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LEGISLATIVE ACTION

Senate	.	House
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Floor: 1/AE/2R	.	Floor: CA
04/30/2019 10:27 AM	.	05/03/2019 06:01 PM
	.	

Senator Diaz moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Paragraph (d) of subsection (3) of section
110.123, Florida Statutes, is amended to read:

110.123 State group insurance program.—

(3) STATE GROUP INSURANCE PROGRAM.—

(d)1. Notwithstanding chapter 287 and the authority of the
department, for the purpose of protecting the health of, and
providing medical services to, state employees participating in



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12 the state group insurance program, the department may contract
13 to retain the services of professional administrators for the
14 state group insurance program. The agency shall follow good
15 purchasing practices of state procurement to the extent
16 practicable under the circumstances.

17 2. Each vendor in a major procurement, and any other vendor
18 if the department deems it necessary to protect the state's
19 financial interests, shall, at the time of executing any
20 contract with the department, post an appropriate bond with the
21 department in an amount determined by the department to be
22 adequate to protect the state's interests but not higher than
23 the full amount estimated to be paid annually to the vendor
24 under the contract.

25 3. Each major contract entered into by the department
26 pursuant to this section shall contain a provision for payment
27 of liquidated damages to the department for material
28 noncompliance by a vendor with a contract provision. The
29 department may require a liquidated damages provision in any
30 contract if the department deems it necessary to protect the
31 state's financial interests.

32 4. Section 120.57(3) applies to the department's
33 contracting process, except:

34 a. A formal written protest of any decision, intended
35 decision, or other action subject to protest shall be filed
36 within 72 hours after receipt of notice of the decision,
37 intended decision, or other action.

38 b. As an alternative to any provision of s. 120.57(3), the
39 department may proceed with the bid selection or contract award
40 process if the director of the department sets forth, in



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41 writing, particular facts and circumstances that demonstrate the
42 necessity of continuing the procurement process or the contract
43 award process in order to avoid a substantial disruption to the
44 provision of any scheduled insurance services.

45 5. The department shall make arrangements as necessary to
46 contribute claims data of the state group health insurance plan
47 to the contracted vendor selected by the Agency for Health Care
48 Administration pursuant to s. 408.05(3)(c).

49 6. Each contracted vendor for the state group health
50 insurance plan shall contribute Florida claims data to the
51 contracted vendor selected by the Agency for Health Care
52 Administration pursuant to s. 408.05(3)(c).

53 7. Each contract for health care benefits or health care
54 administrative services which is executed, renewed, or extended
55 after July 1, 2021, must require the contractor to accommodate
56 changes to the law which occur during the term of the contract.
57 The parties may modify the contract to provide for an extension
58 of time, term, or increase in compensation, based on changes in
59 the law that materially cause an increase in the contracted
60 services or the scope of work under the contract.

61 Section 2. Section 110.12303, Florida Statutes, is amended
62 to read:

63 110.12303 State group insurance program; additional
64 benefits; price transparency program; reporting. ~~Beginning with~~
65 ~~the 2018 plan year:~~

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



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70 (a) Prepaid limited health service organizations authorized
71 pursuant to part I of chapter 636.

72 (b) Discount medical plan organizations authorized pursuant
73 to part II of chapter 636.

74 (c) Prepaid health clinics licensed under part II of
75 chapter 641.

76 (d) Licensed health care providers, including hospitals and
77 other health care facilities, health care clinics, and health
78 professionals, who sell service contracts and arrangements for a
79 specified amount and type of health services.

80 (e) Provider organizations, including service networks,
81 group practices, professional associations, and other
82 incorporated organizations of providers, who sell service
83 contracts and arrangements for a specified amount and type of
84 health services.

85 (f) Entities that provide specific health services in
86 accordance with applicable state law and sell service contracts
87 and arrangements for a specified amount and type of health
88 services.

89 (g) Entities that provide health services or treatments
90 through a bidding process.

91 (h) Entities that provide health services or treatments
92 through the bundling or aggregating of health services or
93 treatments.

