



405496

LEGISLATIVE ACTION

Senate	.	House
Comm: FAV	.	
04/01/2011	.	
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The Committee on Budget (Alexander) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 474 - 771  
and insert:

(a)1. A member participating in this health insurance plan option shall be eligible to receive an employer contribution into the employee's health savings account from the State Employees Health Insurance Trust Fund in an amount to be determined by the Legislature. A member is not eligible for an employer contribution upon termination of employment. For the 2011-2012 ~~2010-2011~~ fiscal year, the state's monthly contribution for employees having individual coverage shall be



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14 \$41.66 and the monthly contribution for employees having family  
15 coverage shall be \$83.33.

16 2. A member participating in this health insurance plan  
17 option shall be eligible to deposit the member's own funds into  
18 a health savings account.

19 (b) The monthly premiums paid by the employer for a member  
20 participating in this health insurance plan option shall include  
21 an amount equal to the monthly employer contribution authorized  
22 by the Legislature for that fiscal year.

23 (c) The health savings accounts shall be administered in  
24 accordance with the requirements and limitations of federal  
25 provisions relating to the Medicare Prescription Drug,  
26 Improvement, and Modernization Act of 2003.

27 Section 2. Section 110.12302, Florida Statutes, is  
28 repealed.

29 Section 3. Section 110.12303, Florida Statutes, is created  
30 to read:

31 110.12303 Health insurance risk pool.-

32 (1) For the 2012 plan year, the department shall establish  
33 a single health insurance risk pool for the state group  
34 insurance plans. Contribution determinations made pursuant to s.  
35 110.123(5)(a) shall consider relative plan values; however, such  
36 determinations may encourage enrollment in consumer-directed  
37 plans.

38 (2) For the 2013 plan year and for each plan year  
39 thereafter, the department shall establish a single health  
40 insurance risk pool for each of the following groups  
41 participating in the state group insurance plans:

42 (a) Active employees;



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43           (b) Retirees not eligible for Medicare; and

44           (c) Retirees eligible for Medicare.

45  
46           Contribution determinations made pursuant to s. 110.123(5)(a)  
47           shall consider relative plan values; however, such  
48           determinations may encourage enrollment in consumer-directed  
49           plans.

50           Section 4. Subsections (1), (2), and (3) of section  
51           110.12315, Florida Statutes, are amended to read:

52           110.12315 Prescription drug program.—The state employees'  
53           prescription drug program is established. This program shall be  
54           administered by the Department of Management Services, according  
55           to the terms and conditions of the plan as established by the  
56           relevant provisions of the annual General Appropriations Act and  
57           implementing legislation, subject to the following conditions:

58           (1) ~~The Department of Management Services shall allow~~  
59           ~~prescriptions written by health care providers under the plan to~~  
60           ~~be filled by any licensed pharmacy pursuant to contractual~~  
61           ~~claims processing provisions. Nothing in This section does not~~  
62           ~~prohibit~~ may be construed as prohibiting a mail order  
63           prescription drug program distinct from the service provided by  
64           retail pharmacies.

65           (2) In providing for reimbursement of pharmacies for  
66           prescription medicines dispensed to members of the state group  
67           health insurance plan and their dependents under the state  
68           employees' prescription drug program:

69           (a) Retail pharmacies participating in the program must be  
70           reimbursed ~~at a uniform rate and subject to uniform conditions,~~  
71           according to applicable network agreements and the terms and



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72 conditions of the plan.

73 (b) There shall be a 30-day supply limit for prescription  
74 card purchases and 90-day supply limit for mail order or mail  
75 order prescription drug purchases. The Department of Management  
76 Services may implement a 90-day supply limit program at select  
77 retail pharmacies if the department finds that it is in the best  
78 financial interest of the program.

