

# FOR THE WEEK OF MARCH 4-8, 2002

All eyes are on the Revenue Estimating Conference meeting today. A collegial body of economists and tax revenue experts from the Offices of the Governor, the Senate and the House of Representatives will meet today to estimate the tax revenues for the State of Florida for the 2002-03 fiscal year. The results of their consultations are expected late today.

Of course, what is at stake is the opportunity for the House and Senate to craft a budget compromise. A "spike" in State revenues may enable the Senate to come away with more money for the bottomless appetite known as "education funding" and the House to avoid any kind of tax increase which Speaker Feeney vociferously opposes. In the mix of such a compromise may also be an agreed upon repeal of the "silly" sales tax exemptions, such as Ostrich feed that have erroneously plagued the debate this session. We say "erroneously" because the "silly" exemptions that have dominated the debate and represent a tiny fraction of the dollars "lost" to Florida's current sales tax exemptions.

Here's a quick review of this week's activities:

#### **BROWNFIELDS REDEVELOPMENT**

HB 1281 by Rep. Bob Allen (R-Merritt Island) was passed today, Friday March 8 by the Fiscal Responsibility Council. This represents the "last stop" for the bill before receiving consideration on the House floor.

This "Brownfields Redevelopment" bill will increase the number of businesses potentially eligible for Brownfields redevelopment. Brownfields sites are abandoned, idled, or underused industrial and commercial properties where expansion or redevelopment is complicated by actual or perceived environmental contamination. In 1997, the Legislature created the Brownfields Redevelopment Program, which is a voluntary program through which the cleanup of Brownfields sites is initiated by landowners and developers rather than government regulators. By broadening the eligibility requirements, more businesses can locate to Brownfields areas and therefore, more Brownfields redevelopment could occur.

AIF supports the clean up and return to economic viability of these abandoned and often contaminated areas. This legislation will make the difference between property sites remaining abandoned and blighted or returning as a productive and useful element in the community.

# WORKERS' COMPENSATION REFORM

The House Council for Competitive Commerce passed HB 1947 by Representative Leslie Waters (R-Largo) on Monday, March 4. This worker's compensation reform bill represents the intense lobbying efforts of the Coalition of Business and Industry and the hard work of several members of the House Insurance Committee. AIF, which participates in the Coalition, would especially like to acknowledge the leadership and commitment of Representative Leslie Waters. The House Insurance Committee Chairman has endured many long meetings and tremendous pressure to bring a bill through the process that, so far, reduces fraud and abuse, increases benefits to injured workers and provides for an actual, reduction in the rates for Florida's employers. There were 12 amendments to the bill. All but one was either technical or supported by AIF and the Coalition. Representative Dennis Ross (R-Lakeland) offered the majority of the amendments, which were developed only after close consultation with the Coalition members and other interested parties. We appreciate his cooperation, as well. It also needs to be noted that Council Chairman, Representative J. D. Alexander (R-Winter Haven) was supportive in the meeting and has long been instrumental in the Coalition's efforts to save Florida's workers' compensation system from failure.

<u>Representative Stacy Ritter (D-Coral Springs)</u> did offer a bad amendment that would have drained away language necessary to give employers the appropriate protections from civil liability under the workers' compensation system. The debate got contentious, but in the end, the amendment failed and received only four "yes" votes from the Council members.

The <u>Senate Banking and Insurance Committee</u> also took up workers' compensation reform on Monday. <u>SB 2304</u>, by <u>Senator Jack Latvala (R-Palm Harbor</u>), is the Senate companion to the House bill. The dynamic was a little different in the Committee with not twelve amendments, but *58 amendments* filed to the bill. Senator Jack Latvala, with it being practically impossible to review the hundreds of pages in amendments, requested that <u>Chairman Bill Posey (R-Rockledge)</u> put off detailed discussion of each of the amendments and a vote on both the amendments and that the bill not be taken until next week's meeting. Instead, the Committee heard testimony from several speakers, including AIF's Mary Ann Stiles, on the bill and issues of related concern. A review of the amendments showed it to be terribly obvious that several members of the Committee were simply trying to wreck the bill and undermine the Coalition's reform efforts.

