

1 A bill to be entitled
2 An act relating to the state group health insurance
3 and prescription drug programs; amending s. 110.1228,
4 F.S.; defining the term "Florida College System
5 institution"; authorizing a Florida College System
6 institution to participate in the state group health
7 insurance program and the prescription drug coverage
8 program upon the affirmative vote of the institution's
9 governing board; establishing conditions and
10 restrictions regarding participation; providing that
11 monthly premium amounts be based on an actuarial
12 analysis conducted by the Department of Management
13 Services; requiring small counties, small
14 municipalities, district school boards, and Florida
15 College System institutions participating in the
16 programs to bear the costs of the actuarial analysis;
17 conforming provisions to changes made by the act;
18 providing an effective date.

19
20 Be It Enacted by the Legislature of the State of Florida:

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22 Section 1. Section 110.1228, Florida Statutes, is amended
23 to read:

24 110.1228 Participation by small counties, small
25 municipalities, ~~and~~ district school boards, and Florida College

26 | System institutions located in small counties.-

27 | (1) As used in this section, the term:

28 | (a) "District school board" means a district school board
 29 | located in a small county or a district school board that
 30 | receives funding pursuant to s. 1011.62(7).

31 | (b) "Small municipality" means an incorporated
 32 | municipality that has a population of 12,500 or fewer according
 33 | to the most recent decennial census.

34 | (c) "Small county" means a county that has a population of
 35 | 100,000 or fewer according to the most recent decennial census.

36 | (d) "Florida College System institution" has the same
 37 | meaning as in s. 1000.21.

38 | (2) The governing body of a small county or small
 39 | municipality, ~~or~~ a district school board, or a Florida College
 40 | System institution board of trustees may apply for participation
 41 | in the state group health insurance program authorized in s.
 42 | 110.123 and the prescription drug coverage program authorized by
 43 | s. 110.12315 by submitting an application along with a \$500
 44 | nonrefundable fee to the department.

45 | (3) Any costs or savings to the state group health
 46 | insurance program or the prescription drug coverage program
 47 | resulting from such participation shall be passed on to the
 48 | local government and Florida College System institution
 49 | participants and their employees. Such costs or savings shall be
 50 | delineated based on the impact to the state, state officers and

51 employees, ~~and~~ local government employers and their employees,
52 and Florida College System institutions and their employees.

53 (4) As a prerequisite to the adoption of an ordinance or
54 resolution or the affirmative vote of a governing board, for
55 participation in the state group health insurance program and
56 prescription drug coverage program, a small county, small
57 municipality, ~~or~~ district school board, or Florida College
58 System institution shall issue a request for proposals to
59 provide health insurance and prescription drug coverage. Such
60 request for proposals shall seek coverages equivalent to those
61 offered currently by the small county, small municipality, ~~or~~
62 district school board, or Florida College System institution and
63 coverages equivalent to the state group health insurance program
64 and prescription drug coverage program. Such request for
65 proposals must provide an opportunity for the receipt of
66 competitive proposals from all interested parties without
67 restriction. The small county, small municipality, ~~and~~ district
68 school board, and Florida College System institution shall
69 review and consider all responsive proposals before ~~prior to~~ the
70 adoption of any ordinance or resolution or the affirmative vote
71 of any governing board for participation in the state group
72 health insurance program and prescription drug coverage program.

73 (5) If the department determines that a small county,
74 small municipality, ~~or~~ district school board, or Florida College
75 System institution is eligible to enroll, the small county,

76 | small municipality, ~~or~~ district school board, or Florida College
 77 | System institution must agree to the following terms and
 78 | conditions:

79 | (a) The minimum enrollment or contractual period will be 3
 80 | years.

81 | (b) The small county, small municipality, ~~or~~ district
 82 | school board, or Florida College System institution must pay to
 83 | the department an initial administrative fee of not less than
 84 | \$2.61 per enrollee per month, or such other amount established
 85 | annually to fully reimburse the department for its costs.

86 | (c) Termination of participation of a small county, small
 87 | municipality, ~~or~~ district school board, or Florida College
 88 | System institution requires written notice 1 year before the
 89 | termination date.

90 | (d) If participation is terminated, a small county, small
 91 | municipality, ~~or~~ district school board, or Florida College
 92 | System institution may not reapply for participation for a
 93 | period of 2 years.

94 | (e) Small counties, small municipalities, ~~and~~ district
 95 | school boards, and Florida College System institutions shall
 96 | reimburse the state for 100 percent of its costs, including
 97 | administrative costs.

98 | (f) If a small county, small municipality, ~~or~~ district
 99 | school board employer, or Florida College System institution
 100 | fails to make the payments required by this section to fully

101 reimburse the state, the Department of Revenue or the Department
102 of Financial Services shall, upon the request of the Department
103 of Management Services, deduct the amount owed by the employer
104 from any funds not pledged to bond debt service satisfaction
105 that are to be distributed by it to the small county, small
106 municipality, ~~or~~ district school board, or Florida College
107 System institution. The amounts so deducted shall be transferred
108 to the Department of Management Services for further
109 distribution to the trust funds in accordance with this chapter.

110 (g) The small county, small municipality, ~~or~~ district
111 school board, or Florida College System institution shall
112 furnish the department any information requested by the
113 department which the department considers necessary to
114 administer the state group health insurance program and the
115 prescription drug coverage program.

116 (h) The small county, small municipality, ~~or~~ district
117 school board, or Florida College System institution shall adopt
118 the state's eligibility rules.

119 (i) The small county, small municipality, ~~or~~ district
120 school board, or Florida College System institution may not
121 participate in the state's cafeteria plan that allows for pretax
122 treatment of premium contributions. If pretax treatment is
123 desirable for employees of these participating employers, each
124 employee of a participating employer shall execute a salary
125 reduction agreement with that employer, and each participating

126 employer shall establish its own cafeteria plan.

127 (j) The small county, small municipality, ~~or~~ district
128 school board, or Florida College System institution shall pay
129 monthly premiums in amounts sufficient to cover claims costs,
130 department administrative costs, and third-party administrative
131 costs and provide for adequate reserves and cash flow by
132 contributing 3 months' premiums and costs in advance of the
133 coverage effective date. The premiums must be established by an
134 actuarial analysis conducted by the department in which the
135 requesting party is considered both a distinct health insurance
136 risk pool and as part of the state group health insurance
137 program risk pool. The actuarial analysis must be paid for by
138 the participating small county, small municipality, district
139 school board, or Florida College System institution.

140 (6) Sections ~~The provisions of ss. 624.436-624.446~~ do not
141 apply to the State Group Insurance Program or to this section.

142 Section 2. This act shall take effect July 1, 2018.