

Amendment No.

CHAMBER ACTION

Senate

House

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Representative Gregory offered the following:

**Amendment (with title amendment)**

Remove everything after the enacting clause and insert:

Section 1. Paragraph (b) of subsection (1) of section 624.438, Florida Statutes, is amended to read:

624.438 General eligibility.—

(1) To meet the requirements for issuance of a certificate of authority and to maintain a multiple-employer welfare arrangement, an arrangement:

(b) ~~1-~~ Must be established by a trade association, industry association, ~~or~~ professional association of employers or professionals, or a bona fide group as defined in 29 C.F.R. part

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14 2510.3-5 which has a constitution or bylaws specifically stating  
15 its purpose and which has been organized ~~and maintained in good~~  
16 ~~faith for a continuous period of 1 year~~ for purposes in addition  
17 to other than that of obtaining or providing insurance.

18 ~~2. Must not combine member employers from disparate~~  
19 ~~trades, industries, or professions as defined by the appropriate~~  
20 ~~licensing agencies, and must not combine member employers from~~  
21 ~~more than one of the employer categories defined in sub-~~  
22 ~~subparagraphs a.-c.~~

23 ~~1.a.~~ A trade association consists of member employers who  
24 are in the same trade as recognized by the appropriate licensing  
25 agency.

26 ~~2.b.~~ An industry association consists of member employers  
27 who are in the same major group code, as defined by the Standard  
28 Industrial Classification Manual issued by the federal Office of  
29 Management and Budget, unless restricted by subparagraph 1. ~~sub-~~  
30 ~~subparagraph a.~~ or subparagraph 3 ~~sub-subparagraph c.~~

31 ~~3.e.~~ A professional association consists of member  
32 employers who are of the same profession as recognized by the  
33 appropriate licensing agency.

34  
35 The requirements of this paragraph ~~subparagraph~~ do not apply to  
36 an arrangement licensed before ~~prior to~~ April 1, 1995,  
37 regardless of the nature of its business. However, an  
38 arrangement exempt from the requirements of this paragraph

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39 ~~subparagraph~~ may not expand the nature of its business beyond  
40 that set forth in the articles of incorporation of its  
41 sponsoring association as of April 1, 1995, except as authorized  
42 in this paragraph ~~subparagraph~~.

43 Section 2. Section 627.443, Florida Statutes, is created  
44 to read:

45 627.443 Essential health benefits.—

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

47 (a) "EHB-benchmark plan" has the same meaning as provided  
48 in 45 C.F.R. s. 156.20.

49 (b) "PPACA" has the same meaning as in s. 627.402.

50 (2) A health insurer or health maintenance organization  
51 issuing or delivering an individual or a group health insurance  
52 policy or health maintenance contract in this state may create a  
53 new health insurance policy or health maintenance contract that:

54 (a) Must include at least one service or coverage under  
55 each of the 10 essential health benefits categories under 42  
56 U.S.C. s. 18022(b) which are required under PPACA;

57 (b) May fulfill the requirement in paragraph (a) by  
58 selecting one or more services or coverages for each of the  
59 required categories from the list of essential health benefits  
60 required by any single state or multiple states; and

61 (c) May comply with paragraphs (a) and (b) by selecting  
62 one or more services or coverages from any one or more of the

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63 required categories of essential health benefits from one state  
64 or multiple states.

65 (3) This section specifically authorizes an insurer or  
66 health maintenance organization to include any combination of  
67 services or coverages required by any one or a combination of  
68 states to provide the 10 categories of essential health benefits  
69 required under PPACA in a policy or contract issued in this  
70 state.

71 (4) Health insurance policies and health maintenance  
72 contracts created by health insurers and health maintenance  
73 organizations under this section:

74 (a) May be submitted to the office for consideration as  
75 part of the office's study of this state's essential health  
76 benefits benchmark plan; and

77 (b) May also be submitted to the office for evaluation as  
78 equivalent to the current state EHB-benchmark plan or to any  
79 EHB-benchmark plan created in the future.

80 Section 3. Subsection (3) of section 627.6045, Florida  
81 Statutes, is amended to read:

82 627.6045 Preexisting condition.—A health insurance policy  
83 must comply with the following:

84 (3) This section does not apply to short-term,  
85 ~~nonrenewable health insurance policies of no more than a 6-month~~  
86 ~~policy term~~, provided that it is clearly disclosed to the  
87 applicant in the advertising and application, in 14-point 10-

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88 ~~point~~ contrasting type, that "This policy does not meet the  
89 definition of qualifying previous coverage or qualifying  
90 existing coverage as defined in s. 627.6699. As a result, if  
91 purchased in lieu of a conversion policy or other group  
92 coverage, you may have to meet a preexisting condition  
93 requirement when renewing or purchasing other coverage."

