

Amendment No.

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WITHDRAWN (Y/N)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 Fernandez-Barquin offered the following:

4

5 **Amendment (with title amendment)**

6 Remove lines 38-93 and insert:

7 their employees. However, the group or association must also
8 have at least one substantial business purpose unrelated to such
9 primary purpose. For purposes of this sub-subparagraph, a
10 substantial business purpose is deemed to exist if the group or
11 association would be a viable entity in the absence of
12 sponsoring an employee benefit plan. A substantial business
13 purpose includes promoting common business interests in a given
14 trade or employer community and is not required to be a for-
15 profit activity.

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16 b. Each employer member of the group or association which
17 participates in the group health plan is a person acting
18 directly as an employer of at least one employee who is a
19 participant covered under the plan.

20 c. The group or association has a formal organizational
21 structure with a governing body and has bylaws or other similar
22 indications of formality.

23 d. The functions and activities of the group or association
24 are controlled by its employer members, and the group's or
25 association's employer members that participate in the group
26 health plan control the plan. Control must be present both in
27 form and in substance.

28 e. The employer members have a principal place of business
29 in the same region that does not exceed the boundaries of a
30 single state or metropolitan area, even if the metropolitan area
31 includes more than one state.

32 f. The group or association does not make health coverage
33 through the group's or association's group health plan available
34 to any person other than:

35 (I) An employee of a current employer member of the group
36 or association;

37 (II) A former employee of a current employer member of the
38 group or association who became eligible for coverage under the
39 group health plan when the former employee was an employee of
40 the employer; or

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41 (III) A beneficiary, such as a spouse or dependent child,
42 of an individual described in sub-sub-subparagraph (I) or sub-
43 sub-subparagraph (II).

44 g. The group or association and the health coverage offered
45 by the group or association comply with the nondiscrimination
46 provisions of s. 627.6699.

47 h. The group or association is not a health insurance
48 issuer as defined in s. 733(b)(2) of the Employee Retirement
49 Income Security Act of 1974, 29 U.S.C. 1191b(b)(2), or owned or
50 controlled by such a health insurance issuer or by a subsidiary
51 or affiliate of such a health insurance issuer, other than to
52 the extent such entities participate in the group or association
53 in their capacity as employer members of the group or
54 association.

55
56 The requirements of this paragraph do not apply to an
57 arrangement licensed before April 1, 1995, regardless of the
58 nature of its business. However, an arrangement exempt from the
59 requirements of this paragraph may not expand the nature of its
60 business beyond that set forth in the articles of incorporation
61 of its sponsoring association as of April 1, 1995, except as
62 authorized in this paragraph.

63 Section 2. Paragraph (a) of subsection (1) of section
64 627.6564, Florida Statutes, is amended to read:

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65 627.654 Labor union, association, and small employer health
66 alliance groups.—

67 (1)(a) A bond fide group as defined in s. 624.438(1)(b)4.,
68 an ~~or~~ association of employers, ~~as defined in 29 C.F.R. part~~
69 ~~2510.3-5,~~ or a group of individuals may be insured under a
70 policy issued to an association, including a labor union, which
71 association has a constitution and bylaws and which has been
72 organized for purposes in addition to that of obtaining
73 insurance, or to the trustees of a fund established by such an
74 association, which association or trustees shall be deemed its
75 policyholder, insuring at least 15 individual members of the
76 association for the benefit of persons other than the officers
77 of the association, the association, or trustees.

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

81 Between lines 6 and 7, insert:
82 amending 2. 627.654, F.S.; conforming a provision to changes
83 made by the act;