AIF supports HB 1947 & SB 2304. Florida's Workers' Compensation system is slowly unwinding into a completely unworkable, unaffordable process that neither serves the employer or the employee. The bill represents real, substantive reform - the only reform that will repair the system and insure adequate care and benefits for injured workers. Halfbaked attempts to protect the financial interests of attorneys and fraudulent business operations that refuse to cover their employees only corrupt any real reform. Now is the time to enact reforms before the system is in complete collapse. The system was designed to be self-executing. The system was designed to make sure an injured employee received the speedy and necessary care in order to return to their rightful place in the workplace. It was not designed to provide a career path for bureaucrats and attorneys."

# **COMMUNITY COLLEGE FUNDING**

<u>SB 1542</u> by <u>Senator Alex Villalobos (R-Miami)</u> passed out of the <u>Senate Education Committee</u> on a unanimous vote on Monday, March 4. There were no amendments. This bill is a top priority of Florida's community colleges. This bill essentially codifies the state budget "distribution formula" for all of the community colleges already in current use. So, it does not change the formula but simply places it into statute.

Florida's community colleges have had a series of different allocation schemes and methodologies over the last decade, changing almost annually. This inconsistency wreaks havoc with the community colleges' ability to plan operations, develop academic programs, or make long-term fiscal plans. The uncertainties of this improvised funding methodology used to allocate resources from year to year is no better than guesswork. In fact the statute governing funding, that has been in effect since 1991, has not been executed even once by the Legislature.

<u>AIF support this legislation</u>. The budgetary funding process for Florida's community colleges has been inconsistent and at times inequitable. An already excellent system for higher learning would benefit immensely by the implementation of a funding formula that brought predictability, equity and reason to the process. Florida's community colleges are hamstrung by a current funding approach that compromises planning, asset allocation and operating revenue administration. Ultimately, it is Florida's students that suffer. Florida's employers can only benefit from a first class education system. Adopting a statutory distribution formula is a critical step in making both Florida's education system and its graduates first class.

#### EQUAL PAY COMMISSION ACT

The <u>Senate Governmental Oversight and Productivity Committee</u> passed <u>SB 310</u> by <u>Senator Mandy Dawson (D-Ft. Lauderdale)</u>, which establishes an ominous sounding "Equal Pay Commission," on Tuesday, March 5 by a vote of 7 - 0. The bill creates a commission to study whatever underlying reasons there may be for wage disparities between men and women and minority women in Florida. The commission will be made up of nine appointees, the group comprised of individuals who typically have an interest or expertise in such matters.

The bill was previously amended last month by the Senate Committee on Commerce and Economic Development to effectively sunset the Commission on June 30, 2003. According to the bill, during this Commission's brief life, it is to supply a report to the Governor, Senate President, Speaker of the House and the Secretary of the Department of Labor and Employment Security. The report is supposed to summarize or document pay inequities in the private sector and to recommend policy solutions to these inequities. If the legislature finds the report or the conduct of the Commission compelling enough, the legislature can affirmatively restore the Commission to life by canceling the June 30, 2003 sunset.

While AIF appreciates efforts to limit the life and mission of the Commission, <u>AIF</u> <u>continues to take a dim view</u> of any governmental body that purports to investigate or recommend intrusive solutions to so-called "compensation problems" in the market placeIn addition, the Senate members of the majority party that have passed this bill along, without one single "no" vote, almost certainly have no intention whatsoever of acting on any of the Commission's recommendations when or if they are ever submitted. When the Democrats were in charge, they actually killed bills in the Committee process. When did it become a courtesy to pass bad bills in the Senate?

# **PRESCRIPTION INSURANCE AND CONTRACEPTIVES**

<u>SB 920</u> by <u>Senator Debbie Wasserman-Schultz (D-Pembroke Pines)</u> was heard and approved in the <u>Senate Health Aging and Long Term Care Committee</u> on Tuesday, March 5. Basically, the bill requires that any health insurer that provides prescription drug coverage must also provide coverage for oral contraceptives.