94 Section 4. Section 627.6046, Florida Statutes, is created  
95 to read:

96 627.6046 Limit on preexisting conditions.-

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

98 (a) "Operative date" means the date on which either of the  
99 following occurs with respect to the Patient Protection and  
100 Affordable Care Act, Pub. L. No. 111-148, as amended by the  
101 Health Care and Education Reconciliation Act of 2010, Pub. L.  
102 No. 111-152 (PPACA):

103 1. A federal law is enacted which expressly repeals PPACA;

104 or

105 2. PPACA is invalidated by the United States Supreme  
106 Court.

107 (b) "Preexisting medical condition" means a condition that  
108 was present before the effective date of coverage under a  
109 policy, whether or not any medical advice, diagnosis, care, or  
110 treatment was recommended or received before the effective date  
111 of coverage. The term includes a condition identified as a  
112 result of a preenrollment questionnaire or physical examination

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113 given to the individual, or review of medical records relating  
114 to the preenrollment period.

115 (2) (a) Not later than 30 days after the operative date,  
116 and notwithstanding s. 627.6045 or any other law to the  
117 contrary, every insurer issuing, delivering, or issuing for  
118 delivery comprehensive major medical individual health insurance  
119 policies in this state shall make at least one comprehensive  
120 major medical health insurance policy available to residents in  
121 the insurer's approved service areas of this state, and such  
122 insurer may not exclude, limit, deny, or delay coverage under  
123 such policy due to one or more preexisting medical conditions.

124 (b) An insurer may not limit or exclude benefits under  
125 such policy, including a denial of coverage applicable to an  
126 individual as a result of information relating to an  
127 individual's health status before the individual's effective  
128 date of coverage, or if coverage is denied, the date of the  
129 denial.

130 (3) The comprehensive major medical health insurance  
131 policy that the insurer is required to offer under this section  
132 must be a policy that had been actively marketed in this state  
133 by the insurer as of the operative date and that was also  
134 actively marketed in this state during the year immediately  
135 preceding the operative date.

136 Section 5. Section 627.6426, Florida Statutes, is created  
137 to read:

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138 627.6426 Short-term health insurance.-

139 (1) For purposes of this part, the term "short-term health  
140 insurance" means health insurance coverage provided by an issuer  
141 with an expiration date specified in the contract that is less  
142 than 12 months after the original effective date of the contract  
143 and, taking into account renewals or extensions, has a duration  
144 not to exceed 36 months in total.

145 (2) All contracts for short-term health insurance entered  
146 into by an issuer and an individual seeking coverage shall  
147 include the following disclosure:

148  
149 "This coverage is not required to comply with certain federal  
150 market requirements for health insurance, principally those  
151 contained in the Patient Protection and Affordable Care Act. Be  
152 sure to check your policy carefully to make sure you are aware  
153 of any exclusions or limitations regarding coverage of  
154 preexisting conditions or health benefits (such as  
155 hospitalization, emergency services, maternity care, preventive  
156 care, prescription drugs, and mental health and substance use  
157 disorder services). Your policy might also have lifetime and/or  
158 annual dollar limits on health benefits. If this coverage  
159 expires or you lose eligibility for this coverage, you might  
160 have to wait until an open enrollment period to get other health  
161 insurance coverage."

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162 Section 6. Section 627.6525, Florida Statutes, is created  
163 to read:

164 627.6525 Short-term health insurance.-

165 (1) For purposes of this part, the term "short-term health  
166 insurance" means a group, blanket, or franchise policy of health  
167 insurance coverage provided by an issuer with an expiration date  
168 specified in the contract that is less than 12 months after the  
169 original effective date of the contract and, taking into account  
170 renewals or extensions, has a duration not to exceed 36 months  
171 in total.

172 (2) All contracts for short-term health insurance entered  
173 into by an issuer and a party seeking coverage shall include the  
174 following disclosure:

175  
176 "This coverage is not required to comply with certain federal  
177 market requirements for health insurance, principally those  
178 contained in the Patient Protection and Affordable Care Act. Be  
179 sure to check your policy carefully to make sure you are aware  
180 of any exclusions or limitations regarding coverage of  
181 preexisting conditions or health benefits (such as  
182 hospitalization, emergency services, maternity care, preventive  
183 care, prescription drugs, and mental health and substance use  
184 disorder services). Your policy might also have lifetime and/or  
185 annual dollar limits on health benefits. If this coverage  
186 expires or you lose eligibility for this coverage, you might

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187 have to wait until an open enrollment period to get other health  
188 insurance coverage."