94 (i) Entities that provide international prescription
95 services.

96 (j) Entities that provide optional participation in a
97 Medicare Advantage Prescription Drug Plan.

98 (k) Entities that provide other innovative and cost-



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99 effective health service delivery methods.

100 (2) (a) The department shall contract with at least one
101 entity that provides comprehensive pricing and inclusive
102 services for surgery and other medical procedures which may be
103 accessed at the option of the enrollee. The contract shall
104 require the entity to:

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

107 2. Provide assistance to the enrollee in accessing and
108 coordinating care.

109 3. Provide cost savings to the state group insurance
110 program to be shared with both the state and the enrollee. Cost
111 savings payable to an enrollee may be:

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

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

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

115 or

116 d. Paid as additional health plan reimbursements not
117 exceeding the amount of the enrollee's out-of-pocket medical
118 expenses.

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

121 (b) On or before January 15 of each year, the department
122 shall report to the Governor, the President of the Senate, and
123 the Speaker of the House of Representatives on the participation
124 level and cost-savings to both the enrollee and the state
125 resulting from the contract or contracts described in this
126 subsection.

127 (3) The department shall contract with an entity that



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128 provides enrollees with online information on the cost and
129 quality of health care services and providers, allows an
130 enrollee to shop for health care services and providers, and
131 rewards the enrollee by sharing savings generated by the
132 enrollee's choice of services or providers. The contract shall
133 require the entity to:

134 (a) Establish an Internet-based, consumer-friendly platform
135 that educates and informs enrollees about the price and quality
136 of health care services and providers, including the average
137 amount paid in each county for health care services and
138 providers. The average amounts paid for such services and
139 providers may be expressed for service bundles, which include
140 all products and services associated with a particular treatment
141 or episode of care, or for separate and distinct products and
142 services.

143 (b) Allow enrollees to shop for health care services and
144 providers using the price and quality information provided on
145 the Internet-based platform.

146 (c) Permit a certified bargaining agent of state employees
147 to provide educational materials and counseling to enrollees
148 regarding the Internet-based platform.

149 (d) Identify the savings realized to the enrollee and state
150 if the enrollee chooses high-quality, lower-cost health care
151 services or providers, and facilitate a shared savings payment
152 to the enrollee. The amount of shared savings shall be
153 determined by a methodology approved by the department and shall
154 maximize value-based purchasing by enrollees. The amount payable
155 to the enrollee may be:

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



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157 2. Credited to the enrollee's health savings account;
158 3. Credited to the enrollee's health reimbursement account;
159 or

160 4. Paid as additional health plan reimbursements not
161 exceeding the amount of the enrollee's out-of-pocket medical
162 expenses.

163 (e) On or before January 1 of 2019, 2020, and 2021, the
164 department shall report to the Governor, the President of the
165 Senate, and the Speaker of the House of Representatives on the
166 participation level, amount paid to enrollees, and cost-savings
167 to both the enrollees and the state resulting from the
168 implementation of this subsection.

169 (4) The department shall offer, as a voluntary supplemental
170 benefit option, international prescription services that offer
171 safe maintenance medications at a reduced cost to enrollees and
172 that meet the standards of the United States Food and Drug
173 Administration personal importation policy.

174 Section 3. Subsections (9) and (10) are added to section
175 110.12315, Florida Statutes, to read:

176 110.12315 Prescription drug program.—The state employees'
177 prescription drug program is established. This program shall be
178 administered by the Department of Management Services, according
179 to the terms and conditions of the plan as established by the
180 relevant provisions of the annual General Appropriations Act and
181 implementing legislation, subject to the following conditions:

182 (9) (a) Beginning with the 2020 plan year, the department
183 must implement formulary management for prescription drugs and
184 supplies. Such management practices must require prescription
185 drugs to be subject to formulary inclusion or exclusion but may



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186 not restrict access to the most clinically appropriate,
187 clinically effective, and lowest net-cost prescription drugs and
188 supplies. Drugs excluded from the formulary must be available
189 for inclusion if a physician, advanced registered nurse
190 practitioner, or physician assistant prescribing a
191 pharmaceutical clearly states on the prescription that the
192 excluded drug is medically necessary. Prescription drugs and
193 supplies first made available in the marketplace after January
194 1, 2020, may not be covered by the prescription drug program
195 until specifically included in the list of covered prescription
196 drugs and supplies.

