non-Medicare/non-
287 Medicaid enrollment composition requirement established by the
288 Department of Health excluding participants enrolled in the
289 state group insurance program;

290 c. Meets the minimum benefit package and copayments and
291 deductibles contained in sub-subparagraphs 2.a. and b.;

292 d. Is willing to participate in the state group insurance
293 program at a cost of premiums that is not more ~~greater~~ than 95

22-01105-16

20161434__

294 percent of the cost of HMO premiums accepted by the department
295 in each service area; and

296 e. Meets the minimum surplus requirements of s. 641.225.

297
298 The department is authorized to contract with HMOs that meet the
299 requirements of sub-subparagraphs a.-d. prior to the open
300 enrollment period for state employees. The department is not
301 required to renew the contract with the HMOs as set forth in
302 this paragraph more than twice. Thereafter, the HMOs shall be
303 eligible to participate in the state group insurance program
304 only through the request for proposal or invitation to negotiate
305 process described in subparagraph 2.

306 5. All enrollees in a state group health insurance plan, a
307 TRICARE supplemental insurance plan, or any health maintenance
308 organization plan have the option of changing to any other
309 health plan that is offered by the state within any open
310 enrollment period designated by the department. Open enrollment
311 shall be held at least once each calendar year.

312 6. When a contract between a treating provider and the
313 state-contracted health maintenance organization is terminated
314 for any reason other than for cause, each party shall allow any
315 enrollee for whom treatment was active to continue coverage and
316 care when medically necessary, through completion of treatment
317 of a condition for which the enrollee was receiving care at the
318 time of the termination, until the enrollee selects another
319 treating provider, or until the next open enrollment period
320 offered, whichever is longer, but no longer than 6 months after
321 termination of the contract. Each party to the terminated
322 contract shall allow an enrollee who has initiated a course of

22-01105-16

20161434__

323 prenatal care, regardless of the trimester in which care was
324 initiated, to continue care and coverage until completion of
325 postpartum care. This does not prevent a provider from refusing
326 to continue to provide care to an enrollee who is abusive,
327 noncompliant, or in arrears in payments for services provided.
328 For care continued under this subparagraph, the program and the
329 provider shall continue to be bound by the terms of the
330 terminated contract. Changes made within 30 days before
331 termination of a contract are effective only if agreed to by
332 both parties.

333 7. Any HMO participating in the state group insurance
334 program shall submit health care utilization and cost data to
335 the department, in such form and in such manner as the
336 department shall require, as a condition of participating in the
337 program. The department shall enter into negotiations with its
338 contracting HMOs to determine the nature and scope of the data
339 submission and the final requirements, format, penalties
340 associated with noncompliance, and timetables for submission.
341 These determinations shall be adopted by rule.

342 8. The department may establish and direct, with respect to
343 collective bargaining issues, a comprehensive package of
344 insurance benefits that may include supplemental health and life
345 coverage, dental care, long-term care, vision care, and other
346 benefits it determines necessary to enable state employees to
347 select from among benefit options that best suit their
348 individual and family needs. Beginning with the 2017 plan year,
349 the package of benefits may also include products and services
350 described in s. 110.12303.

351 a. Based upon a desired benefit package, the department

22-01105-16

20161434__

352 shall issue a request for proposal or invitation to negotiate
353 for ~~health insurance~~ providers interested in participating in
354 the state group insurance program or, ~~and the department shall~~
355 ~~issue a request for proposal or invitation to negotiate for~~
356 ~~insurance providers interested in participating in~~ the non-
357 health-related components of the state group insurance program.
358 Upon receipt of all proposals, the department may enter into
359 contract negotiations with ~~insurance~~ providers submitting bids
360 or negotiate a specially designed benefit package. ~~Insurance~~
361 Providers offering or providing supplemental coverage as of May
362 30, 1991, which qualify for pretax benefit treatment pursuant to
363 s. 125 of the Internal Revenue Code of 1986, with 5,500 or more
364 state employees currently enrolled may be included by the
365 department in the supplemental insurance benefit plan
366 established by the department without participating in a request
367 for proposal, submitting bids, negotiating contracts, or
368 negotiating a specially designed benefit package. These
369 contracts must ~~shall~~ provide state employees with the most cost-
370 effective and comprehensive coverage available; however, except
371 as provided in subparagraph (f)3., ~~no~~ state or agency funds may
372 not ~~shall~~ be contributed toward the cost of any part of the
373 premium of such supplemental benefit plans. With respect to
374 dental coverage, the division shall include in any solicitation
375 or contract for any state group dental program made after July
376 1, 2001, a comprehensive indemnity dental plan option which
377 offers enrollees a completely unrestricted choice of dentists.
378 If a dental plan is endorsed, or in some manner recognized as
379 the preferred product, such plan must ~~shall~~ include a
380 comprehensive indemnity dental plan option that ~~which~~ provides