189 Section 7. Subsection (1) of section 627.654, Florida  
190 Statutes, is amended to read:

191 627.654 Labor union, association, and small employer  
192 health alliance groups.—

193 (1) (a) A bona fide group or association of employers, as  
194 defined in 29 C.F.R. part 2510.3-5, or a group of individuals  
195 may be insured under a policy issued to an association,  
196 including a labor union, which association has a constitution  
197 and bylaws and not less than 25 individual members and which has  
198 been organized and has been maintained in good faith for a  
199 period of 1 year for purposes in addition to other than that of  
200 obtaining insurance, or to the trustees of a fund established by  
201 such an association, which association or trustees shall be  
202 deemed the policyholder, insuring at least 15 individual members  
203 of the association for the benefit of persons other than the  
204 officers of the association, the association, or trustees.

205 (b) A small employer, as defined in s. 627.6699 and  
206 including the employer's eligible employees and the spouses and  
207 dependents of such employees, may be insured under a policy  
208 issued to a small employer health alliance by a carrier as  
209 defined in s. 627.6699. ~~A small employer health alliance must be~~  
210 ~~organized as a not-for-profit corporation under chapter 617.~~  
211 ~~Notwithstanding any other law, if a small employer member of an~~

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212 ~~alliance loses eligibility to purchase health care through the~~  
213 ~~alliance solely because the business of the small employer~~  
214 ~~member expands to more than 50 and fewer than 75 eligible~~  
215 ~~employees, the small employer member may, at its next renewal~~  
216 ~~date, purchase coverage through the alliance for not more than 1~~  
217 ~~additional year. A small employer health alliance shall~~  
218 ~~establish conditions of participation in the alliance by a small~~  
219 ~~employer, including, but not limited to:~~

220 ~~1. Assurance that the small employer is not formed for the~~  
221 ~~purpose of securing health benefit coverage.~~

222 ~~2. Assurance that the employees of a small employer have~~  
223 ~~not been added for the purpose of securing health benefit~~  
224 ~~coverage.~~

225 Section 8. Section 627.65612, Florida Statutes, is created  
226 to read:

227 627.65612 Limit on preexisting conditions.—

228 (1) As used in this section, the terms "operative date"  
229 and "preexisting medical condition" have the same meanings as  
230 provided in s. 627.6046.

231 (2) (a) Not later than 30 days after the operative date,  
232 and notwithstanding s. 627.6561 or any other law to the  
233 contrary, every insurer issuing, delivering, or issuing for  
234 delivery comprehensive major medical group health insurance  
235 policies in this state shall make at least one comprehensive  
236 major medical health insurance policy available to residents in

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237 the insurer's approved service areas of this state, and such  
238 insurer may not exclude, limit, deny, or delay coverage under  
239 such policy due to one or more preexisting medical conditions.

240 (b) An insurer may not limit or exclude benefits under  
241 such policy, including a denial of coverage applicable to an  
242 individual as a result of information relating to an  
243 individual's health status before the individual's effective  
244 date of coverage, or if coverage is denied, the date of the  
245 denial.

246 (3) The comprehensive major medical health insurance  
247 policy that the insurer is required to offer under this section  
248 must be a policy that had been actively marketed in this state  
249 by the insurer as of the operative date and that was also  
250 actively marketed in this state during the year immediately  
251 preceding the operative date.

252 Section 9. Subsection (45) is added to section 641.31,  
253 Florida Statutes, to read:

254 641.31 Health maintenance contracts.-

255 (45) (a) As used in this subsection, the terms "operative  
256 date" and "preexisting medical condition" have the same meanings  
257 as provided in s. 627.6046.

258 (b) Not later than 30 days after the operative date, and  
259 notwithstanding s. 641.31071 or any other law to the contrary,  
260 every health maintenance organization issuing, delivering, or  
261 issuing for delivery comprehensive major medical individual or

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262 group contracts in this state shall make at least one  
263 comprehensive major medical health maintenance contract  
264 available to residents in the health maintenance organization's  
265 approved service areas of this state, and such health  
266 maintenance organization may not exclude, limit, deny, or delay  
267 coverage under such contract due to one or more preexisting  
268 medical conditions. A health maintenance organization may not  
269 limit or exclude benefits under such contract, including a  
270 denial of coverage applicable to an individual as a result of  
271 information relating to an individual's health status before the  
272 individual's effective date of coverage, or if coverage is  
273 denied, the date of the denial.

274 (c) The comprehensive major medical health maintenance  
275 contract the health maintenance organization is required to  
276 offer under this section must be a contract that had been  
277 actively marketed in this state by the health maintenance  
278 organization as of the operative date and that was also actively  
279 marketed in this state during the year immediately preceding the  
280 operative date.

281 Section 10. Study of state essential health benefits  
282 benchmark plan; report.-

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

284 (a) "EHB-benchmark plan" has the same meaning as provided  
285 in 45 C.F.R. s. 156.20.

286 (b) "Office" means the Office of Insurance Regulation.