197 (b) Not later than October 1, 2019, and by each October 1
198 thereafter, the department must submit to the Governor, the
199 President of the Senate, and the Speaker of the House of
200 Representatives the list of prescription drugs and supplies that
201 will be excluded from program coverage for the next plan year.
202 If the department proposes to exclude prescription drugs and
203 supplies after the plan year has commenced, the department must
204 provide notice to the Governor, the President of the Senate, and
205 the Speaker of the House of Representatives of such exclusions
206 at least 60 days before implementation of such exclusions.

207 (10) In addition to the comprehensive package of health
208 insurance and other benefits required or authorized to be
209 included in the state group insurance program, the program must
210 provide coverage for medically necessary prescription and
211 nonprescription enteral formulas and amino-acid-based elemental
212 formulas for home use, regardless of the method of delivery or
213 intake, which are ordered or prescribed by a physician. As used
214 in this subsection, the term "medically necessary" means the



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215 formula to be covered represents the only medically appropriate
216 source of nutrition for a patient. Such coverage may not exceed
217 an amount of \$20,000 annually for any insured individual.

218 Section 4. Effective December 31, 2019, section 8 of
219 chapter 99-255, Laws of Florida, is repealed.

220 Section 5. Effective January 1, 2020, section 627.6387,
221 Florida Statutes, is created to read:

222 627.6387 Shared savings incentive program.—

223 (1) This section and ss. 627.6648 and 641.31076 may be
224 cited as the "Patient Savings Act."

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

226 (a) "Health care provider" means a hospital or facility
227 licensed under chapter 395; an entity licensed under chapter
228 400; a health care practitioner as defined in s. 456.001; a
229 blood bank, plasma center, industrial clinic, or renal dialysis
230 facility; or a professional association, partnership,
231 corporation, joint venture, or other association for
232 professional activity by health care providers. The term
233 includes entities and professionals outside of this state with
234 an active, unencumbered license for an equivalent facility or
235 practitioner type issued by another state, the District of
236 Columbia, or a possession or territory of the United States.

237 (b) "Health insurer" means an authorized insurer offering
238 health insurance as defined in s. 624.603.

239 (c) "Shared savings incentive" means a voluntary and
240 optional financial incentive that a health insurer may provide
241 to an insured for choosing certain shoppable health care
242 services under a shared savings incentive program and may
243 include, but is not limited to, the incentives described in s.



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244 626.9541(4)(a).

245 (d) "Shared savings incentive program" means a voluntary
246 and optional incentive program established by a health insurer
247 pursuant to this section.

248 (e) "Shoppable health care service" means a lower-cost,
249 high-quality nonemergency health care service for which a shared
250 savings incentive is available for insureds under a health
251 insurer's shared savings incentive program. Shoppable health
252 care services may be provided within or outside of this state
253 and include, but are not limited to:

254 1. Clinical laboratory services.

255 2. Infusion therapy.

256 3. Inpatient and outpatient surgical procedures.

257 4. Obstetrical and gynecological services.

258 5. Inpatient and outpatient nonsurgical diagnostic tests
259 and procedures.

260 6. Physical and occupational therapy services.

261 7. Radiology and imaging services.

262 8. Prescription drugs.

263 9. Services provided through telehealth.

264 (3) A health insurer may offer a shared savings incentive
265 program to provide incentives to an insured when the insured
266 obtains a shoppable health care service from the health
267 insurer's shared savings list. An insured may not be required to
268 participate in a shared savings incentive program. A health
269 insurer that offers a shared savings incentive program must:

270 (a) Establish the program as a component part of the policy
271 or certificate of insurance provided by the health insurer and
272 notify the insureds and the office at least 30 days before



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273 program termination.

