

1                   A bill to be entitled  
2           An act relating to health plans; amending s. 624.438,  
3           F.S.; revising eligibility requirements for multiple-  
4           employer welfare arrangements; amending s. 627.6045,  
5           F.S.; revising applicability; revising font size for  
6           disclosure; creating s. 627.6054, F.S.; defining the  
7           term "PPACA"; specifying conditions under which health  
8           insurers and health maintenance organizations may  
9           comply with requirements under the federal Patient  
10          Protection and Affordable Care Act to provide  
11          essential health benefits; creating ss. 627.6046 and  
12          627.65612, F.S.; defining the terms "operative date"  
13          and "preexisting medical condition" with respect to  
14          individual and group health insurance policies,  
15          respectively; requiring insurers, contingent upon the  
16          occurrence of either of two specified events, to make  
17          at least one comprehensive major medical health  
18          insurance policy available to all residents of this  
19          state within a specified timeframe; prohibiting such  
20          insurers from excluding, limiting, denying, or  
21          delaying coverage under such policies due to  
22          preexisting medical conditions; requiring such  
23          policies to have been actively marketed on a specified  
24          date and during a certain timeframe before that date;  
25          providing applicability; amending s. 641.31, F.S.;

26 defining the terms "operative date" and "preexisting  
27 medical condition" with respect to health maintenance  
28 contracts; requiring health maintenance organizations,  
29 contingent upon the occurrence of either of two  
30 specified events, to make at least one comprehensive  
31 major medical health maintenance contract available to  
32 all residents of this state within a specified  
33 timeframe; prohibiting such health maintenance  
34 organizations from excluding, limiting, denying, or  
35 delaying coverage under such contracts due to  
36 preexisting medical conditions; requiring such  
37 contracts to have been actively marketed on a  
38 specified date and during a certain timeframe before  
39 that date; creating ss. 627.6426 and 627.6525, F.S.;  
40 defining the term "short-term health insurance";  
41 providing disclosure requirements for short-term  
42 health insurance policies; amending s. 627.654, F.S.;  
43 revising requirements for association and small  
44 employer policies; providing construction; providing  
45 an effective date.

46  
47 Be It Enacted by the Legislature of the State of Florida:

48  
49 Section 1. Paragraph (b) of subsection (1) of section  
50 624.438, Florida Statutes, is amended to read:

51           624.438 General eligibility.—

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

55           (b)~~1.~~ Must be established by a trade association, industry  
56 association, ~~or~~ professional association of employers or  
57 professionals, or a bona fide group as defined in 29 C.F.R. part  
58 2510.3-5 which has a constitution or bylaws specifically stating  
59 its purpose and which has been organized ~~and maintained in good~~  
60 ~~faith for a continuous period of 1 year~~ for purposes in addition  
61 to other than that of obtaining or providing insurance.

62           ~~2. Must not combine member employers from disparate~~  
63 ~~trades, industries, or professions as defined by the appropriate~~  
64 ~~licensing agencies, and must not combine member employers from~~  
65 ~~more than one of the employer categories defined in sub-~~  
66 ~~subparagraphs a.-c.~~

67           1.a. A trade association consists of member employers who  
68 are in the same trade as recognized by the appropriate licensing  
69 agency.

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

75           3.c. A professional association consists of member

76 employers who are of the same profession as recognized by the  
77 appropriate licensing agency.

78  
79 The requirements of this paragraph ~~subparagraph~~ do not apply to  
80 an arrangement licensed before ~~prior to~~ April 1, 1995,  
81 regardless of the nature of its business. However, an  
82 arrangement exempt from the requirements of this paragraph  
83 ~~subparagraph~~ may not expand the nature of its business beyond  
84 that set forth in the articles of incorporation of its  
85 sponsoring association as of April 1, 1995, except as authorized  
86 in this paragraph ~~subparagraph~~.

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

89 627.6045 Preexisting condition.—A health insurance policy  
90 must comply with the following:

91 (3) This section does not apply to short-term~~7~~  
92 nonrenewable health insurance policies of no more than a 6-month  
93 ~~policy term~~, provided that it is clearly disclosed to the  
94 applicant in the advertising and application, in 14-point ~~10-~~  
95 ~~point~~ contrasting type, that "This policy does not meet the  
96 definition of qualifying previous coverage or qualifying  
97 existing coverage as defined in s. 627.6699. As a result, if  
98 purchased in lieu of a conversion policy or other group  
99 coverage, you may have to meet a preexisting condition  
100 requirement when renewing or purchasing other coverage."