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287 (2) The office shall conduct a study to evaluate this  
288 state's current EHB-benchmark plan for nongrandfathered  
289 individual and group health plans and options for changing the  
290 EHB-benchmark plan pursuant to 45 C.F.R. s. 156.111 for future  
291 plan years. In conducting the study, the office shall:

292 (a) Consider EHB-benchmark plans and benefits under the 10  
293 essential health benefits categories established under 45 C.F.R.  
294 s. 156.110(a) which are used by the other 49 states;

295 (b) Compare the costs of benefits within such categories  
296 and overall costs of EHB-benchmark plans used by other states  
297 with the costs of benefits within the categories and overall  
298 costs of the current EHB-benchmark plan of this state; and

299 (c) Solicit and consider proposed individual and group  
300 health plans from health insurers and health maintenance  
301 organizations in developing recommendations for changes to the  
302 current EHB-benchmark plan.

303 (3) By October 30, 2019, the office shall submit a report  
304 to the Governor, the President of the Senate, and the Speaker of  
305 the House of Representatives which must include recommendations  
306 for changing the current EHB-benchmark plan to provide  
307 comprehensive care at a lower cost than this state's current  
308 EHB-benchmark plan. In its report, the office shall provide an  
309 analysis as to whether proposed health plans it receives under  
310 paragraph (2) (c) meet the requirements for an EHB-benchmark plan  
311 under 45 C.F.R. s. 156.111(b).

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312           Section 11. If any provision of this act or its  
313 application to any person or circumstance is held invalid, the  
314 invalidity does not affect other provisions or applications of  
315 the act which can be given effect without the invalid provision  
316 or application, and to this end the provisions of this act are  
317 severable.

318           Section 12. This act shall take effect upon becoming a  
319 law.

320

321 -----

322                                   **T I T L E   A M E N D M E N T**

323           Remove everything before the enacting clause and insert:

324                                   A bill to be entitled

325           An act relating to health plans; amending s. 624.438,  
326 F.S.; revising eligibility requirements for multiple-  
327 employer welfare arrangements; creating s. 627.443,  
328 F.S.; defining the terms "EHB-benchmark plan" and  
329 "PPACA"; authorizing health insurers and health  
330 maintenance organizations to create new health  
331 insurance policies and health maintenance contracts  
332 meeting certain criteria for essential health benefits  
333 under the federal Patient Protection and Affordable  
334 Care Act (PPACA); providing that such criteria may be  
335 met by certain means; providing construction;  
336 providing that such policies and contracts created by

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337 health insurers and health maintenance organizations  
338 may be submitted to the Office of Insurance Regulation  
339 for certain purposes; amending s. 627.6045, F.S.;  
340 revising applicability; revising font size for  
341 disclosure; creating ss. 627.6046 and 627.65612, F.S.;  
342 defining the terms "operative date" and "preexisting  
343 medical condition" with respect to individual and  
344 group health insurance policies, respectively;  
345 requiring insurers, contingent upon the occurrence of  
346 either of two specified events, to make at least one  
347 comprehensive major medical health insurance policy  
348 available to certain individuals within a specified  
349 timeframe; prohibiting such insurers from excluding,  
350 limiting, denying, or delaying coverage under such  
351 policy due to preexisting medical conditions;  
352 requiring such policy to have been actively marketed  
353 on a specified date and during a certain timeframe  
354 before that date; providing applicability; creating  
355 ss. 627.6426 and 627.6525, F.S.; defining the term  
356 "short-term health insurance"; providing disclosure  
357 requirements for short-term health insurance policies;  
358 amending s. 627.654, F.S.; revising requirements for  
359 association and small employer policies; providing  
360 construction; amending s. 641.31, F.S.; defining the  
361 terms "operative date" and "preexisting medical

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362 condition" with respect to health maintenance  
363 contracts; requiring health maintenance organizations,  
364 contingent upon the occurrence of either of two  
365 specified events, to make at least one comprehensive  
366 major medical health maintenance contract available to  
367 certain individuals within a specified timeframe;  
368 prohibiting such health maintenance organizations from  
369 excluding, limiting, denying, or delaying coverage  
370 under such contract due to preexisting medical  
371 conditions; requiring such contract to have been  
372 actively marketed on a specified date and during a  
373 certain timeframe before that date; defining the terms  
374 "EHB-benchmark plan" and "office"; requiring the  
375 office to conduct a study evaluating this state's  
376 current benchmark plan for essential health benefits  
377 under PPACA and options for changing the benchmark  
378 plan for future plan years; requiring the office, in  
379 conducting the study, to consider plans and certain  
380 benefits used by other states and to compare costs  
381 with those of this state; requiring the office to  
382 solicit and consider proposed health plans from health  
383 insurers and health maintenance organizations in  
384 developing recommendations; requiring the office, by a  
385 certain date, to provide a report with certain  
386 recommendations and a certain analysis to the Governor

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387 | and the Legislature; providing for severability;  
388 | providing an effective date.

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