274 (b) File a description of the program on a form prescribed
275 by commission rule. The office must review the filing and
276 determine whether the shared savings incentive program complies
277 with this section.

278 (c) Notify an insured annually and at the time of renewal,
279 and an applicant for insurance at the time of enrollment, of the
280 availability of the shared savings incentive program and the
281 procedure to participate in the program.

282 (d) Publish on a webpage easily accessible to insureds and
283 to applicants for insurance a list of shoppable health care
284 services and health care providers and the shared savings
285 incentive amount applicable for each service. A shared savings
286 incentive may not be less than 25 percent of the savings
287 generated by the insured's participation in any shared savings
288 incentive offered by the health insurer. The baseline for the
289 savings calculation is the average in-network amount paid for
290 that service in the most recent 12-month period or some other
291 methodology established by the health insurer and approved by
292 the office.

293 (e) At least quarterly, credit or deposit the shared
294 savings incentive amount to the insured's account as a return or
295 reduction in premium, or credit the shared savings incentive
296 amount to the insured's flexible spending account, health
297 savings account, or health reimbursement account, such that the
298 amount does not constitute income to the insured.

299 (f) Submit an annual report to the office within 90
300 business days after the close of each plan year. At a minimum,
301 the report must include the following information:



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302 1. The number of insureds who participated in the program
303 during the plan year and the number of instances of
304 participation.

305 2. The total cost of services provided as a part of the
306 program.

307 3. The total value of the shared savings incentive payments
308 made to insureds participating in the program and the values
309 distributed as premium reductions, credits to flexible spending
310 accounts, credits to health savings accounts, or credits to
311 health reimbursement accounts.

312 4. An inventory of the shoppable health care services
313 offered by the health insurer.

314 (4) (a) A shared savings incentive offered by a health
315 insurer in accordance with this section:

316 1. Is not an administrative expense for rate development or
317 rate filing purposes.

318 2. Does not constitute an unfair method of competition or
319 an unfair or deceptive act or practice under s. 626.9541 and is
320 presumed to be appropriate unless credible data clearly
321 demonstrates otherwise.

322 (b) A shared saving incentive amount provided as a return
323 or reduction in premium reduces the health insurer's direct
324 written premium by the shared saving incentive dollar amount for
325 the purposes of the taxes in ss. 624.509 and 624.5091.

326 (5) The commission may adopt rules necessary to implement
327 and enforce this section.

328 Section 6. Effective January 1, 2020, section 627.6648,
329 Florida Statutes, is created to read:

330 627.6648 Shared savings incentive program.-



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331 (1) This section and ss. 627.6387 and 641.31076 may be
332 cited as the "Patient Savings Act."

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

334 (a) "Health care provider" means a hospital or facility
335 licensed under chapter 395; an entity licensed under chapter
336 400; a health care practitioner as defined in s. 456.001; a
337 blood bank, plasma center, industrial clinic, or renal dialysis
338 facility; or a professional association, partnership,
339 corporation, joint venture, or other association for
340 professional activity by health care providers. The term
341 includes entities and professionals outside of this state with
342 an active, unencumbered license for an equivalent facility or
343 practitioner type issued by another state, the District of
344 Columbia, or a possession or territory of the United States.

345 (b) "Health insurer" means an authorized insurer offering
346 health insurance as defined in s. 624.603. The term does not
347 include the state group health insurance program provided under
348 s. 110.123.

349 (c) "Shared savings incentive" means a voluntary and
350 optional financial incentive that a health insurer may provide
351 to an insured for choosing certain shoppable health care
352 services under a shared savings incentive program and may
353 include, but is not limited to, the incentives described in s.
354 626.9541(4)(a).

355 (d) "Shared savings incentive program" means a voluntary
356 and optional incentive program established by a health insurer
357 pursuant to this section.