The bill would require insurance policies to be in compliance with a ruling by the U. S. Equal Employment Opportunity Commission (EEOC) which held that it was unlawful to exclude prescription contraceptive drugs and devices from health insurance plans because such exclusion violated Title VII and the Pregnancy Discrimination Act (PDA). The EEOC decision was issued in December of 2000 and found that excluding prescription contraceptive drugs and devices from employee health insurance plans constituted sex and pregnancy discrimination.

The bill feigns "compliance" with an EEOC decision; however, the decision applies only to the two women whose complaints the EEOC considered. The EEOC decision is not binding on the courts, but such courts may give the decision due deference. Under the guise of this EEOC decision, the bill plainly establishes a new, mandated coverage under prescription drug benefits, whether the employer wants it or not.

Some of the State's 51 mandated health benefits actually represent smart policy decisions and, arguably, reduce long-term costs to the carriers and to the employers buying the coverage. But many are burdensome and drive up prices beyond the reach of employers who would like to purchase basic health-care coverage for their employees. Until a system is established for the objective cost-benefit evaluation of current and proposed mandates, therefore <u>AIF is opposed</u>.

## **REQUIRED MEDICAL MALPRACTICE INSURANCE FOR FLORIDA'S DOCTORS**

<u>SB 2104</u> by <u>Senator Howard Futch (R-Indialantic)</u> was temporarily passed on Tuesday, March 5, after <u>Senator Anna Cowin (R-Leesburg)</u> offered an amendment to the bill that virtually inverted the original intent of the legislation. The bill, heard in the <u>Senate Health</u>, <u>Aging and Long Term</u> <u>Care Committee</u>, was crafted to require that doctors actually carry medical malpractice insurance. More and more doctors are either "going bare" and carrying no insurance or coming up with artful or disingenuous schemes to shield their assets from medical malpractice claims. As a result, the actual pool of insureds is shrinking, driving up premiums for participating doctors and in addition, patients who are the victims of malpractice are finding that there is no adequate compensation for them if they suffer at the hands of an uninsured – and incompetent - doctor.

Senator Anna Cowin actually had the temerity to offer an amendment that disallowed hospitals from requiring doctors hold medical malpractice insurance in order to practice at that site. So, while Futch's bill was requiring all doctors to carry the insurance, Senator Anna Cowin was awkwardly offering an amendment that purged a current requirement for medical malpractice insurance for doctors practicing at hospitals. What is that? Senator Howard Futch spoke to Senator Anna Cowin and she said that she, "did not know where the amendment came from," and that she had been told, "Senator Futch is okay with it." That, in a word, is ridiculous. Even if she had been told that little gem, how could she possibly believe that Senator Howard Futch would approve of an amendment that effectively gutted his bill? Senator Futch had to defer consideration of the bill. Apart from the breech of legislative protocol where Senator Cowin offered a hostile amendment and proclaimed to Committee members that Senator Futch was "okay," it is equally upsetting that Senator Anna Cowin is obviously at the beck and call of the Florida Medical Association, to put it politely.

Requiring that all practicing, licensed physicians in Florida carry medical malpractice insurance will insure that risk is spread equitably throughout the medical system. In addition, such mandated insurance will ease the concerns of Florida's employers and employees that they do, in fact, have some legal protections and an ability to be made whole in the face of negligent or incompetent care subsidized by the largess and disinterest of Florida's current Board of Medicine.

#### THE ACADEMY OF FLORIDA TRIAL LAWYERS DID WHAT?

The Academy of Florida Trial Lawyers (AFTL) pulled a rabbit out of a hat on Wednesday, March 6 on the Senate floor. The AFTL, through the formidable maneuvering of <u>Senator Skip Campbell</u> (<u>D-Tamarac</u>), himself a trial attorney, finessed an amendment on an arcane bill that even students of government tend to overlook. The effect of the amendment was to give continued life support to a Leon County Circuit Court judge ruling that struck down the 1999 Tort Reform Act on the Constitutional "single subject" rule. The 1999 Act was passed only with an enormous amount of hard work on the part of Florida's business community.