101 Section 3. Section 627.6046, Florida Statutes, is created  
102 to read:

103 627.6046 Limit on preexisting conditions.-

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

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

110 1. A federal law is enacted which expressly repeals PPACA;  
111 or

112 2. PPACA is invalidated by the United States Supreme  
113 Court.

114 (b) "Preexisting medical condition" means a condition that  
115 was present before the effective date of coverage under a  
116 policy, whether or not any medical advice, diagnosis, care, or  
117 treatment was recommended or received before the effective date  
118 of coverage. The term includes a condition identified as a  
119 result of a preenrollment questionnaire or physical examination  
120 given to the individual, or review of medical records relating  
121 to the preenrollment period.

122 (2) (a) Not later than 30 days after the operative date,  
123 and notwithstanding s. 627.6045 or any other law to the  
124 contrary, every insurer issuing, delivering, or issuing for  
125 delivery individual health insurance policies in this state

126 shall make at least one comprehensive major medical health  
127 insurance policy available to all residents of this state, and  
128 such insurer may not exclude, limit, deny, or delay coverage  
129 under such policy due to one or more preexisting medical  
130 conditions.

131 (b) An insurer may not limit or exclude benefits under  
132 such policy, including a denial of coverage applicable to an  
133 individual as a result of information relating to an  
134 individual's health status before the individual's effective  
135 date of coverage, or if coverage is denied, the date of the  
136 denial.

137 (3) The comprehensive major medical health insurance  
138 policy that the insurer is required to offer under this section  
139 must be a policy that had been actively marketed in this state  
140 by the insurer as of the operative date and that was also  
141 actively marketed in this state during the year immediately  
142 preceding the operative date.

143 (4) This section does not apply to an insurer that issues  
144 only limited benefit, disability income, specified disease,  
145 Medicare supplement, or hospital indemnity policies in this  
146 state.

147 Section 4. Section 627.6054, Florida Statutes, is created  
148 to read:

149 627.6054 Essential health benefits.—

150 (1) As used in this section, the term "PPACA" has the same

151 meaning as in s. 627.402.

152 (2) A health insurer or health maintenance organization  
153 issuing or delivering an individual or a group health insurance  
154 policy or contract in this state:

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

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

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

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

172 Section 5. Section 627.6426, Florida Statutes, is created  
173 to read:

174 627.6426 Short-term health insurance.—

175 (1) For purposes of this part, the term "short-term health

176 insurance" means health insurance coverage provided by an issuer  
177 with an expiration date specified in the contract that is less  
178 than 12 months after the original effective date of the contract  
179 and, taking into account renewals or extensions, has a duration  
180 not to exceed 36 months in total.

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

184  
185 "This coverage is not required to comply with certain federal  
186 market requirements for health insurance, principally those  
187 contained in the Patient Protection and Affordable Care Act. Be  
188 sure to check your policy carefully to make sure you are aware  
189 of any exclusions or limitations regarding coverage of  
190 preexisting conditions or health benefits (such as  
191 hospitalization, emergency services, maternity care, preventive  
192 care, prescription drugs, and mental health and substance use  
193 disorder services). Your policy might also have lifetime and/or  
194 annual dollar limits on health benefits. If this coverage  
195 expires or you lose eligibility for this coverage, you might  
196 have to wait until an open enrollment period to get other health  
197 insurance coverage."

198 Section 6. Section 627.6525, Florida Statutes, is created  
199 to read:

200 627.6525 Short-term health insurance.-



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

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

211  
212 "This coverage is not required to comply with certain federal  
213 market requirements for health insurance, principally those  
214 contained in the Patient Protection and Affordable Care Act. Be  
215 sure to check your policy carefully to make sure you are aware  
216 of any exclusions or limitations regarding coverage of  
217 preexisting conditions or health benefits (such as  
218 hospitalization, emergency services, maternity care, preventive  
219 care, prescription drugs, and mental health and substance use  
220 disorder services). Your policy might also have lifetime and/or  
221 annual dollar limits on health benefits. If this coverage  
222 expires or you lose eligibility for this coverage, you might  
223 have to wait until an open enrollment period to get other health  
224 insurance coverage."