22-01105-16

20161434__

381 enrollees ~~with~~ a completely unrestricted choice of dentists.

382 b. Pursuant to the applicable provisions of s. 110.161, and
383 s. 125 of the Internal Revenue Code of 1986, the department
384 shall enroll in the pretax benefit program those state employees
385 who voluntarily elect coverage in any of the supplemental
386 ~~insurance~~ benefit plans as provided by sub-subparagraph a.

387 c. Nothing herein contained shall be construed to prohibit
388 insurance providers from continuing to provide or offer
389 supplemental benefit coverage to state employees as provided
390 under existing agency plans.

391 (j) For the 2019 plan year and thereafter, health plans
392 shall be offered in the following benefit levels:

393 1. Platinum level, which shall have an actuarial value of
394 at least 90 percent.

395 2. Gold level, which shall have an actuarial value of at
396 least 80 percent.

397 3. Silver level, which shall have an actuarial value of at
398 least 70 percent.

399 4. Bronze level, which shall have an actuarial value of at
400 least 60 percent ~~Notwithstanding paragraph (f) requiring uniform~~
401 ~~contributions, and for the 2011-2012 fiscal year only, the state~~
402 ~~contribution toward the cost of any plan in the state group~~
403 ~~insurance plan is the difference between the overall premium and~~
404 ~~the employee contribution. This subsection expires June 30,~~
405 ~~2012.~~

406 Section 2. In consultation with the independent benefits
407 consultant described in s. 110.12304, Florida Statutes, as
408 created by this act, the Department of Management Services shall
409 develop a plan for the implementation of the benefit levels

22-01105-16

20161434__

410 described in s. 110.123(3)(j), Florida Statutes. The department
411 shall submit the plan to the Governor, the President of the
412 Senate, and the Speaker of the House of Representatives no later
413 than January 1, 2018, and include recommendations for:

414 (a) Employer and employee contribution policies.

415 (b) Steps necessary for maintaining or improving total
416 employee compensation levels when the transition is initiated.

417 (c) An education strategy to inform employees of the
418 additional choices available in the state group insurance
419 program.

420 Section 3. Section 110.12303, Florida Statutes, is created
421 to read:

422 110.12303 State group insurance program; additional
423 benefits; price transparency pilot program; reporting.—Beginning
424 with the 2017 plan year:

425 (1) In addition to the comprehensive package of health
426 insurance and other benefits required or authorized to be
427 included in the state group insurance program, the package of
428 benefits may also include products and services offered by:

429 (a) Prepaid limited health service organizations as
430 authorized by part I of chapter 636.

431 (b) Discount medical plan organizations as authorized by
432 part II of chapter 636.

433 (c) Prepaid health clinics licensed under part II of
434 chapter 641.

435 (d) Licensed health care providers, including hospitals and
436 other health facilities, health care clinics, and health
437 professionals, who sell service contracts and arrangements for a
438 specified amount and type of health services.

22-01105-16

20161434__

439 (e) Provider organizations, including service networks,
440 group practices, professional associations, and other
441 incorporated organizations of providers, who sell service
442 contracts and arrangements for a specified amount and type of
443 health services.

444 (f) Entities that provide specific health services in
445 accordance with applicable state law and sell service contracts
446 and arrangements for a specified amount and type of health
447 services.

