

1 A bill to be entitled
 2 An act relating to health insurance; creating s.
 3 627.42351, F.S.; providing a short title; providing
 4 definitions; providing health insurer website
 5 requirements; requiring an insurer to provide good
 6 faith estimates of costs for certain health care
 7 services upon request by an insured; requiring an
 8 insurer to implement a shared savings incentive
 9 program by a specified date; providing procedures and
 10 requirements; providing notification requirements;
 11 providing procedures for an insurer to obtain approval
 12 for its program; providing reporting requirements;
 13 providing penalties; requiring the Office of Insurance
 14 Regulation to make and submit an annual report;
 15 authorizing the office to adopt rules; providing an
 16 effective date.

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

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 20 Section 1. Section 627.42351, Florida Statutes, is created
 21 to read:

22 627.42351 Shared savings incentive program.—

23 (1) This section may be cited as the "Patient Savings
 24 Act."

25 (2) As used in this section, the term:

26 (a) "Average price" means the average amount paid to an
27 in-network health care provider for a shoppable health care
28 service within a 1-year period or as determined by another
29 method approved by the office.

30 (b) "Contracted amount" means the amount agreed to be paid
31 by the health insurer pursuant to a policy, contract, or
32 certificate of insurance to a health care provider for shoppable
33 health care services covered by the policy, contract, or
34 certificate of insurance, including any facility fees charged by
35 the provider.

36 (c) "Health care provider" means a hospital, ambulatory
37 surgical center, and other medical facility licensed under
38 chapter 395; a home health agency licensed under chapter 400; a
39 physician licensed under chapter 458; a physician assistant
40 licensed under chapter 458 or chapter 459; an osteopathic
41 physician licensed under chapter 459; a chiropractic physician
42 licensed under chapter 460; a podiatric physician licensed under
43 chapter 461; a naturopath licensed under chapter 462; a dentist
44 licensed under chapter 466; nurses licensed under part I of
45 chapter 464; a midwife licensed under chapter 467; an
46 occupational therapist licensed under chapter 468; radiological
47 personnel certified under chapter 468; a clinical laboratory
48 licensed under chapter 483; a physical therapist and a physical
49 therapist assistant licensed under chapter 486; a blood bank,
50 plasma center, industrial clinic, and renal dialysis facility;

51 or a professional association, partnership, corporation, joint
52 venture, or other association for professional activity by
53 health care providers.

54 (d) "Health insurer" means an authorized insurer offering
55 an individual or group insurance policy that provides major
56 medical or similar comprehensive coverage or a health
57 maintenance organization as defined in s. 641.19. The term does
58 not include the state group health insurance program provided
59 under s. 110.123.

60 (e) "Shared savings incentive program" means a cash
61 incentive program established by a health insurer pursuant to
62 this section.

63 (f) "Shoppable health care service" means a nonemergency
64 health care service for which an insured may receive a cash
65 payment under a shared savings incentive program. Shoppable
66 health care services include:

- 67 1. Clinical laboratory services.
- 68 2. Infusion therapy.
- 69 3. Inpatient and outpatient surgical procedures.
- 70 4. Obstetrical and gynecological services.
- 71 5. Outpatient nonsurgical diagnostic tests and procedures.
- 72 6. Physical and occupational therapy services.
- 73 7. Radiology and imaging services.

74 (3) A health insurer's website must provide a method for
75 an insured or prospective insured to request and obtain

76 information on the contracted amount for a shoppable health care
77 service from a health care provider and to compare the average
78 price among health care providers. The website must provide
79 information relating to the quality of each shoppable health
80 care service from each health care provider, if available.

81 (4) Upon the request of an insured, a health insurer must
82 provide a good faith estimate of the contracted amount and the
83 estimated amount of copayments, deductibles, and other cost-
84 sharing responsibilities for health care services and procedures
85 within 2 working days after the request for both in-network and
86 out-of-network providers. The health insurer must notify the
87 insured that the estimate may differ from the actual amount the
88 insured will be responsible to pay due to unforeseen
89 circumstances that arise out of the proposed nonemergency
90 service or procedure.

91 (5) For the plan year beginning on or after January 1,
92 2018, and for each plan year thereafter, a health insurer must
93 implement a shared savings incentive program to provide a cash
94 payment to an insured when the insured obtains a shoppable
95 health care service at a price that is less than the average
96 price for that service.

97 (a) The amount of the shared savings incentive program
98 payment may be calculated as a percentage between the contracted
99 amount and the average price, or by an alternative method
100 approved by the office.

101 (b) The amount of the cash payment to the insured must be
102 at least 50 percent of the health insurer's saved costs for each
103 shoppable health care service paid to the health care provider
104 as compared with the average price.

105 (c) If an insured elects to receive a shoppable health
106 care service from an out-of-network health care provider for a
107 price that is less than the average price, the health insurer
108 must treat such service as if it is provided by an in-network
109 health care provider for purposes of calculating the shared
110 savings incentive program payment.

111 (d) A health insurer is not required to provide a cash
112 payment under the shared savings incentive program to an insured
113 when the health insurer's saved cost is less than \$50.

114 (e) A cash payment made by a health insurer in accordance
115 with this section is not an administrative expense for rate
116 development or rate filing purposes.

117 (6) The shared savings incentive program must be a
118 component part of the policy, contract, or certificate of
119 insurance provided by the health insurer. Annually and at the
120 time of enrollment or renewal, a health insurer must notify each
121 insured of the shared savings incentive program.

122 (7) A health insurer must file a description of the shared
123 savings incentive program on a form prescribed by the office.
124 The office must review the filing to determine if the program
125 complies with the requirements of this section.

126 (8) A health insurer must file an annual report with the
127 office of its shared savings incentive program by March 1, 2018,
128 and each year thereafter. The report must include:

129 (a) The total number of cash payments made pursuant to
130 this section for the calendar year.

131 (b) Each shoppable health care service, by category, for
132 which a cash payment was made.

133 (c) The average amount of cash payments.

134 (d) The total amount saved by the health insurer when
135 compared with the average price for each shoppable health
136 service category.

137 (e) The total number of insureds and the percentage of
138 total insureds who participated.

139 (9) (a) The office may impose an administrative penalty of
140 no more than \$5,000 per violation per day upon a health insurer
141 for failure to comply with this section. A fine imposed under
142 this section may be in addition to other penalties or fines
143 authorized by the insurance code.

144 (b) If a health insurer fails to meet the filing
145 requirements under this section and does not submit the filing
146 within 30 days after the due date, the office may order the
147 health insurer to discontinue issuing policies, contracts, or
148 certificate of insurance until the filing requirements have been
149 fulfilled.

150 (c) The office may revoke or suspend for at least 12

151 months the health insurer's certificate of authority for failure
152 to comply with this section.

153 (10) The office must submit an annual report to the
154 President of the Senate and the Speaker of the House of
155 Representatives by April 1, 2019, and each year thereafter,
156 which summarizes the reports required pursuant to subsection
157 (8).

158 (11) The office may adopt rules necessary to implement and
159 enforce this section.

160 Section 2. This act shall take effect upon becoming a law.