By the Committee on Appropriations

576-03652-21 20212506__

1 A bill to be entitled
2 An act relating to the state group insurance program;
3 amending s. 110.123, F.S.; revising the definition of
4 the term “full-time state employees” to conform to
5 changes made by the act; authorizing persons eligible
6 to participate in the program to elect membership with
7 certain health maintenance organization plans;
8 requiring that at least one health maintenance
9 organization plan be made available to each enrollee
10 residing in this state; deleting provisions providing
11 for the establishment of health maintenance
12 organization plan regions by Department of Management
13 Services rule; deleting a requirement that health
14 plans be offered in specified benefit levels;
15 establishing regions for health maintenance
16 organizations for specified purposes; providing
17 construction; amending s. 110.12315, F.S.; removing a
18 limitation on the annual maximum amount for coverage
19 for medically necessary prescription and
20 nonprescription enteral formulas and amino-acid-based
21 elemental formulas for home use; requiring the
22 department to ensure that the prescription drug
23 program receives certain benefits; requiring the
24 department to perform annual audits of such benefits;
25 amending s. 110.131, F.S.; conforming a cross-
26 reference; providing an effective date.
27
28 Be It Enacted by the Legislature of the State of Florida:
29

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30 Section 1. Paragraph (c) of subsection (2), paragraphs (h)
31 and (j) of subsection (3), and paragraphs (c) and (d) of
32 subsection (13) of section 110.123, Florida Statutes, are
33 amended, and subsection (14) is added to that section, to read:
34 110.123 State group insurance program.—
35 (2) DEFINITIONS.—As used in ss. 110.123-110.1239, the term:
36 (c) “Full-time state employees” means employees of all
37 branches or agencies of state government holding salaried
38 positions who are paid by state warrant or from agency funds and
39 who work or are expected to work an average of at least 30 or
40 more hours per week; employees paid from regular salary
41 appropriations for 8 months’ employment, including university
42 personnel on academic contracts; and employees paid from other-
43 personal-services (OPS) funds who are reasonably expected to
44 work an average of at least 30 hours or more per week or have
45 worked an average of at least 30 hours or more per week during
46 the employee’s measurement period ~~as described in subparagraphs~~
47 ~~1. and 2~~. The term includes all full-time employees of the state
48 universities. The term does not include seasonal workers who are
49 paid from OPS funds.
50 ~~1. For persons hired before April 1, 2013, the term~~
51 ~~includes any person paid from OPS funds who:~~
52 ~~a. Has worked an average of at least 30 hours or more per~~
53 ~~week during the initial measurement period from April 1, 2013,~~
54 ~~through September 30, 2013; or~~
55 ~~b. Has worked an average of at least 30 hours or more per~~
56 ~~week during a subsequent measurement period.~~
57 ~~2. For persons hired after April 1, 2013, the term includes~~
58 ~~any person paid from OPS funds who:~~

59 ~~a. Is reasonably expected to work an average of at least 30~~
60 ~~hours or more per week; or~~
61 ~~b. Has worked an average of at least 30 hours or more per~~
62 ~~week during the person's measurement period.~~
63 (3) STATE GROUP INSURANCE PROGRAM.—
64 (h)1. A person eligible to participate in the state group
65 insurance program ~~may be authorized by rules adopted by the~~
66 ~~department~~, in lieu of participating in the state group health
67 insurance plan, may ~~to~~ exercise an option to elect membership in
68 a health maintenance organization plan which is under contract
69 with the state in accordance with criteria established by this
70 section and by ~~said~~ rules adopted by the department. The offer
71 of optional membership in a health maintenance organization plan
72 permitted by this paragraph may be limited or conditioned by
73 rule as may be necessary to meet the requirements of state and
74 federal laws.
75 2. The department shall contract with health maintenance
76 organizations seeking to participate in the state group
77 insurance program through a request for proposal or other
78 procurement process, as developed by the Department of
79 Management Services and determined to be appropriate.
80 a. The department shall establish a schedule of minimum
81 benefits for health maintenance organization coverage, and that
82 schedule shall include~~:~~ physician services; inpatient and
83 outpatient hospital services; emergency medical services,
84 including out-of-area emergency coverage; diagnostic laboratory
85 and diagnostic and therapeutic radiologic services; mental
86 health, alcohol, and chemical dependency treatment services
87 meeting the minimum requirements of state and federal law;

