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1                   A bill to be entitled  
2           An act relating to the state group insurance program;  
3           requiring the Division of State Group Insurance to  
4           contract for postpayment claims review services for  
5           the state group health insurance plans; requiring that  
6           compensation under the contract be paid from amounts  
7           identified as claim overpayments recovered by the  
8           vendor; directing the Division of State Group  
9           Insurance to contract for dependent eligibility  
10          verification services for the state group insurance  
11          program; providing a limitation on compensation to the  
12          contract vendor; authorizing a grace period to  
13          document eligibility; requiring that the Department of  
14          Management Services obtain budget authority to expend  
15          certain funds pursuant to the contract; requiring the  
16          department to adopt rules; prohibiting the Department  
17          of Management Services from renewing any contract with  
18          a health maintenance organization if such renewal  
19          restricts the Legislature's authority to modify or  
20          limit any benefit or plan option during the 2011  
21          calendar year; requiring that the Department of  
22          Management Services require costing options for both  
23          fully insured and self-insured plan designs under the  
24          state employee health insurance program; requiring  
25          that the department recommend the best value to the  
26          Legislature by a specified date; requiring that the  
27          department solicit information from the private sector  
28          for financing and outsourcing a defined contribution  
29          plan through a written request for information;

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30 providing requirements for the written request for  
31 information; requiring that responses received from  
32 vendors be provided to certain legislative budget  
33 chairs by a specified date; providing an effective  
34 date.

35  
36 Be It Enacted by the Legislature of the State of Florida:

37  
38 Section 1. The Division of State Group Insurance is  
39 directed to competitively procure:

40 (1) Postpayment claims review services for the state group  
41 health insurance plans established pursuant to s. 110.123,  
42 Florida Statutes. Compensation under the contract shall be paid  
43 from amounts identified as claim overpayments that are made by  
44 or on behalf of the health plans and that are recovered by the  
45 vendor. The vendor may retain that portion of the amount  
46 recovered as provided in the contract. The contract must require  
47 the vendor to maintain all necessary documentation supporting  
48 the amounts recovered, retained, and remitted to the division;  
49 and

50 (2) A contingency-based contract for dependent eligibility  
51 verification services for the state group insurance program;  
52 however, compensation under the contract may not exceed  
53 historical claim costs for the prior 12 months for the dependent  
54 populations disenrolled as a result of the vendor's services.  
55 The division may establish a 3-month grace period and hold  
56 subscribers harmless for past claims of ineligible dependents.  
57 The Department of Management Services shall submit budget  
58 amendments pursuant to chapter 216, Florida Statutes, in order

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59 to obtain budget authority necessary to expend funds from the  
60 State Employees' Group Health Self-Insurance Trust Fund for  
61 payments to the vendor as provided in the contract. The  
62 Department of Management Services shall adopt rules providing a  
63 process for verifying dependent eligibility.

64 Section 2. For the 2011 calendar year, the Department of  
65 Management Services may not renew any contract between the  
66 department and a state-contracted health maintenance  
67 organization if such renewal restricts the authority of the  
68 Legislature to modify or limit any benefit or plan option during  
69 the calendar year.

70 Section 3. For the state group insurance program, the  
71 Department of Management Services shall require costing options  
72 for both fully insured and self-insured plan designs, or some  
73 combination thereof, as part of the department's solicitation  
74 for health maintenance organization contracts. Prior to  
75 contracting, the department shall recommend to the Legislature,  
76 no later than February 1, 2011, the best value to the State  
77 group insurance program relating to health maintenance  
78 organizations.

79 Section 4. The Department of Management Services shall  
80 solicit information from the private sector through a written  
81 request for information which relates to contracting with a  
82 single vendor for the financing and outsourcing of a defined  
83 contribution plan that will provide a single access point for  
84 plan participants to select any option available to them through  
85 a full cafeteria plan meeting the requirements and regulations  
86 of s. 125 of the Internal Revenue Code. The request for  
87 information must seek information from vendors regarding the

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88 plan for state employee health benefits which will provide  
89 consumer-driven health products and other health insurance  
90 options, as well as all other qualified benefits. The vendor  
91 shall include design features for risk pooling which will  
92 prevent adverse selection, and shall provide information  
93 regarding the effects of these features on the state as well as  
94 plan participants. The request for information must also ask  
95 respondents to identify how they can provide or offer an  
96 Internet-based decision-support technology, product portability,  
97 and incentives for healthy behaviors and the management of  
98 chronic disease and conditions. The request for information must  
99 state that eligibility determinations and enrollment  
100 administration, the collecting and accounting of payroll  
101 deductions or direct-pay benefit contributions, and transfers of  
102 employer or employee contributions to a single contracted vendor  
103 will remain in-house, but will require that the necessary system  
104 provide for an interface between the department and the  
105 contracted vendor. The request for information must include a  
106 window of time for written questions by interested parties and  
107 department answers to ensure that decision-useful information is  
108 submitted in response to the request for information. The  
109 request for information must also provide the ability for  
110 vendors to submit general pricing information. Responses  
111 received from vendors as a result of the request for information  
112 shall be submitted to the chair of the Senate Ways and Means  
113 Committee and the chair of the House Full Appropriations Council  
114 on General Government and Health Care by September 30, 2010.

115 Section 5. This act shall take effect July 1, 2010.