

26 2. 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. or
30 subparagraph 3.

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

34 4. A bona fide group is an employee welfare benefit plan
35 consisting of a group or association of member employers which
36 meets the following requirements:

37 a. The primary purpose of the group or association may be
38 to offer and provide health coverage to its member employers and
39 their employees, but the group or association has at least one
40 substantial business purpose that is unrelated to offering and
41 providing health coverage or other employee benefits to its
42 member employers and their employees. For purposes of this
43 subparagraph, as a safe harbor, a substantial business purpose
44 is considered to exist if the group or association would be a
45 viable entity in the absence of sponsoring an employee benefit
46 plan. The business purpose includes promoting common business
47 interests of its members or the common economic interests in a
48 given trade or employer community, and is not required to be a
49 for-profit activity.

50 b. Each member employer of the group or association

51 participating in the group health plan is a person acting
52 directly as an employer of at least one employee who is a
53 participant covered under the plan.

54 c. The group or association has a formal organizational
55 structure with a governing body.

56 d. The functions and activities of the group or
57 association are controlled by its member employers, and the
58 group's or association's member employers that participate in
59 the group health plan control the plan. Control must be present
60 both in form and in substance.

61 e. The member employers have a principal place of business
62 in the same region that does not exceed the boundaries of a
63 single state or a metropolitan area, even if the metropolitan
64 area includes more than one state.

65 f. The group or association does not make health coverage
66 through the group's or association's group health plan available
67 other than to:

68 (I) Participating member employers.

69 (II) An employee of a current participating member
70 employer.

71 (III) A former employee of a current participating
72 employer member who became eligible for coverage under the group
73 health plan when the former employee was an employee of the
74 employer.

75 (IV) A spouse, a dependent child, or any other

76 beneficiaries of an individual described in sub-sub-subparagraph
77 (I) or sub-sub-subparagraph (II).

78 g. The group or association and the health coverage
79 offered by the group or association comply with the
80 nondiscrimination provisions of s. 627.6699.

81 h. The group or association is not a health insurance
82 issuer, or owned or controlled by a health insurance issuer or
83 by a subsidiary or affiliate of a health insurance issuer, other
84 than to the extent such entities participate in the group or
85 association in their capacity as member employers of the group
86 or association.

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88 The requirements of this paragraph do not apply to an
89 arrangement licensed before April 1, 1995, regardless of the
90 nature of its business. However, an arrangement exempt from the
91 requirements of this paragraph may not expand the nature of its
92 business beyond that set forth in the articles of incorporation
93 of its sponsoring association as of April 1, 1995, except as
94 authorized in this paragraph.

95 Section 2. This act shall take effect July 1, 2023.