448 (g) Entities that provide health services or treatments
449 through a bidding process.

450 (h) Entities that provide health services or treatments
451 through the bundling or aggregating of health services or
452 treatments.

453 (i) Entities that provide other innovative and cost-
454 effective health service delivery methods.

455 (2) The department shall:

456 (a) Contract with at least one entity that provides
457 comprehensive pricing and inclusive services for surgery and
458 other medical procedures that may be accessed at the option of
459 the enrollee. The contract shall require the entity to:

460 1. Have procedures and evidence-based standards to ensure
461 the inclusion of only high-quality health care providers.

462 2. Provide assistance to the enrollee in accessing and
463 coordinating care.

464 3. Provide cost savings to the state group insurance
465 program to be shared with both the state and the enrollee. Cost
466 savings payable to an enrollee may be:

467 a. Credited to the enrollee's flexible spending account;

22-01105-16

20161434__

468 b. Credited to the enrollee's health savings account;

469 c. Credited to the enrollee's health reimbursement account;

470 or

471 d. Paid as additional health plan reimbursements not
472 exceeding the amount of the employee's out-of-pocket medical
473 expenses.

474 4. Provide an educational campaign for enrollees to learn
475 about the services offered by the entity.

476 (b) Report to the Governor, the President of the Senate,
477 and the Speaker of the House of Representatives, on or before
478 January 15 of each year, on the participation level and cost
479 savings to both the enrollee and the state resulting from any
480 contract described in this subsection.

481 (3) The department shall establish a 3-year price
482 transparency pilot project in at least one area, but in not more
483 than three areas, of the state where a substantial percentage of
484 the state group insurance program enrollees live. The purpose of
485 the project is to reward value-based pricing by publishing the
486 prices of certain diagnostic and elective surgical procedures
487 and sharing with the enrollee and the state any savings
488 generated by the enrollee's choice of providers.

489 (a) Participation in the project shall be voluntary for
490 enrollees.

491 (b) The department shall designate between 20 and 50
492 diagnostic procedures and elective surgical procedures that are
493 commonly used by enrollees.

494 (c) Health plans shall provide the department with the
495 contracted price by provider for each designated procedure. The
496 department shall post the prices on its website and shall

22-01105-16

20161434__

497 designate one price per procedure as the benchmark price, using
498 a mean, an average, or other method of comparing the prices.

499 (d) If an enrollee participating in the project selects a
500 provider that performs the designated procedure at a price below
501 the benchmark price for that procedure, the enrollee shall
502 receive from the state 50 percent of the difference between the
503 price of the procedure by the selected provider and the
504 benchmark price. The amount payable to the enrollee may be:

505 1. Credited to the enrollee's flexible spending account;

506 2. Credited to the enrollee's health savings account;

507 3. Credited to the enrollee's health reimbursement account;

508 or

509 4. Paid as additional health plan reimbursements not
510 exceeding the amount of the enrollee's out-of-pocket medical
511 expenses.

512 (e) On or before January 1 of 2018, 2019, and 2020, the
513 department shall report to the Governor, the President of the
514 Senate, and the Speaker of the House of Representatives on the
515 participation level, amount paid to enrollees, and cost savings
516 to both the enrollees and the state resulting from the price
517 transparency pilot project.

518 Section 4. Section 110.12304, Florida Statutes, is created
519 to read:

520 110.12304 Independent benefits consultant.—

521 (1) The department shall competitively procure an
522 independent benefits consultant.

523 (2) The independent benefits consultant may not:

524 (a) Be owned or controlled by a health maintenance
525 organization or an insurer.

22-01105-16

20161434__

526 (b) Have an ownership interest in a health maintenance
527 organization or an insurer.

528 (c) Have a direct or an indirect financial interest in a
529 health maintenance organization or an insurer.

530 (3) The independent benefits consultant must have
531 substantial experience in consultation and design of employee
532 benefit programs for large employers and public employers,
533 including experience with plans that qualify as cafeteria plans
534 pursuant to s. 125 of the Internal Revenue Code of 1986.

