

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

ADOPTED	___	(Y/N)
ADOPTED AS AMENDED	___	(Y/N)
ADOPTED W/O OBJECTION	___	(Y/N)
FAILED TO ADOPT	___	(Y/N)
WITHDRAWN	___	(Y/N)
OTHER	_____	

1 Committee/Subcommittee hearing bill: Health & Human Services
2 Committee

3 Representative Gregory offered the following:

4
5 **Amendment (with title amendment)**

6 Remove everything after the enacting clause and insert:

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

9 624.438 General eligibility.—

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

13 (b)~~1.~~ Must be established by a trade association, industry
14 association, ~~or~~ professional association of employers or
15 professionals, or a bona fide group as defined in 29 C.F.R. part
16 2510.3-5 which has a constitution or bylaws specifically stating

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17 its purpose and which has been organized ~~and maintained in good~~
18 ~~faith for a continuous period of 1 year~~ for purposes in addition
19 to other than that of obtaining or providing insurance.

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

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

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

33 3.c. A professional association consists of member employers
34 who are of the same profession as recognized by the appropriate
35 licensing agency.

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

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42 that set forth in the articles of incorporation of its
43 sponsoring association as of April 1, 1995, except as authorized
44 in this paragraph ~~subparagraph~~.

45 Section 2. Subsection (3) of section 627.6045, Florida
46 Statutes, is amended to read:

47 627.6045 Preexisting condition.—A health insurance policy
48 must comply with the following:

49 (3) This section does not apply to short-term,
50 ~~nonrenewable~~ health insurance ~~policies of no more than a 6-month~~
51 ~~policy term~~, provided that it is clearly disclosed to the
52 applicant in the advertising and application, in 14-point ~~10-~~
53 ~~point~~ contrasting type, that "This policy does not meet the
54 definition of qualifying previous coverage or qualifying
55 existing coverage as defined in s. 627.6699. As a result, if
56 purchased in lieu of a conversion policy or other group
57 coverage, you may have to meet a preexisting condition
58 requirement when renewing or purchasing other coverage."

59 Section 3. Section 627.6046, Florida Statutes, is created
60 to read:

61 627.6046 Limit on preexisting conditions.—

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

63 (a) "Operative date" means the date on which either of the
64 following occurs with respect to the Patient Protection and
65 Affordable Care Act, Pub. L. No. 111-148, as amended by the

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66 Health Care and Education Reconciliation Act of 2010, Pub. L.
67 No. 111-152 (PPACA):

68 1. A federal law is enacted which expressly repeals PPACA;
69 or

70 2. PPACA is invalidated by the United States Supreme
71 Court.

72 (b) "Preexisting medical condition" means a condition that
73 was present before the effective date of coverage under a
74 policy, whether or not any medical advice, diagnosis, care, or
75 treatment was recommended or received before the effective date
76 of coverage. The term includes a condition identified as a
77 result of a preenrollment questionnaire or physical examination
78 given to the individual, or review of medical records relating
79 to the preenrollment period.

80 (2) (a) Not later than 30 days after the operative date,
81 and notwithstanding s. 627.6045 or any other law to the
82 contrary, every insurer issuing, delivering, or issuing for
83 delivery individual health insurance policies in this state
84 shall make at least one comprehensive major medical health
85 insurance policy available to residents in the insurer's
86 approved service areas of this state, and such insurer may not
87 exclude, limit, deny, or delay coverage under such policy due to
88 one or more preexisting medical conditions.

89 (b) An insurer may not limit or exclude benefits under
90 such policy, including a denial of coverage applicable to an

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91 individual as a result of information relating to an
92 individual's health status before the individual's effective
93 date of coverage, or if coverage is denied, the date of the
94 denial.

95 (3) The comprehensive major medical health insurance
96 policy that the insurer is required to offer under this section
97 must be a policy that had been actively marketed in this state
98 by the insurer as of the operative date and that was also
99 actively marketed in this state during the year immediately
100 preceding the operative date.

101 (4) This section does not apply to an insurer that issues
102 only limited benefit, disability income, short-term health
103 insurance, specified disease, Medicare supplement, or hospital
104 indemnity policies in this state.

105 Section 4. Study of state essential health benefits
106 benchmark plan; report.—

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

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

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

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

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

119 (b) Compare the costs of benefits within such categories
120 and overall costs of EHB-benchmark plans used by other states
121 with the costs of benefits within the categories and overall
122 costs of the current EHB-benchmark plan of this state; and

123 (c) Solicit and consider proposed individual and group
124 health plans from health insurers and health maintenance
125 organizations in developing recommendations for changes to the
126 current EHB-benchmark plan.

127 (3) By October 30, 2019, the office shall submit a report
128 to the Governor, the President of the Senate, and the Speaker of
129 the House of Representatives which must include recommendations
130 for changing the current EHB-benchmark plan to provide
131 comprehensive care at a lower cost than this state's current
132 EHB-benchmark plan. In its report, the office shall provide an
133 analysis as to whether proposed health plans it receives under
134 paragraph (2)(c) meet the requirements for an EHB-benchmark plan
135 under 45 C.F.R. s. 156.111(b).