225        Section 7. Subsection (1) of section 627.654, Florida

226 Statutes, is amended to read:

227       627.654 Labor union, association, and small employer  
228 health alliance groups.-

229       (1) (a) A bona fide group or association of employers, as  
230 defined in 29 C.F.R. part 2510.3-5, or a group of individuals  
231 may be insured under a policy issued to an association,  
232 including a labor union, which association has a constitution  
233 and bylaws ~~and not less than 25 individual members~~ and which has  
234 been organized ~~and has been maintained in good faith for a~~  
235 ~~period of 1 year~~ for purposes in addition to ~~other than~~ that of  
236 obtaining insurance, or to the trustees of a fund established by  
237 such an association, which association or trustees shall be  
238 deemed the policyholder, insuring at least 15 individual members  
239 of the association for the benefit of persons other than the  
240 officers of the association, the association, or trustees.

241       (b) A small employer, as defined in s. 627.6699 and  
242 including the employer's eligible employees and the spouses and  
243 dependents of such employees, may be insured under a policy  
244 issued to a small employer health alliance by a carrier as  
245 defined in s. 627.6699. ~~A small employer health alliance must be~~  
246 ~~organized as a not-for-profit corporation under chapter 617.~~  
247 ~~Notwithstanding any other law, if a small employer member of an~~  
248 ~~alliance loses eligibility to purchase health care through the~~  
249 ~~alliance solely because the business of the small employer~~  
250 ~~member expands to more than 50 and fewer than 75 eligible~~

251 ~~employees, the small employer member may, at its next renewal~~  
252 ~~date, purchase coverage through the alliance for not more than 1~~  
253 ~~additional year. A small employer health alliance shall~~  
254 ~~establish conditions of participation in the alliance by a small~~  
255 ~~employer, including, but not limited to:~~

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

258 ~~2. Assurance that the employees of a small employer have~~  
259 ~~not been added for the purpose of securing health benefit~~  
260 ~~coverage.~~

261 Section 8. Section 627.65612, Florida Statutes, is created  
262 to read:

263 627.65612 Limit on preexisting conditions.-

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

267 (2) (a) Not later than 30 days after the operative date,  
268 and notwithstanding s. 627.6561 or any other law to the  
269 contrary, every insurer issuing, delivering, or issuing for  
270 delivery group health insurance policies in this state shall  
271 make at least one comprehensive major medical health insurance  
272 policy available to all residents of this state, and such  
273 insurer may not exclude, limit, deny, or delay coverage under  
274 such policy due to one or more preexisting medical conditions.

275 (b) An insurer may not limit or exclude benefits under

276 such policy, including a denial of coverage applicable to an  
277 individual as a result of information relating to an  
278 individual's health status before the individual's effective  
279 date of coverage, or if coverage is denied, the date of the  
280 denial.

281 (3) The comprehensive major medical health insurance  
282 policy that the insurer is required to offer under this section  
283 must be a policy that had been actively marketed in this state  
284 by the insurer as of the operative date and that was also  
285 actively marketed in this state during the year immediately  
286 preceding the operative date.

287 (4) This section does not apply to an insurer issuing only  
288 limited benefit, disability income, specified disease, Medicare  
289 supplement, or hospital indemnity policies in this state.

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

292 641.31 Health maintenance contracts.—

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

296 (b) Not later than 30 days after the operative date, and  
297 notwithstanding s. 641.31071 or any other law to the contrary,  
298 every health maintenance organization issuing, delivering, or  
299 issuing for delivery individual or group contracts in this state  
300 shall make at least one comprehensive major medical health

301 maintenance contract available to all residents of this state,  
302 and such health maintenance organization may not exclude, limit,  
303 deny, or delay coverage under such contract due to one or more  
304 preexisting medical conditions. A health maintenance  
305 organization may not limit or exclude benefits under such  
306 contract, including a denial of coverage applicable to an  
307 individual as a result of information relating to an  
308 individual's health status before the individual's effective  
309 date of coverage, or if coverage is denied, the date of the  
310 denial.

311 (c) The comprehensive major medical health maintenance  
312 contract the health maintenance organization is required to  
313 offer under this section must be a contract that had been  
314 actively marketed in this state by the health maintenance  
315 organization as of the operative date and that was also actively  
316 marketed in this state during the year immediately preceding the  
317 operative date.

318 Section 10. This act shall take effect July 1, 2019.