A bill to be entitled 1 2 An act relating to the repeal of health insurance 3 provisions; amending s. 627.64872, F.S.; deleting a 4 requirement that the Florida Health Insurance Plan's board 5 of directors annually report to the Governor and the 6 Legislature concerning the Florida Health Insurance Plan; 7 deleting redundant language making the implementation of 8 the plan by the board contingent upon certain 9 appropriations; amending s. 627.6699, F.S.; deleting a 10 requirement that the Office of Insurance Regulation of the 11 Department of Financial Services annually report to the Governor and the Legislature concerning the Small 12 Employers Access Program; providing an effective date. 13

1415

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

1617

18

19

20

21

22

23

24

25

26

27

28

Section 1. Subsections (7) through (20) of section 627.64872, Florida Statutes, are renumbered as subsections (6) through (19), respectively, and paragraph (b) of subsection (4), present subsection (6), and paragraph (a) of present subsection (20) of that section are amended, to read:

627.64872 Florida Health Insurance Plan.—

- (4) PLAN OF OPERATION.—The plan of operation shall:
- (b) Establish procedures for selecting an administrator in accordance with subsection (10)  $\frac{(11)}{(11)}$ .
- (6) ANNUAL REPORT.—The board shall annually submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a report that includes an independent

Page 1 of 4

actuarial study to determine, without limitation, the following:

- (a) The effect the creation of the plan has on the small group and individual insurance market, specifically on the premiums paid by insureds, including an estimate of the total anticipated aggregate savings for all small employers in the state.
- (b) The actual number of individuals covered at the current funding and benefit level, the projected number of individuals that may seek coverage in the forthcoming fiscal year, and the projected funding needed to cover anticipated increase or decrease in plan participation.
- (c) A recommendation as to the best source of funding for the anticipated deficits of the pool.
- (d) A summary of the activities of the plan in the preceding calendar year, including the net written and earned premiums, plan enrollment, the expense of administration, and the paid and incurred losses.
- (e) A review of the operation of the plan as to whether the plan has met the intent of this section.

The board may not implement the Florida Health Insurance Plan until funds are appropriated for startup costs and any projected deficits; however, the board may complete the actuarial study authorized in this subsection.

- (19) (20) COMBINING MEMBERSHIP OF THE FLORIDA COMPREHENSIVE HEALTH ASSOCIATION; ASSESSMENT.—
- (a)1. Upon implementation of the Florida Health Insurance Plan, the Florida Comprehensive Health Association, as specified

Page 2 of 4

in s. 627.6488, is abolished as a separate nonprofit entity and shall be subsumed under the board of directors of the Florida Health Insurance Plan. All individuals actively enrolled in the Florida Comprehensive Health Association shall be enrolled in the plan subject to its rules and requirements, except as otherwise specified in this section. Maximum lifetime benefits paid to an individual in the plan shall not exceed the amount established under subsection (15) (16), and benefits previously paid for any individual by the Florida Comprehensive Health Association shall be used in the determination of total lifetime benefits paid under the plan.

- 2. All persons enrolled in the Florida Comprehensive Health Association upon implementation of the Florida Health Insurance Plan are only eligible for the benefits authorized under subsection (15) (16). Persons identified by this section shall convert to the benefits authorized under subsection (15) (16) no later than January 1, 2005.
- 3. Except as otherwise provided in this section, the administration of the coverage of persons actively enrolled in the Florida Comprehensive Health Association shall operate under the existing plan of operation without modification until the adoption of the new plan of operation for the Florida Health Insurance Plan.
- Section 2. Paragraph (1) of subsection (15) of section 627.6699, Florida Statutes, is amended to read:
  - 627.6699 Employee Health Care Access Act.-
  - (15) SMALL EMPLOYERS ACCESS PROGRAM.-
  - (1) Annual reporting. The office shall make an annual

Page 3 of 4

85

86

87

88

89

90

91

92

report to the Governor, the President of the Senate, and the Speaker of the House of Representatives. The report shall summarize the activities of the program in the preceding calendar year, including the net written and earned premiums, program enrollment, the expense of administration, and the paid and incurred losses. The report shall be submitted no later than March 15 following the close of the prior calendar year.

Section 3. This act shall take effect July 1, 2011.