136 (4) Health plans created by health insurers and health
137 maintenance organizations under this section:

138 (a) May be submitted to the office for consideration as
139 part of the study under this section; and

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

143 Section 5. Section 627.443, Florida Statutes, is created
144 to read:

145 627.443 Essential health benefits.—

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

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

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

150 (2) A health insurer or health maintenance organization
151 issuing or delivering an individual or a group health insurance
152 policy or health maintenance contract in this state may create a
153 new health insurance policy or health maintenance contract that:

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

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

161 (c) May comply with paragraphs (a) and (b) by selecting
162 one or more services or coverages from any one or more of the
163 required categories of essential health benefits from one state
164 or multiple states.

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165 (3) This section specifically authorizes an insurer or
166 health maintenance organization to include any combination of
167 services or coverages required by any one or a combination of
168 states to provide the 10 categories of essential health benefits
169 required under PPACA in a policy or contract issued in this
170 state.

171 (4) Health insurance policies and health maintenance
172 contracts created by health insurers and health maintenance
173 organizations under this section:

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

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

180 Section 6. Section 627.6426, Florida Statutes, is created
181 to read:

182 627.6426 Short-term health insurance.-

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

189 (2) All contracts for short-term health insurance entered

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190 into by an issuer and an individual seeking coverage shall
191 include the following disclosure:

192
193 "This coverage is not required to comply with certain federal
194 market requirements for health insurance, principally those
195 contained in the Patient Protection and Affordable Care Act. Be
196 sure to check your policy carefully to make sure you are aware
197 of any exclusions or limitations regarding coverage of
198 preexisting conditions or health benefits (such as
199 hospitalization, emergency services, maternity care, preventive
200 care, prescription drugs, and mental health and substance use
201 disorder services). Your policy might also have lifetime and/or
202 annual dollar limits on health benefits. If this coverage
203 expires or you lose eligibility for this coverage, you might
204 have to wait until an open enrollment period to get other health
205 insurance coverage."

206 Section 7. Section 627.6525, Florida Statutes, is created
207 to read:

208 627.6525 Short-term health insurance.—

209 (1) For purposes of this part, the term "short-term health
210 insurance" means a group, blanket, or franchise policy of health
211 insurance coverage provided by an issuer with an expiration date
212 specified in the contract that is less than 12 months after the
213 original effective date of the contract and, taking into account
214 renewals or extensions, has a duration not to exceed 36 months

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215 in total.

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

219
220 "This coverage is not required to comply with certain federal
221 market requirements for health insurance, principally those
222 contained in the Patient Protection and Affordable Care Act. Be
223 sure to check your policy carefully to make sure you are aware
224 of any exclusions or limitations regarding coverage of
225 preexisting conditions or health benefits (such as
226 hospitalization, emergency services, maternity care, preventive
227 care, prescription drugs, and mental health and substance use
228 disorder services). Your policy might also have lifetime and/or
229 annual dollar limits on health benefits. If this coverage
230 expires or you lose eligibility for this coverage, you might
231 have to wait until an open enrollment period to get other health
232 insurance coverage."

233 Section 8. Subsection (1) of section 627.654, Florida
234 Statutes, is amended to read:

235 627.654 Labor union, association, and small employer
236 health alliance groups.—

237 (1) (a) A bona fide group or association of employers, as
238 defined in 29 C.F.R. part 2510.3-5, or a group of individuals
239 may be insured under a policy issued to an association,

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240 including a labor union, which association has a constitution
241 and bylaws ~~and not less than 25 individual members~~ and which has
242 been organized ~~and has been maintained in good faith for a~~
243 ~~period of 1 year~~ for purposes in addition to ~~other than~~ that of
244 obtaining insurance, or to the trustees of a fund established by
245 such an association, which association or trustees shall be
246 deemed the policyholder, insuring at least 15 individual members
247 of the association for the benefit of persons other than the
248 officers of the association, the association, or trustees.

249 (b) A small employer, as defined in s. 627.6699 and
250 including the employer's eligible employees and the spouses and
251 dependents of such employees, may be insured under a policy
252 issued to a small employer health alliance by a carrier as
253 defined in s. 627.6699. ~~A small employer health alliance must be~~
254 ~~organized as a not-for-profit corporation under chapter 617.~~
255 ~~Notwithstanding any other law, if a small employer member of an~~
256 ~~alliance loses eligibility to purchase health care through the~~
257 ~~alliance solely because the business of the small employer~~
258 ~~member expands to more than 50 and fewer than 75 eligible~~
259 ~~employees, the small employer member may, at its next renewal~~
260 ~~date, purchase coverage through the alliance for not more than 1~~
261 ~~additional year. A small employer health alliance shall~~
262 ~~establish conditions of participation in the alliance by a small~~
263 ~~employer, including, but not limited to:~~

264 ~~1. Assurance that the small employer is not formed for the~~

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265 ~~purpose of securing health benefit coverage.~~

