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LEGISLATIVE ACTION

Senate

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House

The Committee on Banking and Insurance (Diaz) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Section 627.6387, Florida Statutes, is created
to read:

627.6387 Shared savings incentive program.-

(1) This section may be cited as the "Patient Savings Act."

(2) As used in this section, the term:

(a) "Health care provider" means a hospital, a facility



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11 licensed under chapter 395; an entity licensed under chapter
12 400; a health care practitioner as defined in s. 456.001; a
13 blood bank, plasma center, industrial clinic, and renal dialysis
14 facility; or a professional association, partnership,
15 corporation, joint venture, or other association for
16 professional activity by health care providers. The term
17 includes entities and professionals outside of this state with
18 an active, unencumbered license for an equivalent facility or
19 practitioner type issued by another state, the District of
20 Columbia, or a possession or territory of the United States.

21 (b) "Health insurer" means an authorized insurer offering
22 health insurance as defined in s. 624.603 or a health
23 maintenance organization as defined in s. 641.19. The term does
24 not include the state group health insurance program provided
25 under s. 110.123.

26 (c) "Shared savings incentive" means a voluntary and
27 optional financial incentive that a health insurer may provide
28 to an insured for choosing certain shoppable health care
29 services under a shared savings incentive program and may
30 include, but is not limited to, the incentives described in s.
31 626.9541(4) (a).

32 (d) "Shared savings incentive program" means a voluntary
33 and optional incentive program established by a health insurer
34 pursuant to this section.

35 (e) "Shoppable health care service" means a lower-cost,
36 high-quality nonemergency health care service for which a shared
37 savings incentive is available for insureds under a health
38 insurer's shared savings incentive program. Shoppable health
39 care services may be provided within or outside of this state



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40 and include, but are not limited to:

41 1. Clinical laboratory services.

42 2. Infusion therapy.

43 3. Inpatient and outpatient surgical procedures.

44 4. Obstetrical and gynecological services.

45 5. Inpatient and outpatient nonsurgical diagnostic tests
46 and procedures.

47 6. Physical and occupational therapy services.

48 7. Radiology and imaging services.

49 8. Prescription drugs.

50 9. Services provided through telehealth.

51 (3) A health insurer may offer a shared savings incentive
52 program to provide incentives to an insured when the insured
53 obtains a shoppable health care service from the health
54 insurer's shared savings list. An insured may not be required to
55 participate in a shared savings incentive program. A health
56 insurer that offers a shared savings incentive program must:

57 (a) Establish the program as a component part of the
58 policy, contract, or certificate of insurance provided by the
59 health insurer and notify the insureds and the office at least
60 30 days before program termination.

61 (b) File a description of the program on a form prescribed
62 by commission rule. The office must review the filing and
63 determine whether the shared savings incentive program complies
64 with this section.

65 (c) Notify an insured annually and at the time of renewal,
66 and an applicant for insurance at the time of enrollment, of the
67 availability of the shared savings incentive program and the
68 procedure to participate in the program.



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69 (d) Publish on a webpage easily accessible to insureds and
70 to applicants for insurance a list of shoppable health care
71 services and health care providers and the shared savings
72 incentive amount applicable for each service. A shared savings
73 incentive may not be less than 25 percent of the savings
74 generated by the insured's participation in any shared savings
75 incentive offered by the health insurer. The baseline for the
76 savings calculation is the average in-network amount paid for
77 that service in the most recent 12-month period or some other
78 methodology established by the health insurer and approved by
79 the Commissioner of Insurance Regulation.

80 (e) At least quarterly, credit or deposit the shared
81 savings incentive amount to the insured's account as a return or
82 reduction in premium, or credit the shared savings incentive
83 amount to the insured's flexible spending account, health
84 savings account, or health reimbursement account, such that the
85 amount does not constitute income to the insured.

86 (f) Submit an annual report to the office within 90
87 business days after the close of each plan year. At a minimum,
88 the report must include the following information:

89 1. The number of insureds who participated in the program
90 during the plan year and the number of instances of
91 participation.

92 2. The total cost of services provided as a part of the
93 program.

94 3. The total value of the shared savings incentive payments
95 made to insureds participating in the program and the values
96 distributed as premium reductions, credits to flexible spending
97 accounts, credits to health savings accounts, or credits to



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98 health reimbursement accounts.

99 4. An inventory of the shoppable health care services
100 offered by the health insurer.

101 (4) (a) A shared savings incentive offered by a health
102 insurer in accordance with this section:

103 1. Is not an administrative expense for rate development or
104 rate filing purposes.

105 2. Does not constitute an unfair method of competition or
106 an unfair or deceptive act or practice under s. 626.9541 and is
107 presumed to be appropriate unless credible data clearly
108 demonstrates otherwise.

109 (b) A shared saving incentive amount provided as a return
110 or reduction in premium reduces the health insurer's direct
111 written premium by the shared saving incentive dollar amount for
112 the purposes of the taxes in ss. 624.509 and 624.5091.

113 (5) The commission may adopt rules necessary to implement
114 and enforce this section.

115 Section 2. This act shall take effect January 1, 2020.

116
117 ===== T I T L E A M E N D M E N T =====

118 And the title is amended as follows:

119 Delete everything before the enacting clause
120 and insert:

121 A bill to be entitled
122 An act relating to health insurance savings programs;
123 creating s. 627.6387, F.S.; providing a short title;
124 defining terms; authorizing health insurers, which
125 include health maintenance organizations, to offer
126 shared savings incentive programs to insureds;



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127 providing that insureds are not required to
128 participate in such programs; specifying requirements
129 for health insurers offering such programs; requiring
130 the Office of Insurance Regulation to review filed
131 descriptions of programs and make a certain
132 determination; providing notification and account
133 credit or deposit requirements for insurers;
134 specifying the minimum shared savings incentive and
135 the basis for calculating savings; specifying
136 requirements for annual reports submitted by insurers
137 to the office; providing construction; providing that
138 certain shared saving incentive amounts reduce an
139 insurer's direct written premium for purposes of the
140 insurance premium tax and the retaliatory tax;
141 authorizing the Financial Services Commission to adopt
142 rules; providing an effective date.