535 (4) The independent benefits consultant shall:

536 (a) Provide an ongoing assessment of trends in benefits and
537 employer-sponsored insurance which affect the state group
538 insurance program.

539 (b) Conduct a comprehensive analysis of the state group
540 insurance program, including available benefits, coverage
541 options, and claims experience.

542 (c) Identify and establish appropriate adjustment
543 procedures necessary to respond to any risk segmentation that
544 may occur when increased choices are offered to employees.

545 (d) Assist the department in the submission of any
546 necessary plan revisions for federal review.

547 (e) Assist the department in ensuring compliance with
548 applicable federal regulations and state rules.

549 (f) Assist the department in monitoring the adequacy of
550 funding and reserves for the state self-insured plan.

551 (g) Assist the department in preparing recommendations for
552 any modifications to the state group insurance program, which
553 shall be submitted to the Governor, the President of the Senate,
554 and the Speaker of the House of Representatives no later than

22-01105-16

20161434__

555 January 1 of each year.

556 Section 5. For the 2017 plan year, the General
557 Appropriations Act must implement premiums for enrollees which
558 reflect the differences in benefit design and value among the
559 health maintenance organization (HMO) plan options and the
560 preferred provider organization (PPO) plan options offered in
561 the state group insurance program.

562 (1) Effective July 1, 2016, for the coverage period
563 beginning August 1, 2016, and continuing through December 31,
564 2016, the employee's share of the health insurance premiums for
565 the standard plans remains \$50 per month for individual coverage
566 and \$180 per month for family coverage.

567 (2) Effective December 1, 2016, for the coverage period
568 beginning January 1, 2017, the employee's share of the health
569 insurance premium for the standard HMO plan is \$60 per month for
570 individual coverage and \$200 per month for family coverage. For
571 the same coverage period, the employee's share of the health
572 insurance premium for the standard PPO plan is \$45 per month for
573 individual coverage and \$170 per month for family coverage. For
574 the same coverage period, the employee's share of the health
575 insurance premium for Capital Health Plan is \$40 per month for
576 individual coverage and \$170 per month for family coverage.

577 (3) Effective July 1, 2016, for the coverage period
578 beginning August 1, 2016, and continuing through December 31,
579 2016, the employee's share of the health insurance premium for
580 the high-deductible health plans remains \$15 per month for
581 individual coverage and \$64.30 per month for family coverage.

582 (4) Effective December 1, 2016, for the coverage period
583 beginning January 1, 2017, the employee's share of the health

22-01105-16

20161434

584 insurance premium for the high-deductible health plans is \$10
585 per month for individual coverage and \$50 per month for family
586 coverage.

587 (5) Effective July 1, 2016, for the coverage period
588 beginning August 1, 2016, the employee's share of the health
589 insurance premium for the standard PPO plan, the standard HMO
590 plan, and Capital Health Plan remains \$8.34 per month for
591 individual coverage and \$30 per month for family coverage for
592 employees filling positions with "agency payroll" benefits.

593 (6) Effective July 1, 2016, for the coverage period
594 beginning August 1, 2016, and continuing through December 31,
595 2016, the employee's share of the health insurance premium for
596 the high-deductible health plans remains \$8.34 per month for
597 individual coverage and \$30 per month for family coverage for
598 employees filling positions with "agency payroll" benefits.

599 (7) Effective December 1, 2016, for the coverage period
600 beginning January 1, 2017, the employee's share of the health
601 insurance premium for the high-deductible health plans is \$8.34
602 per month for individual coverage and \$25 per month for family
603 coverage for employees filling positions with "agency payroll"
604 benefits.

605 (8) Effective July 1, 2016, for the coverage period
606 beginning August 1, 2016, and continuing through December 31,
607 2016, the employee's share of the health insurance premium for
608 the standard plans and the high-deductible health plans remains
609 \$30 per month for each employee participating in the Spouse
610 Program in accordance with rules of the Department of Management
611 Services.

612 (9) Effective December 1, 2016, for the coverage period

22-01105-16

20161434__

613 beginning January 1, 2017, the employee's share of the health
614 insurance premium for the standard plans remains \$30 for each
615 employee participating in the Spouse Program in accordance with
616 rules of the Department of Management Services.