358 (e) "Shoppable health care service" means a lower-cost,
359 high-quality nonemergency health care service for which a shared



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360 savings incentive is available for insureds under a health
361 insurer's shared savings incentive program. Shoppable health
362 care services may be provided within or outside of this state
363 and include, but are not limited to:
364 1. Clinical laboratory services.
365 2. Infusion therapy.
366 3. Inpatient and outpatient surgical procedures.
367 4. Obstetrical and gynecological services.
368 5. Inpatient and outpatient nonsurgical diagnostic tests
369 and procedures.
370 6. Physical and occupational therapy services.
371 7. Radiology and imaging services.
372 8. Prescription drugs.
373 9. Services provided through telehealth.
374 (3) A health insurer may offer a shared savings incentive
375 program to provide incentives to an insured when the insured
376 obtains a shoppable health care service from the health
377 insurer's shared savings list. An insured may not be required to
378 participate in a shared savings incentive program. A health
379 insurer that offers a shared savings incentive program must:
380 (a) Establish the program as a component part of the policy
381 or certificate of insurance provided by the health insurer and
382 notify the insureds and the office at least 30 days before
383 program termination.
384 (b) File a description of the program on a form prescribed
385 by commission rule. The office must review the filing and
386 determine whether the shared savings incentive program complies
387 with this section.
388 (c) Notify an insured annually and at the time of renewal,



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389 and an applicant for insurance at the time of enrollment, of the
390 availability of the shared savings incentive program and the
391 procedure to participate in the program.

392 (d) Publish on a webpage easily accessible to insureds and
393 to applicants for insurance a list of shoppable health care
394 services and health care providers and the shared savings
395 incentive amount applicable for each service. A shared savings
396 incentive may not be less than 25 percent of the savings
397 generated by the insured's participation in any shared savings
398 incentive offered by the health insurer. The baseline for the
399 savings calculation is the average in-network amount paid for
400 that service in the most recent 12-month period or some other
401 methodology established by the health insurer and approved by
402 the office.

403 (e) At least quarterly, credit or deposit the shared
404 savings incentive amount to the insured's account as a return or
405 reduction in premium, or credit the shared savings incentive
406 amount to the insured's flexible spending account, health
407 savings account, or health reimbursement account, such that the
408 amount does not constitute income to the insured.

409 (f) Submit an annual report to the office within 90
410 business days after the close of each plan year. At a minimum,
411 the report must include the following information:

412 1. The number of insureds who participated in the program
413 during the plan year and the number of instances of
414 participation.

415 2. The total cost of services provided as a part of the
416 program.

417 3. The total value of the shared savings incentive payments



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418 made to insureds participating in the program and the values
419 distributed as premium reductions, credits to flexible spending
420 accounts, credits to health savings accounts, or credits to
421 health reimbursement accounts.

422 4. An inventory of the shoppable health care services
423 offered by the health insurer.

424 (4) (a) A shared savings incentive offered by a health
425 insurer in accordance with this section:

426 1. Is not an administrative expense for rate development or
427 rate filing purposes.

428 2. Does not constitute an unfair method of competition or
429 an unfair or deceptive act or practice under s. 626.9541 and is
430 presumed to be appropriate unless credible data clearly
431 demonstrates otherwise.

432 (b) A shared saving incentive amount provided as a return
433 or reduction in premium reduces the health insurer's direct
434 written premium by the shared saving incentive dollar amount for
435 the purposes of the taxes in ss. 624.509 and 624.5091.

436 (5) The commission may adopt rules necessary to implement
437 and enforce this section.

438 Section 7. Effective January 1, 2020, section 641.31076,
439 Florida Statutes, is created to read:

440 641.31076 Shared savings incentive program.-

441 (1) This section and ss. 627.6387 and 627.6648 may be cited
442 as the "Patient Savings Act."

