

The Florida Senate
PROFESSIONAL STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: General Government Appropriations Committee

BILL: SB 1422

INTRODUCER: Senator Carlton

SUBJECT: State Employees

DATE: March 28, 2007

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McVaney	DeLoach	GA	Favorable
2.				
3.				
4.				
5.				
6.				

I. Summary:

This legislation continues the current level of employer contributions into a participant’s health savings account for the 2007-2008 fiscal year for those employees participating in the high deductible plans in the State Employee Health Insurance Program.

This bill substantially amends section 110.123 of the Florida Statutes.

II. Present Situation:

Section 110.123, F.S., creates the State Employee Health Insurance Program. As implemented by the Department of Management Services, the program offers four types of health plans: a standard statewide Preferred Provider Organization (PPO) Plan, a Health Investor PPO Plan, a standard Health Maintenance Organization (HMO) Plan, or a Health Investor HMO Plan.

The State Employees’ PPO plan, consisting of the standard PPO Plan and the Health Investor PPO Plan, is a self-insured health plan administered by Blue Cross Blue Shield of Florida. The administrator is responsible for processing health claims, providing access to a Preferred Provider Care Network, and managing customer service, utilization review, and case management functions.

Each HMO is a self-administered, pre-paid health plan that provides health services to people who live or work within the HMO’s service area. Five HMOs provide coverage in various geographic regions. The standard HMO plan providers are VISTA, Capital Health Plan, AvMed, United Health Care, and Florida Health Care Plan. The Health Investor HMO plan providers are VISTA, AvMed, and United.

A state employee participating in either Health Investor plan is eligible to receive contributions into the employee's health savings account. The participant may draw upon these funds to meet the out-of-pocket medical and pharmacy expenses.

The annual contribution from the State Employee Health Insurance Trust Fund is \$500 for single coverage and \$1000 for family coverage. These contributions are made in equal monthly installments throughout the plan year. These contributions are funded as part of the employer-paid premium for health insurance coverage.

The authority to make employer-paid contributions into a participant's health savings account expires June 30, 2007.

III. Effect of Proposed Changes:

Section 1 amends s. 110.123, F.S., to provide the level of the monthly employer contribution into a participant's health savings account for the 2007-2008 fiscal year. It will remain at the current level of \$41.66 for individual coverage (\$500 annually) and \$83.33 for family coverage (\$1000 annually).

Section 2 provides that this act shall take effect July 1, 2007.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

This legislation continues current programs within the State Employee Health Insurance Program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

This Senate Professional Staff Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

VIII. Summary of Amendments:

None.

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