

1 A bill to be entitled
 2 An act relating to the state group health insurance
 3 and prescription drug programs; amending s. 110.1228,
 4 F.S.; defining the term "water management district";
 5 authorizing a water management district to participate
 6 in the state group health insurance program and the
 7 prescription drug coverage program upon the
 8 affirmative vote of a district's governing board;
 9 establishing conditions and restrictions regarding
 10 participation; providing that monthly premium amounts
 11 be based on an actuarial analysis conducted by the
 12 Department of Management Services; requiring small
 13 counties, small municipalities, district school
 14 boards, and water management districts participating
 15 in the programs to bear the costs of the actuarial
 16 analysis; conforming provisions to changes made by the
 17 act; amending s. 373.605, F.S.; conforming a
 18 provision; providing an effective date.

19
 20 Be It Enacted by the Legislature of the State of Florida:

21
 22 Section 1. Section 110.1228, Florida Statutes, is amended
 23 to read:

24 110.1228 Participation by small counties, small
 25 municipalities, ~~and~~ district school boards, and water management

26 | districts located in small counties.-

27 | (1) As used in this section, the term:

28 | (a) "District school board" means a district school board
 29 | located in a small county or a district school board that
 30 | receives funding pursuant to s. 1011.62(7).

31 | (b) "Small municipality" means an incorporated
 32 | municipality that has a population of 12,500 or fewer according
 33 | to the most recent decennial census.

34 | (c) "Small county" means a county that has a population of
 35 | 100,000 or fewer according to the most recent decennial census.

36 | (d) "Water management district" has the same meaning as in
 37 | s. 373.019.

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

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

51 | local government employers and their employees, and water
52 | management districts and their employees.

53 | (4) As a prerequisite to the adoption of an ordinance or
54 | resolution or the affirmative vote of a governing board, for
55 | participation in the state group health insurance program and
56 | prescription drug coverage program, a small county, small
57 | municipality, ~~or~~ district school board, or water management
58 | district shall issue a request for proposals to provide health
59 | insurance and prescription drug coverage. Such request for
60 | proposals shall seek coverages equivalent to those offered
61 | currently by the small county, small municipality, ~~or~~ district
62 | school board, or water management district and coverages
63 | equivalent to the state group health insurance program and
64 | prescription drug coverage program. Such request for proposals
65 | must provide an opportunity for the receipt of competitive
66 | proposals from all interested parties without restriction. The
67 | small county, small municipality, ~~and~~ district school board, and
68 | water management district shall review and consider all
69 | responsive proposals before ~~prior to~~ the adoption of any
70 | ordinance or resolution or the affirmative vote of any governing
71 | board for participation in the state group health insurance
72 | program and prescription drug coverage program.

73 | (5) If the department determines that a small county,
74 | small municipality, ~~or~~ district school board, or water
75 | management district is eligible to enroll, the small county,

76 | small municipality, ~~or~~ district school board, or water
 77 | management district must agree to the following terms and
 78 | conditions:

79 | (a) The minimum enrollment or contractual period will be 3
 80 | years.

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

86 | (c) Termination of participation of a small county, small
 87 | municipality, ~~or~~ district school board, or water management
 88 | district requires written notice 1 year before the termination
 89 | date.

90 | (d) If participation is terminated, a small county, small
 91 | municipality, ~~or~~ district school board, or water management
 92 | district may not reapply for participation for a period of 2
 93 | years.

94 | (e) Small counties, small municipalities, ~~and~~ district
 95 | school boards, and water management districts shall reimburse
 96 | the state for 100 percent of its costs, including administrative
 97 | costs.

98 | (f) If a small county, small municipality, ~~or~~ district
 99 | school board employer, or water management district fails to
 100 | make the payments required by this section to fully reimburse

101 the state, the Department of Revenue or the Department of
102 Financial Services shall, upon the request of the Department of
103 Management Services, deduct the amount owed by the employer from
104 any funds not pledged to bond debt service satisfaction that are
105 to be distributed by it to the small county, small municipality,
106 ~~or~~ district school board, or water management district. The
107 amounts so deducted shall be transferred to the Department of
108 Management Services for further distribution to the trust funds
109 in accordance with this chapter.

110 (g) The small county, small municipality, ~~or~~ district
111 school board, or water management district shall furnish the
112 department any information requested by the department which the
113 department considers necessary to administer the state group
114 health insurance program and the prescription drug coverage
115 program.

116 (h) The small county, small municipality, ~~or~~ district
117 school board, or water management district shall adopt the
118 state's eligibility rules.

119 (i) The small county, small municipality, ~~or~~ district
120 school board, or water management district may not participate
121 in the state's cafeteria plan that allows for pretax treatment
122 of premium contributions. If pretax treatment is desirable for
123 employees of these participating employers, each employee of a
124 participating employer shall execute a salary reduction
125 agreement with that employer, and each participating employer

126 shall establish its own cafeteria plan.

127 (j) The small county, small municipality, ~~or~~ district
 128 school board, or water management district shall pay monthly
 129 premiums in amounts sufficient to cover claims costs, department
 130 administrative costs, and third-party administrative costs and
 131 provide for adequate reserves and cash flow by contributing 3
 132 months' premiums and costs in advance of the coverage effective
 133 date. The premiums must be established by an actuarial analysis
 134 conducted by the department in which the requesting party is
 135 considered both a distinct health insurance risk pool and as
 136 part of the state group health insurance program risk pool. The
 137 actuarial analysis must be paid for by the participating small
 138 county, small municipality, district school board, or water
 139 management district.

140 (6) Sections ~~The provisions of ss. 624.436-624.446~~ do not
 141 apply to the State Group Insurance Program or to this section.

142 Section 2. Section 373.605, Florida Statutes, is amended
 143 to read:

144 373.605 Group insurance for water management districts.—
 145 The governing board of a water management district may provide
 146 group insurance for its employees, and the employees of another
 147 water management district, in the same manner and with the same
 148 provisions and limitations authorized for other public employees
 149 under ss. 112.08, 112.09, 112.10, 112.11, and 112.14.

150 Alternatively, a water management district, after an affirmative

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151 | vote of its governing board, may participate in the state group
152 | health insurance program and the prescription drug coverage
153 | program under s. 110.1228.

154 | Section 3. This act shall take effect July 1, 2018.