79 (c) The ~~current~~ pharmacy dispensing fee shall be negotiated  
80 in accordance with best industry practices ~~remains in effect.~~

81 (3) The Department of Management Services shall establish  
82 the reimbursement schedule for prescription pharmaceuticals  
83 dispensed under the program. Reimbursement rates for a  
84 prescription pharmaceutical must be based on the cost of the  
85 generic equivalent drug if a generic equivalent exists, unless  
86 the physician prescribing the pharmaceutical clearly states on  
87 the prescription that the brand name drug is medically necessary  
88 or that the drug product is included on the formulary of drug  
89 products that may not be interchanged as provided in chapter  
90 465, in which case reimbursement must be based on the cost of  
91 the brand name drug as specified in the reimbursement schedule  
92 adopted by the Department of Management Services.

93 Notwithstanding the any other provision of this subsection, the  
94 department may require that a generic or formulary brand  
95 prescription be filled before dispensing an alternative within  
96 any therapeutic class.

97 Section 5. Subsection (1) of section 112.0801, Florida  
98 Statutes, is amended to read:

99 112.0801 Group insurance; participation by retired  
100 employees.-



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101           (1) Any ~~state agency,~~ county, municipality, special  
102 district, community college, or district school board which  
103 provides life, health, accident, hospitalization, or annuity  
104 insurance, or all of any kinds of such insurance, for its  
105 officers and employees and their dependents upon a group  
106 insurance plan or self-insurance plan shall allow all former  
107 personnel who have retired prior to October 1, 1987, as well as  
108 those who retire on or after such date, and their eligible  
109 dependents, the option of continuing to participate in such  
110 group insurance plan or self-insurance plan. Retirees and their  
111 eligible dependents shall be offered the same health and  
112 hospitalization insurance coverage as is offered to active  
113 employees at a premium cost of no more than the premium cost  
114 applicable to active employees. For the retired employees and  
115 their eligible dependents, the cost of any such continued  
116 participation in any type of plan or any of the cost thereof may  
117 be paid by the employer or by the retired employees. To  
118 determine health and hospitalization plan costs, the employer  
119 shall commingle the claims experience of the retiree group with  
120 the claims experience of the active employees; and, for other  
121 types of coverage, the employer may commingle the claims  
122 experience of the retiree group with the claims experience of  
123 active employees. Retirees covered under Medicare may be  
124 experience-rated separately from the retirees not covered by  
125 Medicare and from active employees, provided that the total  
126 premium does not exceed that of the active group and coverage is  
127 basically the same as for the active group.

128           Section 6. (1) For the period July 1, 2011, through  
129 December 31, 2012, the Department of Management Services shall



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130 administer the plans and benefits provided under the state group  
131 insurance program consistent with the following parameters:

132 (a) The state group insurance program shall include a  
133 health insurance standard plan, a state group health insurance  
134 high-deductible plan, a state-contracted health maintenance  
135 organization standard plan, and a state-contracted health  
136 maintenance organization high-deductible plan. Beginning January  
137 1, 2012, the health insurance portion of the state group  
138 insurance program shall be self-insured for active employees and  
139 retirees not eligible for Medicare, and may be self-insured for  
140 retirees eligible for Medicare.

141 (b) The benefits provided under each of the plans shall be  
142 those benefits as provided in the current State Employees' PPO  
143 Plan Group Health Insurance Plan Booklet and Benefit Document,  
144 current health maintenance organization contracts, and other  
145 health insurance benefits that are approved by the Legislature.

146 (c) The high-deductible plans shall continue to include an  
147 integrated health savings account. Such plans and accounts shall  
148 be administered in accordance with the requirements and  
149 limitations of federal provisions relating to the Medicare  
150 Prescription Drug, Improvement, and Modernization Act of 2003.  
151 The state shall make a monthly contribution to an employee's  
152 health savings account to the extent authorized in s.  
153 110.123(12), Florida Statutes.