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88 skilled nursing facilities and services; prescription drugs;
89 age-based and gender-based wellness benefits; and other benefits
90 as may be required by the department. Additional services may be
91 provided subject to the contract between the department and the
92 HMO. As used in this paragraph, the term "age-based and gender-
93 based wellness benefits" includes aerobic exercise, education in
94 alcohol and substance abuse prevention, blood cholesterol
95 screening, health risk appraisals, blood pressure screening and
96 education, nutrition education, program planning, safety belt
97 education, smoking cessation, stress management, weight
98 management, and women's health education.
99 b. The department may establish uniform deductibles,
100 copayments, coverage tiers, or coinsurance schedules for all
101 participating HMO plans.
102 c. The department may require detailed information from
103 each health maintenance organization participating in the
104 procurement process, including information pertaining to
105 organizational status, experience in providing prepaid health
106 benefits, accessibility of services, financial stability of the
107 plan, quality of management services, accreditation status,
108 quality of medical services, network access and adequacy,
109 performance measurement, ability to meet the department's
110 reporting requirements, and the actuarial basis of the proposed
111 rates and other data determined by the director to be necessary
112 for the evaluation and selection of health maintenance
113 organization plans and negotiation of appropriate rates for
114 these plans. Upon receipt of proposals by health maintenance
115 organization plans and the evaluation of those proposals, the
116 department may enter into negotiations with all of the plans or

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117 a subset of the plans, as the department determines appropriate.
118 The department may negotiate regional or statewide contracts
119 with health maintenance organization plans. Such plans must be
120 cost-effective and must offer high value to enrollees.
121 d. The department may limit the number of HMOs that it
122 contracts with in each region based on the nature of the bids
123 the department receives, the number of state employees in the
124 region, or any unique characteristics of the region. At least
125 one HMO plan must be available to each enrollee residing in this
126 state ~~The department shall establish the regions throughout the~~
127 ~~state by rule. The department must submit the rule to the~~
128 ~~President of the Senate and the Speaker of the House of~~
129 ~~Representatives for ratification no later than 30 days before~~
130 ~~the 2020 Regular Session of the Legislature. The rule may not~~
131 ~~take effect until it is ratified by the Legislature~~.
132 e. All persons participating in the state group insurance
133 program may be required to contribute towards a total state
134 group health premium that may vary depending upon the plan,
135 coverage level, and coverage tier selected by the enrollee and
136 the level of state contribution authorized by the Legislature.
137 3. The department is authorized to negotiate and to
138 contract with specialty psychiatric hospitals for mental health
139 benefits, on a regional basis, for alcohol, drug abuse, and
140 mental and nervous disorders. The department may establish,
141 subject to the approval of the Legislature pursuant to
142 subsection (5), any such regional plan upon completion of an
143 actuarial study to determine any impact on plan benefits and
144 premiums.
145 4. In addition to contracting pursuant to subparagraph 2.,

146 the department may enter into contract with any HMO to
147 participate in the state group insurance program which:
148 a. Serves greater than 5,000 recipients on a prepaid basis
149 under the Medicaid program;
150 b. Does not currently meet the 25-percent non-Medicare/non-
151 Medicaid enrollment composition requirement established by the
152 Department of Health excluding participants enrolled in the
153 state group insurance program;
154 c. Meets the minimum benefit package and copayments and
155 deductibles contained in sub-subparagraphs 2.a. and b.;
156 d. Is willing to participate in the state group insurance
157 program at a cost of premiums that is not greater than 95
158 percent of the cost of HMO premiums accepted by the department
159 in each service area; and
160 e. Meets the minimum surplus requirements of s. 641.225.
161
162 The department is authorized to contract with HMOs that meet the
163 requirements of sub-subparagraphs a.-d. before ~~prior to~~ the open
164 enrollment period for state employees. The department is not
165 required to renew the contract with the HMOs as set forth in
166 this paragraph more than twice. Thereafter, the HMOs shall be
167 eligible to participate in the state group insurance program
168 only through the request for proposal or invitation to negotiate
169 process described in subparagraph 2.
170 5. All enrollees in a state group health insurance plan, a
171 TRICARE supplemental insurance plan, or any health maintenance
172 organization plan have the option of changing to any other
173 health plan that is offered by the state within any open
174 enrollment period designated by the department. Open enrollment