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

444 (a) "Health care provider" means a hospital or facility
445 licensed under chapter 395; an entity licensed under chapter
446 400; a health care practitioner as defined in s. 456.001; a



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447 blood bank, plasma center, industrial clinic, or renal dialysis
448 facility; or a professional association, partnership,
449 corporation, joint venture, or other association for
450 professional activity by health care providers. The term
451 includes entities and professionals outside of this state with
452 an active, unencumbered license for an equivalent facility or
453 practitioner type issued by another state, the District of
454 Columbia, or a possession or territory of the United States.

455 (b) "Health maintenance organization" has the same meaning
456 as provided in s. 641.19. The term does not include the state
457 group health insurance program provided under s. 110.123.

458 (c) "Shared savings incentive" means a voluntary and
459 optional financial incentive that a health maintenance
460 organization may provide to a subscriber for choosing certain
461 shoppable health care services under a shared savings incentive
462 program and may include, but is not limited to, the incentives
463 described in s. 641.3903(15).

464 (d) "Shared savings incentive program" means a voluntary
465 and optional incentive program established by a health
466 maintenance organization pursuant to this section.

467 (e) "Shoppable health care service" means a lower-cost,
468 high-quality nonemergency health care service for which a shared
469 savings incentive is available for subscribers under a health
470 maintenance organization's shared savings incentive program.
471 Shoppable health care services may be provided within or outside
472 of this state and include, but are not limited to:

- 473 1. Clinical laboratory services.
- 474 2. Infusion therapy.
- 475 3. Inpatient and outpatient surgical procedures.



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476 4. Obstetrical and gynecological services.
477 5. Inpatient and outpatient nonsurgical diagnostic tests
478 and procedures.
479 6. Physical and occupational therapy services.
480 7. Radiology and imaging services.
481 8. Prescription drugs.
482 9. Services provided through telehealth.
483 (3) A health maintenance organization may offer a shared
484 savings incentive program to provide incentives to a subscriber
485 when the subscriber obtains a shoppable health care service from
486 the health maintenance organization's shared savings list. A
487 subscriber may not be required to participate in a shared
488 savings incentive program. A health maintenance organization
489 that offers a shared savings incentive program must:
490 (a) Establish the program as a component part of the
491 contract of coverage provided by the health maintenance
492 organization and notify the subscribers and the office at least
493 30 days before program termination.
494 (b) File a description of the program on a form prescribed
495 by commission rule. The office must review the filing and
496 determine whether the shared savings incentive program complies
497 with this section.
498 (c) Notify a subscriber annually and at the time of
499 renewal, and an applicant for coverage at the time of
500 enrollment, of the availability of the shared savings incentive
501 program and the procedure to participate in the program.
502 (d) Publish on a webpage easily accessible to subscribers
503 and to applicants for coverage a list of shoppable health care
504 services and health care providers and the shared savings



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505 incentive amount applicable for each service. A shared savings
506 incentive may not be less than 25 percent of the savings
507 generated by the subscriber's participation in any shared
508 savings incentive offered by the health maintenance
509 organization. The baseline for the savings calculation is the
510 average in-network amount paid for that service in the most
511 recent 12-month period or some other methodology established by
512 the health maintenance organization and approved by the office.

513 (e) At least quarterly, credit or deposit the shared
514 savings incentive amount to the subscriber's account as a return
515 or reduction in premium, or credit the shared savings incentive
516 amount to the subscriber's flexible spending account, health
517 savings account, or health reimbursement account, such that the
518 amount does not constitute income to the subscriber.

519 (f) Submit an annual report to the office within 90
520 business days after the close of each plan year. At a minimum,
521 the report must include the following information:

522 1. The number of subscribers who participated in the
523 program during the plan year and the number of instances of
524 participation.

525 2. The total cost of services provided as a part of the
526 program.

527 3. The total value of the shared savings incentive payments
528 made to subscribers participating in the program and the values
529 distributed as premium reductions, credits to flexible spending
530 accounts, credits to health savings accounts, or credits to
531 health reimbursement accounts.

532 4. An inventory of the shoppable health care services
533 offered by the health maintenance organization.



