

CHAPTER 2010-150

Committee Substitute for Senate Bill No. 2374

An act relating to the state group insurance program; requiring the Division of State Group Insurance to contract for postpayment claims review services for the state group health insurance plans; requiring that compensation under the contract be paid from amounts identified as claim overpayments recovered by the vendor; directing the Division of State Group Insurance to contract for dependent eligibility verification services for the state group insurance program; providing a limitation on compensation to the contract vendor; authorizing a grace period to document eligibility; requiring that the Department of Management Services obtain budget authority to expend certain funds pursuant to the contract; requiring the department to adopt rules; prohibiting the Department of Management Services from renewing any contract with a health maintenance organization if such renewal restricts the Legislature's authority to modify or limit any benefit or plan option during the 2011 calendar year; requiring that the Department of Management Services require costing options for both fully insured and self-insured plan designs under the state employee health insurance program; requiring that the department recommend the best value to the Legislature by a specified date; requiring that the department solicit information from the private sector for financing and outsourcing a defined contribution plan through a written request for information; providing requirements for the written request for information; requiring that responses received from vendors be provided to certain legislative budget chairs by a specified date; providing an effective date.

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

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

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

(2) A contingency-based contract for dependent eligibility verification services for the state group insurance program; however, compensation under the contract may not exceed historical claim costs for the prior 12 months for the dependent populations disenrolled as a result of the vendor's services. The division may establish a 3-month grace period and hold subscribers harmless for past claims of ineligible dependents. The

Department of Management Services shall submit budget amendments pursuant to chapter 216, Florida Statutes, in order to obtain budget authority necessary to expend funds from the State Employees' Group Health Self-Insurance Trust Fund for payments to the vendor as provided in the contract. The Department of Management Services shall adopt rules providing a process for verifying dependent eligibility.

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

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

Section 4. The Department of Management Services shall solicit information from the private sector through a written request for information which relates to contracting with a single vendor for the financing and outsourcing of a defined contribution plan that will provide a single access point for plan participants to select any option available to them through a full cafeteria plan meeting the requirements and regulations of s. 125 of the Internal Revenue Code. The request for information must seek information from vendors regarding the plan for state employee health benefits which will provide consumer-driven health products and other health insurance options, as well as all other qualified benefits. The vendor shall include design features for risk pooling which will prevent adverse selection, and shall provide information regarding the effects of these features on the state as well as plan participants. The request for information must also ask respondents to identify how they can provide or offer an Internet-based decision-support technology, product portability, and incentives for healthy behaviors and the management of chronic disease and conditions. The request for information must state that eligibility determinations and enrollment administration, the collecting and accounting of payroll deductions or direct-pay benefit contributions, and transfers of employer or employee contributions to a single contracted vendor will remain in-house, but will require that the necessary system provide for an interface between the department and the contracted vendor. The request for information must include a window of time for written questions by interested parties and department answers to ensure that decision-useful information is submitted in response to the request for information. The request for information must also provide the ability for vendors to submit general pricing information. Responses received from vendors as a result of the request for information shall be submitted to the chair of the Senate Ways and Means Committee

and the chair of the House Full Appropriations Council on General Government and Health Care by September 30, 2010.

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

Approved by the Governor May 28, 2010.

Filed in Office Secretary of State May 28, 2010.