175 shall be held at least once each calendar year.
176 6. When a contract between a treating provider and the
177 state-contracted health maintenance organization is terminated
178 for any reason other than for cause, each party shall allow any
179 enrollee for whom treatment was active to continue coverage and
180 care when medically necessary, through completion of treatment
181 of a condition for which the enrollee was receiving care at the
182 time of the termination, until the enrollee selects another
183 treating provider, or until the next open enrollment period
184 offered, whichever is longer, but no longer than 6 months after
185 termination of the contract. Each party to the terminated
186 contract shall allow an enrollee who has initiated a course of
187 prenatal care, regardless of the trimester in which care was
188 initiated, to continue care and coverage until completion of
189 postpartum care. This does not prevent a provider from refusing
190 to continue to provide care to an enrollee who is abusive,
191 noncompliant, or in arrears in payments for services provided.
192 For care continued under this subparagraph, the program and the
193 provider shall continue to be bound by the terms of the
194 terminated contract. Changes made within 30 days before
195 termination of a contract are effective only if agreed to by
196 both parties.
197 7. Any HMO participating in the state group insurance
198 program shall submit health care utilization and cost data to
199 the department, in such form and in such manner as the
200 department shall require, as a condition of participating in the
201 program. The department shall enter into negotiations with its
202 contracting HMOs to determine the nature and scope of the data
203 submission and the final requirements, format, penalties

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204 associated with noncompliance, and timetables for submission.
205 These determinations shall be adopted by rule.
206 8. The department may establish and direct, with respect to
207 collective bargaining issues, a comprehensive package of
208 insurance benefits that may include supplemental health and life
209 coverage, dental care, long-term care, vision care, and other
210 benefits it determines necessary to enable state employees to
211 select from among benefit options that best suit their
212 individual and family needs. Beginning with the 2018 plan year,
213 the package of benefits may also include products and services
214 described in s. 110.12303.
215 a. Based upon a desired benefit package, the department
216 shall issue a request for proposal or invitation to negotiate
217 for providers interested in participating in the state group
218 insurance program, and the department shall issue a request for
219 proposal or invitation to negotiate for providers interested in
220 participating in the non-health-related components of the state
221 group insurance program. Upon receipt of all proposals, the
222 department may enter into contract negotiations with providers
223 submitting bids or negotiate a specially designed benefit
224 package. Providers offering or providing supplemental coverage
225 as of May 30, 1991, which qualify for pretax benefit treatment
226 pursuant to s. 125 of the Internal Revenue Code of 1986, with
227 5,500 or more state employees currently enrolled may be included
228 by the department in the supplemental insurance benefit plan
229 established by the department without participating in a request
230 for proposal, submitting bids, negotiating contracts, or
231 negotiating a specially designed benefit package. These
232 contracts shall provide state employees with the most cost-

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233 effective and comprehensive coverage available; however, except
234 as provided in subparagraph (f)3., no state or agency funds
235 shall be contributed toward the cost of any part of the premium
236 of such supplemental benefit plans. With respect to dental
237 coverage, the division shall include in any solicitation or
238 contract for any state group dental program made after July 1,
239 2001, a comprehensive indemnity dental plan option which offers
240 enrollees a completely unrestricted choice of dentists. If a
241 dental plan is endorsed, or in some manner recognized as the
242 preferred product, such plan shall include a comprehensive
243 indemnity dental plan option which provides enrollees with a
244 completely unrestricted choice of dentists.
245 b. Pursuant to the applicable provisions of s. 110.161, and
246 s. 125 of the Internal Revenue Code of 1986, the department
247 shall enroll in the pretax benefit program those state employees
248 who voluntarily elect coverage in any of the supplemental
249 insurance benefit plans as provided by sub-subparagraph a.
250 c. Nothing herein contained shall be construed to prohibit
251 insurance providers from continuing to provide or offer
252 supplemental benefit coverage to state employees as provided
253 under existing agency plans.
254 ~~(j) For the 2020 plan year and each plan year thereafter,~~
255 ~~health plans shall be offered in the following benefit levels:~~
256 ~~1. Platinum level, which shall have an actuarial value of~~
257 ~~at least 90 percent.~~
258 ~~2. Gold level, which shall have an actuarial value of at~~
259 ~~least 80 percent.~~
260 ~~3. Silver level, which shall have an actuarial value of at~~
261 ~~least 70 percent.~~

