

Florida Health Insurance Advisory Board

Legislative Recommendations

The Florida Health Reinsurance Program setting as the Florida Health Insurance Advisory Board is pleased to submit the following legislative recommendations addressing health insurance market issues to the Florida Office of Insurance Regulation. The statute directs the Board to advise the Office, the Agency for Health Care Administration, the Department, other executive departments, and the Legislature on health insurance issues. Specifically, the board shall:

- Provide a forum for stakeholders, consisting of insurers, employers, agents, consumers, and regulators, in the private health insurance market in this state.
- Review and recommend strategies to improve the functioning of the health insurance markets in this state with a specific focus on market stability, access, and pricing.
- Make recommendations to the office for legislation addressing health insurance market issues and provide comments on health insurance legislation proposed by the office.
- Meet at least three times each year. One meeting shall be held to hear reports and to secure public comment on the health insurance market, to develop any legislation needed to address health insurance market issues, and to provide comments on health insurance legislation proposed by the office.
- Issue a report to the office on the state of the health insurance market by September 1 each year. The report shall include recommendations for changes in the health insurance market, results from implementation of previous recommendations, and information on health insurance markets.

On September 1, 2006, the Board issued its second report on the status of the health insurance market in Florida. This report was primarily a statistical report on Florida's commercial health insurance markets, providing five years of premium and enrollment data by market segment. It also provided data on the changes in Florida uninsured population from the Florida Health Insurance Study 2004 (Florida Agency for Health Care Administration) and discussed the importance of small business in Florida and the resulting implications on health insurance coverage.

Since June 22, 2006, the Board has met six times to receive status reports on various health insurance issues, hear testimony from various stakeholders on health insurance market issues and prepare a set of legislative recommendations to the Office of Insurance Regulation (OIR). These meetings were held in Miami, Jacksonville and Tallahassee and via telephone conference call. The recommendations presented below are the result of these activities.

The Board plans to meet again to review and comment on the Office of Insurance Regulation's legislative agenda when it becomes available.

The purpose of this document is to present the Board's recommendations for changes in the health insurance market.

1. Request the Governor and/or Chief Financial Officer appoint a study group to study the feasibility and effectiveness of the following:
 - a. Mandating health insurance coverage for all individuals – the study should investigate alternatives to provide individual insurance to all Floridians who are not covered by a group plan, Medicare, Medicaid or other comprehensive creditable coverage [as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA)]. Options might include: strengthening and making more efficient current safety net programs such as Healthy Kids, development of tax incentives for business such as reduction of sales tax liability, etc.
 - b. Developing a subsidy program, including the identification of a funding source for low-income adults
2. Establish a comprehensive multilingual, culturally diverse educational program to educate Floridians on the importance of having health insurance, health insurance coverage options, appropriate use of emergency rooms, other tools to cover health care expenses, etc. The program would include state agencies such as Agency for Health Care Administration, Department of Health, Department of Financial Services and OIR as well as insurers and other private organizations such as Florida Hospital Association, Florida Medical Association, etc.
3. Require all health plans to have online access to names of providers included in their networks. This access should not be limited to current subscribers/policyholders. Require all hospitals to have online access to a listing of credentialed physicians.
4. Oppose efforts to further segment the health insurance market and to further expand health insurance benefit mandates. Request that the Legislature enforce the current statutory requirement that requires an economic analysis of proposed mandates and ensure that any future regulatory requirements be applied to all insurers authorized to do business in Florida.
5. Increase the age limit to age 30 to allow retention of health insurance coverage under a parent's policy for children who are Florida residents or students but who are no longer dependents. To avoid unintended tax consequences for group policies, a continuation of coverage option may be necessary.
6. Require all college students not covered under a federal HIPAA credible coverage health insurance policy to purchase such a policy. Require all state universities and colleges to offer only HIPAA credible coverage health insurance policies and

- to develop a process for a hardship waiver for those students where purchase of such a policy might prevent their attending school.
7. Broaden membership of the Low Income Pool (LIP) Council [see Section 409.911(9), F.S.] to include other stakeholders including health insurers, HMOs and consumer representatives.
 8. Utilize funds from the Public Medical Assistance Trust Fund (see Part IV of Chapter 395, F.S.) to fund a demonstration project for the Florida Health Insurance Plan in which the Plan would bid coverage to health insurers at a fixed premium to limit state liability. The state would subsidize a part of the premium and the contracted insurer would be at risk for losses in excess of premium revenue.
 9. Request the Legislature to submit a Resolution to Congress:
 - a. Requiring a limit on interest rates for credit cards used for tax-deductible medical expenses.
 - b. Allowing full tax deductibility of health insurance premiums and other medical expenses.
 - c. Maintaining appropriate reimbursement for the Medicare Advantage Program to prevent disruption of access by beneficiaries.
 10. Amend the statute [Section 627.6699(11), F.S.] to formally change the name of the group to the Florida Health Insurance Advisory Council.