




THE FLORIDA SENATE  
SENATOR DON GAETZ  
*President*

## MEMORANDUM

**TO:** All Senators  
**FROM:** Don Gaetz, President   
**SUBJECT:** Senate Select Committee on Patient Protection and Affordable Care Act (PPACA)  
**DATE:** March 21, 2013

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After thorough and thoughtful research and review, the PPACA Committee has completed an analysis of policy options concerning Florida's response to the federal government's implementation of PPACA. Chair Negron has shared with me the committee's final recommendation concerning how to address the differences between current state insurance regulations and those required under PPACA. In addition the committee made a recommendation on how the state of Florida, as a large employer, should address PPACA provisions requiring coverage for OPS employees.

As with the prior two recommendations concerning a state vs. a federal exchange and expansion of Medicaid, I intend to accept the recommendations of Chair Negron and the Select Committee, which are detailed in the attached letter.

I have the upmost confidence Senator Simmons and the Banking and Insurance Committee will craft a proposed committee bill protecting Florida's consumers to the greatest extent possible. However, I continue to have grave concerns regarding the manner in which PPACA contemplates the federal government's role in establishing new requirements for health insurers. I believe this issue to be one of the most complicated and least reported consequences associated with PPACA, despite the fact decisions regarding insurance regulation will impact more people than any other provision of the law.

At least three federal requirements will drive Floridians' health insurance rates higher in 2014: (1) more benefits are required; (2) age-related differences in premiums are capped; and, (3) insurers must cover anyone who applies (guaranteed issue) regardless of health status. Whether or not people want these requirements, the impact on premiums may shock many Floridians—especially young and healthy Floridians and small employers. There is no question this regulatory scheme, devised and controlled by the federal government, will have drastic and long-lasting consequences for every Floridian with a health insurance policy.

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The work of the Select Committee has come to an end; however, Florida's response to PPACA is far from over. In the weeks ahead as we together try to decide what is best for Florida, I am confident that all Senators will continue to study the law, listen to constituents, and play a meaningful role in decisions regarding Florida's response to this unprecedented federal law.

The Senate is indebted to Chair Negron, Vice Chair Sobel and the members of the Select Committee for the deliberate, fair, and bipartisan way in which the panel has dealt with one of the most contentious, emotional and far-reaching issues facing our state and our nation.