154 (2) For the 2012 plan year and each plan year thereafter,  
155 the Department of Management Services shall develop a program of  
156 health insurance options and enrollee contribution requirements  
157 consistent with s. 110.123(5), Florida Statutes. Options shall  
158 encourage and promote enrollee health plan choices and positive



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159 behavior to promote the health and well-being of health plan  
160 members and to encourage appropriate plan utilization. The  
161 division shall determine the level of premiums necessary to  
162 fully fund the state group health insurance program for the next  
163 fiscal year. The Legislature shall provide in the General  
164 Appropriations Act a premium schedule.

165 Section 7. The premiums charged under the state group  
166 insurance program for health insurance authorized in s. 110.123,  
167 Florida Statutes, shall be as follows:

168 (1) STATE CONTRIBUTION.-

169 (a) Effective July 1, 2011, for the coverage period  
170 beginning August 1, 2011, the state contribution toward the cost  
171 of any plan in the state group health insurance program which is  
172 paid by the executive, legislative, and judicial branches on  
173 behalf of participating employees, shall be, for individual  
174 coverage, the total actuarial cost for the lowest cost plan  
175 offered by the department for individual coverage and shall be,  
176 for family coverage, the total actuarial cost for the lowest  
177 cost plan offered by the department for family coverage, less  
178 the employee contribution in subsection (2).

179 (b) Effective July 1, 2011, for the coverage period  
180 beginning August 1, 2011, the state contribution toward the cost  
181 of any plan in the state group health insurance program which is  
182 paid by the executive, legislative, and judicial branches on  
183 behalf of each employee enrolled in the spouse program shall be  
184 one-half the total actuarial cost for the lowest cost plan  
185 offered by the department for family coverage, less the employee  
186 contribution in subsection (2).

187 (2) EMPLOYEE CONTRIBUTION.-



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188 (a) For employees not participating in the spouse program:

189 1. Effective July 1, 2011, for the coverage period  
190 beginning August 1, 2011, the employee contribution toward the  
191 cost of a standard plan in the state group health insurance  
192 program shall be \$50 per month for individual coverage, and \$200  
193 per month for family coverage, plus the difference between the  
194 state contribution and the cost of the plan selected.

195 2. Effective July 1, 2011, for the coverage period  
196 beginning August 1, 2011, the employee contribution toward the  
197 cost of a high-deductible plan in the state group health  
198 insurance program shall continue at \$15 per month for individual  
199 coverage and \$64.30 per month for family coverage, plus the  
200 difference between the state contribution and the cost of the  
201 plan selected.

202 (b) For employees participating in the spouse program in  
203 accordance with section 60P-2.0036, Florida Administrative Code:

204 1. Effective July 1, 2011, for the coverage period  
205 beginning August 1, 2011, the employee contribution toward the  
206 cost of a standard plan in the state group health insurance  
207 program shall be \$100 per month for family coverage, plus the  
208 difference between the state contribution and the cost of the  
209 plan selected.

210 2. Effective July 1, 2011, for the coverage period  
211 beginning August 1, 2011, the employee contribution toward the  
212 cost of a high-deductible health plan in the state group health  
213 insurance program shall be \$32.15 per month for family coverage,  
214 plus the difference between the state contribution and the cost  
215 of the plan selected.

216 (3) STATE RETIREE ELIGIBLE FOR MEDICARE.—Effective July 1,





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217 2011, for the coverage period beginning August 1, 2011, a  
218 Medicare participant who participates in the state group  
219 insurance program shall pay a monthly premium set in the General  
220 Appropriations Act.

221 (4) STATE RETIREE NOT ELIGIBLE FOR MEDICARE.-Effective July  
222 1, 2011, for the coverage period beginning August 1, 2011, the  
223 monthly premium for a retiree who is not eligible for Medicare  
224 but who participates in any plan offered through the state group  
225 insurance program shall be set in the General Appropriations  
226 Act.

227  
228 ===== T I T L E A M E N D M E N T =====

229 And the title is amended as follows:

230 Delete lines 11 - 13

231 and insert:

232 incentive programs; providing for state contributions  
233 to health insurance coverage for employees and their  
234 families for the 2011-2012 fiscal year; repealing s.