266 ~~2. Assurance that the employees of a small employer have~~
267 ~~not been added for the purpose of securing health benefit~~
268 ~~coverage.~~

269 Section 9. Section 627.65612, Florida Statutes, is created
270 to read:

271 627.65612 Limit on preexisting conditions.—

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

275 (2) (a) Not later than 30 days after the operative date,
276 and notwithstanding s. 627.6561 or any other law to the
277 contrary, every insurer issuing, delivering, or issuing for
278 delivery group health insurance policies in this state shall
279 make at least one comprehensive major medical health insurance
280 policy available to all residents in the insurer's approved
281 service areas of this state, and such insurer may not exclude,
282 limit, deny, or delay coverage under such policy due to one or
283 more preexisting medical conditions.

284 (b) An insurer may not limit or exclude benefits under
285 such policy, including a denial of coverage applicable to an
286 individual as a result of information relating to an
287 individual's health status before the individual's effective
288 date of coverage, or if coverage is denied, the date of the
289 denial.

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290 (3) The comprehensive major medical health insurance
291 policy that the insurer is required to offer under this section
292 must be a policy that had been actively marketed in this state
293 by the insurer as of the operative date and that was also
294 actively marketed in this state during the year immediately
295 preceding the operative date.

296 (4) This section does not apply to an insurer issuing only
297 limited benefit, disability income, short-term health insurance,
298 specified disease, Medicare supplement, or hospital indemnity
299 policies in this state.

300 Section 10. Subsection (45) is added to section 641.31,
301 Florida Statutes, to read:

302 641.31 Health maintenance contracts.—

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

306 (b) Not later than 30 days after the operative date, and
307 notwithstanding s. 641.31071 or any other law to the contrary,
308 every health maintenance organization issuing, delivering, or
309 issuing for delivery individual or group contracts in this state
310 shall make at least one comprehensive major medical health
311 maintenance contract available to all residents in the
312 organization's approved service areas of this state, and such
313 health maintenance organization may not exclude, limit, deny, or
314 delay coverage under such contract due to one or more

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315 preexisting medical conditions. A health maintenance
316 organization may not limit or exclude benefits under such
317 contract, including a denial of coverage applicable to an
318 individual as a result of information relating to an
319 individual's health status before the individual's effective
320 date of coverage, or if coverage is denied, the date of the
321 denial.

322 (c) The comprehensive major medical health maintenance
323 contract the health maintenance organization is required to
324 offer under this section must be a contract that had been
325 actively marketed in this state by the health maintenance
326 organization as of the operative date and that was also actively
327 marketed in this state during the year immediately preceding the
328 operative date.

329 Section 11. This act shall take effect upon becoming law.
330
331

332 -----

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

334 Remove everything before the enacting clause and insert:
335 An act relating to health plans; amending s. 624.438, F.S.;
336 revising eligibility requirements for multiple-employer welfare
337 arrangements; amending s. 627.6045, F.S.; revising
338 applicability; revising font size for disclosure; creating s.
339 627.443, F.S.; requiring the Office of Insurance Regulation to

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340 conduct a study evaluating the current state essential health
341 benefits benchmark plan under the federal Patient Protection and
342 Affordable Care Act (PPACA); defining terms; specifying
343 conditions under which health insurers and health maintenance
344 organizations may comply with requirements under the federal
345 Patient Protection and Affordable Care Act to provide essential
346 health benefits; creating ss. 627.6046 and 627.65612, F.S.;

347 defining the terms "operative date" and "preexisting medical
348 condition" with respect to individual and group health insurance
349 policies, respectively; requiring insurers, contingent upon the
350 occurrence of either of two specified events, to make at least
351 one comprehensive major medical health insurance policy
352 available to all residents of this state within a specified
353 timeframe; prohibiting such insurers from excluding, limiting,
354 denying, or delaying coverage under such policies due to
355 preexisting medical conditions; requiring such policies to have
356 been actively marketed on a specified date and during a certain
357 timeframe before that date; providing applicability; amending s.
358 641.31, F.S.; defining the terms "operative date" and
359 "preexisting medical condition" with respect to health
360 maintenance contracts; requiring health maintenance
361 organizations, contingent upon the occurrence of either of two
362 specified events, to make at least one comprehensive major
363 medical health maintenance contract available to all residents
364 of this state within a specified timeframe; prohibiting such

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COMMITTEE/SUBCOMMITTEE AMENDMENT

Bill No. CS/CS/HB 997 (2019)

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365 health maintenance organizations from excluding, limiting,
366 denying, or delaying coverage under such contracts due to
367 preexisting medical conditions; requiring such contracts to have
368 been actively marketed on a specified date and during a certain
369 timeframe before that date; creating ss. 627.6426 and 627.6525,
370 F.S.; defining the term "short-term health insurance"; providing
371 disclosure requirements for short-term health insurance
372 policies; amending s. 627.654, F.S.; revising requirements for
373 association and small employer policies; providing construction;
374 providing an effective date.