534 (4) A shared savings incentive offered by a health
535 maintenance organization in accordance with this section:

536 (a) Is not an administrative expense for rate development
537 or rate filing purposes.

538 (b) Does not constitute an unfair method of competition or
539 an unfair or deceptive act or practice under s. 641.3903 and is
540 presumed to be appropriate unless credible data clearly
541 demonstrates otherwise.

542 (5) The commission may adopt rules necessary to implement
543 and enforce this section.

544 Section 8. The Division of State Group Insurance within the
545 Department of Management Services is directed to analyze the
546 efficiency and effectiveness of providing health coverage by
547 health maintenance organizations to enrollees participating in
548 the state group insurance program on a county basis, on a
549 regional basis, and on a statewide basis. Not later than January
550 1, 2020, the division shall recommend to the Governor, the
551 President of the Senate, and the Speaker of the House of
552 Representatives the service areas the division determines to be
553 the most efficient and effective to provide health insurance
554 coverage for the 2023 plan year.

555 Section 9. Except as otherwise expressly provided in this
556 act, this act shall take effect July 1, 2019.

558 ===== T I T L E A M E N D M E N T =====

559 And the title is amended as follows:

560 Delete everything before the enacting clause
561 and insert:

562 A bill to be entitled



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563 An act relating to health insurance; amending s.
564 110.123, F.S.; requiring that certain contracts under
565 the state group insurance program which are executed,
566 renewed, or extended after a certain date require the
567 contractor to accommodate changes to the law that
568 occur during the term of the contract; authorizing the
569 parties to the contract to make certain modifications
570 to the contract; amending s. 110.12303, F.S.; removing
571 an obsolete date; adding products and services offered
572 by certain entities to a list of products and services
573 that may be included in the package of health
574 insurance and other benefits under the state group
575 insurance program; requiring the Department of
576 Management Services to offer, as a voluntary
577 supplemental benefit option, certain international
578 prescription services; amending s. 110.12315, F.S.;
579 requiring the department to implement formulary
580 management cost-saving measures beginning with the
581 2020 plan year; specifying requirements for such
582 measures; providing that certain prescription drugs
583 and supplies may not be covered until specifically
584 included in the formulary; requiring the department to
585 report to the Governor and the Legislature regarding
586 formulary exclusions by a specified date and annually
587 thereafter; requiring the coverage of certain
588 medically necessary enteral formulas and elemental
589 formulas; defining the term "medically necessary";
590 specifying an annual coverage limit; repealing s. 8 of
591 ch. 99-255, Laws of Florida, relating to a restriction



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592 prohibiting the department from implementing prior
593 authorization or restricted formulary programs within
594 the state employees' prescription drug program;
595 creating ss. 627.6387, 627.6648, and 641.31076, F.S.;
596 providing a short title; defining terms; authorizing
597 individual and group health insurers and health
598 maintenance organizations, respectively, to offer
599 shared savings incentive programs to insureds and
600 subscribers; providing that insureds and subscribers
601 are not required to participate in such programs;
602 specifying requirements for health insurers and health
603 maintenance organizations offering such programs;
604 requiring the Office of Insurance Regulation to review
605 filed descriptions of programs and make a certain
606 determination; providing notification and account
607 credit or deposit requirements for insurers and health
608 maintenance organizations; specifying the minimum
609 shared savings incentive and the basis for calculating
610 savings; specifying requirements for annual reports
611 submitted by health insurers and health maintenance
612 organizations to the office; providing construction;
613 providing that certain shared saving incentive amounts
614 reduce a health insurer's direct written premium for
615 purposes of the insurance premium tax and the
616 retaliatory tax; authorizing the Financial Services
617 Commission to adopt rules; requiring the Division of
618 State Group Insurance within the department to analyze
619 the efficiency and effectiveness of providing health
620 coverage by health maintenance organizations by



640584

621 specified bases to state group insurance program
622 enrollees; requiring the division to make a certain
623 recommendation to the Governor and the Legislature by
624 a certain date; providing effective dates.