262 ~~4. Bronze level, which shall have an actuarial value of at~~
263 ~~least 60 percent.~~
264 (13) OTHER-PERSONAL-SERVICES EMPLOYEES (OPS).—
265 (c) The ~~initial~~ measurement period used to determine
266 whether an employee ~~hired before April 1, 2013, and~~ paid from
267 OPS funds is a full-time employee described in ~~subparagraph~~
268 ~~(2)(c)1. is the 6-month period from April 1, 2013, through~~
269 ~~September 30, 2013.~~
270 ~~(d) All other measurement periods used to determine whether~~
271 ~~an employee paid from OPS funds is a full-time employee~~
272 ~~described in~~ paragraph (2)(c) must be for 12 consecutive months.
273 (14) REGIONS FOR HEALTH MAINTENANCE ORGANIZATIONS.—
274 (a) The following regions are established for purposes of
275 the department entering into contracts with HMOs to provide
276 services on a regional basis on or after January 1, 2023,
277 pursuant to paragraph (3)(h):
278 1. Region 1 consists of Bay, Calhoun, Escambia, Gulf,
279 Holmes, Jackson, Okaloosa, Santa Rosa, Walton, and Washington
280 Counties.
281 2. Region 2 consists of Franklin, Gadsden, Jefferson, Leon,
282 Liberty, Madison, Taylor, and Wakulla Counties.
283 3. Region 3 consists of Alachua, Bradford, Columbia, Dixie,
284 Gilchrist, Hamilton, Lafayette, Levy, Marion, Suwannee, and
285 Union Counties.
286 4. Region 4 consists of Baker, Clay, Duval, Flagler,
287 Nassau, Putnam, St. Johns, and Volusia Counties.
288 5. Region 5 consists of Brevard, Indian River, Lake,
289 Orange, Osceola, and Seminole Counties.
290 6. Region 6 consists of Citrus, DeSoto, Hardee, Hernando,

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291 Highlands, Hillsborough, Manatee, Pasco, Pinellas, Polk,
292 Sarasota, and Sumter Counties.
293 7. Region 7 consists of Martin, Okeechobee, Palm Beach, and
294 St. Lucie Counties.
295 8. Region 8 consists of Charlotte, Collier, Glades, Hendry,
296 and Lee Counties.
297 9. Region 9 consists of Broward, Miami-Dade, and Monroe
298 Counties.
299 (b) The establishment of these regions does not limit the
300 department's authority to contract for HMO services on a
301 statewide basis.
302 Section 2. Subsection (10) of section 110.12315, Florida
303 Statutes, is amended, and subsection (11) is added to that
304 section, to read:
305 110.12315 Prescription drug program.—The state employees'
306 prescription drug program is established. This program shall be
307 administered by the Department of Management Services, according
308 to the terms and conditions of the plan as established by the
309 relevant provisions of the annual General Appropriations Act and
310 implementing legislation, subject to the following conditions:
311 (10) In addition to the comprehensive package of health
312 insurance and other benefits required or authorized to be
313 included in the state group insurance program, the program must
314 provide coverage for medically necessary prescription and
315 nonprescription enteral formulas and amino-acid-based elemental
316 formulas for home use, regardless of the method of delivery or
317 intake, which are ordered or prescribed by a physician. As used
318 in this subsection, the term "medically necessary" means the
319 formula to be covered represents the only medically appropriate

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320 source of nutrition for a patient. ~~Such coverage may not exceed~~
321 ~~an amount of $20,000 annually for any insured individual.~~
322 (11) The department shall ensure that the prescription drug
323 program receives the benefits of all discounts, rebates, and
324 other fees associated with the prescription drugs and supplies
325 provided through the program. The department shall annually
326 audit such amounts received by the department or its pharmacy
327 benefit manager for the prescription drugs and supplies provided
328 through the program.
329 Section 3. Subsection (5) of section 110.131, Florida
330 Statutes, is amended to read:
331 110.131 Other-personal-services employment.—
332 (5) Beginning January 1, 2014, an other-personal-services
333 (OPS) employee who has worked an average of at least 30 or more
334 hours per week during the measurement period described in s.
335 110.123(13)(c) ~~s. 110.123(13)(c) or (d)~~, or who is reasonably
336 expected to work an average of at least 30 or more hours per
337 week following his or her employment, is eligible to participate
338 in the state group insurance program as provided under s.
339 110.123.
340 Section 4. This act shall take effect July 1, 2021.

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