617 (10) Effective December 1, 2016, for the coverage period
618 beginning January 1, 2017, the employee's share of the health
619 insurance premium for the high-deductible health plans is \$25
620 for each employee participating in the Spouse Program in
621 accordance with rules of the Department of Management Services.

622 (11) Effective July 1, 2016, for the coverage period
623 beginning August 1, 2016, an "early retiree" participating in a
624 standard plan shall continue to pay a monthly premium equal to
625 100 percent of the total premium charged, including state and
626 employee contributions, for an active employee participating in
627 the standard plan.

628 (12) Effective July 1, 2016, for the coverage period
629 beginning August 1, 2016, and continuing through December 31,
630 2016, an "early retiree" participating in a high-deductible
631 health plan shall continue to pay \$564.86 per month for
632 individual coverage and \$1,245.03 per month for family coverage.

633 (13) Effective December 1, 2016, for the coverage period
634 beginning January 1, 2017, an "early retiree" participating in a
635 high-deductible health plan shall pay \$559.86 per month for
636 individual coverage and \$1,230.73 per month for family coverage.

637 (14) Effective July 1, 2016, for the coverage period
638 beginning August 1, 2016, and continuing through December 31,
639 2016, the monthly premium for Medicare participants in the
640 standard plans remains \$359.61 for "one eligible," \$1,036.90 for
641 "one under/one over," and \$719.22 for "both eligible."

22-01105-16

20161434__

642 (15) Effective December 1, 2016, for the coverage period
643 beginning January 1, 2017, the monthly premium for Medicare
644 participants in the standard PPO plan is \$356.49 for "one
645 eligible," \$1,027.89 for "one under/one over," and \$712.97 for
646 "both eligible." For the same coverage period, the monthly
647 premium for Medicare participants participating in the standard
648 HMO plan is \$371.32 for "one eligible," \$1,070.67 for "one
649 under/one over," and \$742.64 for "both eligible."

650 (16) Effective July 1, 2016, for the coverage period
651 beginning August 1, 2016, the monthly premium for Medicare
652 participants in the high-deductible health plan is \$271.07 for
653 "one eligible," \$849.19 for "one under/one over," and \$542.14
654 for "both eligible."

655 (17) Effective July 1, 2016, for the coverage period
656 beginning August 1, 2016, the monthly premium for Medicare
657 participants enrolled in a fully insured standard HMO plan or an
658 HMO high-deductible health plan is equal to the negotiated
659 monthly premium for the selected state-contracted health
660 maintenance organization.

661 (18) Effective July 1, 2016, for the coverage period
662 beginning August 1, 2016, a COBRA participant in the State Group
663 Health Insurance Program shall continue to pay a premium equal
664 to 102 percent of the total premium charged, including state and
665 employee contributions, for an active employee participating in
666 the program.

667 (19) Effective July 1, 2016, for the coverage period
668 beginning August 1, 2016, the state share of State Group Health
669 Insurance Program premiums is the same as those in effect on
670 July 1, 2014, pursuant to chapter 2014-51, Laws of Florida.

22-01105-16

20161434__

671 Section 6. (1) For the 2016-2017 fiscal year, the sums of
672 \$151,216 in recurring funds and \$507,546 in nonrecurring funds
673 are appropriated from the State Employees Health Insurance Trust
674 Fund to the Department of Management Services, and two full-time
675 equivalent positions with associated salary rate of 120,000 are
676 authorized, for the purpose of implementing this act.

677 (2) (a) The recurring funds appropriated in this section
678 shall be allocated to the following specific appropriation
679 categories within the Insurance Benefits Administration Program:
680 \$150,528 to "Salaries and Benefits" and \$688 to "Special
681 Categories-Transfer to Department of Management Services-Human
682 Resources Purchased per Statewide Contract."

683 (b) The nonrecurring funds appropriated in this section
684 shall be allocated to the following specific appropriation
685 categories: \$500,000 to "Special Categories Contracted Services"
686 and \$7,546 to "Expenses."

687 Section 7. This act shall take effect July 1, 2016.