

By Senator Justice

16-00321-09

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1                   A bill to be entitled  
2           An act relating to local government officers and  
3           employees; amending s. 110.1228, F.S.; expanding  
4           eligibility for participation in the state group  
5           health insurance program and the prescription drug  
6           coverage program to include all counties,  
7           municipalities, special taxing districts, and district  
8           school boards rather than only small counties and  
9           municipalities and certain school boards; specifying  
10          prerequisites and conditions for participation;  
11          providing a minimum period of enrollment; requiring  
12          that a participating county, municipality, special  
13          taxing district, or school board reimburse the  
14          Department of Management Services for its costs,  
15          including administrative costs; prohibiting a county,  
16          municipality, special taxing district, or school board  
17          from participating in the state's plan allowing for  
18          pretax treatment of premium contributions; authorizing  
19          the Department of Management Services to adopt rules;  
20          providing an effective date.

21  
22 Be It Enacted by the Legislature of the State of Florida:

23  
24           Section 1. Section 110.1228, Florida Statutes, is amended  
25 to read:

26           110.1228 Participation by ~~small~~ counties, ~~small~~  
27 municipalities, special taxing districts, and district school  
28 boards ~~located in small counties~~.—

29           (1) As used in this section, the term—

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30           ~~(a) "district school board" has the same meaning as in s.~~  
 31 1003.01 ~~means a district school board located in a small county~~  
 32 ~~or a district school board that receives funding pursuant to s.~~  
 33 ~~1011.62(7).~~

34           ~~(b) "Small municipality" means an incorporated municipality~~  
 35 ~~that has a population of 12,500 or fewer according to the most~~  
 36 ~~recent decennial census.~~

37           ~~(c) "Small county" means a county that has a population of~~  
 38 ~~100,000 or fewer according to the most recent decennial census.~~

39           (2) The governing body of a ~~small~~ county, ~~or small~~  
 40 municipality, special taxing district, or a district school  
 41 board may apply for participation in the state group health  
 42 insurance program authorized in s. 110.123 and the prescription  
 43 drug coverage program authorized by s. 110.12315 by submitting  
 44 an application along with a \$500 nonrefundable fee to the  
 45 department.

46           (3) Any costs or savings to the state group health  
 47 insurance program or the prescription drug coverage program  
 48 resulting from such participation shall be passed on to the  
 49 local government participants and their employees. Such costs or  
 50 savings shall be delineated based on the impact to the state,  
 51 state officers and employees, and local government employers and  
 52 their employees.

53           (4) As a prerequisite to the adoption of an ordinance or  
 54 resolution for participation in the state group health insurance  
 55 program and prescription drug coverage program, a ~~small~~ county,  
 56 ~~small~~ municipality, special taxing district, or district school  
 57 board shall issue a request for proposals to provide health  
 58 insurance and prescription drug coverage. Such request for

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59 proposals shall seek coverages equivalent to those offered  
60 currently by the ~~small~~ county, ~~small~~ municipality, special  
61 taxing district, or district school board and coverages  
62 equivalent to the state group health insurance program and  
63 prescription drug coverage program. Such request for proposals  
64 must provide an opportunity for the receipt of competitive  
65 proposals from all interested parties without restriction. The  
66 ~~small~~ county, ~~small~~ municipality, special taxing district, and  
67 district school board shall review and consider all responsive  
68 proposals before ~~prior to~~ the adoption of any ordinance or  
69 resolution for participation in the state group health insurance  
70 program and prescription drug coverage program.

71 (5) If the department determines that a ~~small~~ county, ~~small~~  
72 municipality, special taxing district, or district school board  
73 is eligible to enroll, the ~~small~~ county, ~~small~~ municipality,  
74 special taxing district, or district school board must agree to  
75 the following terms and conditions:

76 (a) The minimum enrollment or contractual period will be 3  
77 years.

78 (b) The ~~small~~ county, ~~small~~ municipality, special taxing  
79 district, or district school board must pay to the department an  
80 initial administrative fee of not less than \$2.61 per enrollee  
81 per month, or such other amount established annually to fully  
82 reimburse the department for its costs.

83 (c) Termination of participation of a ~~small~~ county, ~~small~~  
84 municipality, special taxing district, or district school board  
85 requires written notice 1 year before the termination date.

86 (d) If participation is terminated, a ~~small~~ county, ~~small~~  
87 municipality, special taxing district, or district school board

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88 may not reapply for participation for a period of 2 years.

89 (e) ~~Small~~ Counties, ~~small~~ municipalities, special taxing  
90 districts, and district school boards shall reimburse the state  
91 for 100 percent of its costs, including administrative costs.

92 (f) If a ~~small~~ county, ~~small~~ municipality, special taxing  
93 district, or district school board employer fails to make the  
94 payments required by this section to fully reimburse the state,  
95 the Department of Revenue or the Department of Financial  
96 Services shall, upon the request of the Department of Management  
97 Services, deduct the amount owed by the employer from any funds  
98 not pledged to bond debt service satisfaction that are to be  
99 distributed by it to the ~~small~~ county, ~~small~~ municipality,  
100 special taxing district, or district school board. The amounts  
101 so deducted shall be transferred to the Department of Management  
102 Services for further distribution to the trust funds in  
103 accordance with this chapter.

104 (g) The ~~small~~ county, ~~small~~ municipality, special taxing  
105 district, or district school board shall furnish the department  
106 any information requested by the department which the department  
107 considers necessary to administer the state group health  
108 insurance program and the prescription drug coverage program.

109 (h) The ~~small~~ county, ~~small~~ municipality, special taxing  
110 district, or district school board shall adopt the state's  
111 eligibility rules.

112 (i) The ~~small~~ county, ~~small~~ municipality, special taxing  
113 district, or district school board may not participate in the  
114 state's cafeteria plan that allows for pretax treatment of  
115 premium contributions. If pretax treatment is desirable for  
116 employees of these participating employers, each employee of a

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117 participating employer shall execute a salary reduction  
118 agreement with that employer, and each participating employer  
119 shall establish its own cafeteria plan.

120 (j) The ~~small~~ county, ~~small~~ municipality, special taxing  
121 district, or district school board shall pay monthly premiums in  
122 amounts sufficient to cover claims costs, department  
123 administrative costs, and third-party administrative costs and  
124 provide for adequate reserves and cash flow by contributing 3  
125 months' premiums and costs in advance of the coverage effective  
126 date.

127 (6) The provisions of ss. 624.436-624.446 do not apply to  
128 the State Group Insurance Program or to this section.

129 (7) The Department of Management Services may adopt rules  
130 necessary to administer this section.

131 Section 2. This act shall take effect October 1, 2009.