The bill, <u>SB 1344</u> by <u>Senator Tom Lee (R-Tampa)</u>, represented a biennial and mundane exercise the Legislature goes through in adopting prospective law and spreading it across the statutes. In other words, the bill is designed to lay the groundwork in advance of those laws to be adopted during the current session and see to it that they are technically and soundly incorporated into the Florida Statutes upon their publication. It's like a gentleman laying his jacket over a muddy puddle for an approaching lady. In this particular case, the bill was both retrospective and prospective, in that this legislative exercise had not been executed in 1999, 2000 and 2001. If passed, as written, SB 1344 would have had the effect of mooting the damaging Circuit Court ruling against tort reform. In other words, it was very important to the business community that the Senate, without any amendments, adopt the bill.

The AFTL, realizing what was at stake with this pedestrian bill, stirred itself and in cooperation with Senator Skip Campbell, crafted an artful amendment that preserved the legal limbo status of the 1999 Tort Reform Act.

With so much at stake, the Senate went ahead and adopted the amendment by a vote of 20 yeas and 18 nays and two abstentions. Senator Jim King (R-Jacksonville), who was out of the chamber during the vote, later returned and submitted a "no" vote on the bill. See below for further explanation on Sen. King.

Here's a roster of who was with and who was against the Florida Business Community. "Yes" votes for the amendment are BAD. "No" votes against Senator Skip Campbell's awful amendment are GOOD.

# Campbell Carlton Dawson Geller Holzendorf Jones Klein Lawson Lee Meek Miller Mitchell Pruitt Rossin Silver Smith Villalobos Wasserman-Schultz President McKay Dyer

#### **VOTED YES - BAD**

# **VOTED NO - GOOD**

Brown Waite Burt Constantine Cowin Crist Diaz de la Portilla Futch Garcia King Latvala Laurent Peaden Posey Sanderson Saunders Sebesta Sullivan Webster Wise

# **NO VOTE**

Clary (abstained - NO HELP AT ALL)

SB 1344 suffered final passage on Thursday, March 7 by a vote of 31 Yeas and 5 Nays.

AIF will be working to insure that the House companion, <u>HB 1103</u> by <u>Representative Dudley</u> <u>Goodlette (R-Naples)</u> is not equally compromised by the Academy of Florida Trial Lawyers and that the House bill is the version that goes to the Governor for final approval.

AIF supports HB 1103 which represents doing the routine administration of the Legislature and Florida Statutes without playing policy games at the expense of Florida's employers.

# SENATE MAJORITY LEADER KING BREAKS WITH PRESIDENT MCKAY ON TAX PLAN

As noted above, <u>Senator Jim King (R-Jacksonville)</u> was out of the Senate chamber on Wednesday, March 6, during the vote on SB 1334 and for a good reason, too. Senator King was announcing to the media that he could not abide the Senate President's latest tax plan, a \$1.1 billion tax increase, and that he would vote "no" when the plan, incorporated into the Senate's budget, came to the floor. This was a gutsy and difficult decision for the Senator, who, serving as Senate Majority Leader for President John McKay (R-Bradenton), prizes both loyalty and the protocol incumbent upon his high office and that of the institution. Senator Jim King has worked behind "closed doors" to broker some understanding between Senator John McKay and the House, but has been unsuccessful, largely due to the alarming intransigence of Senator John McKay. Finally, Senator King had to make his break from President John McKay's long, strange, march into the tax abyss. This was a "turning point" in the Senate and the move forced Senator McKay to delay a vote on his tax and spend budget plan.

#### SENATE OKAY'S POWERED SHOPPING CARTS FOR THE DISABLED

The Senate gave final approval to <u>SB 1832</u> by <u>Senator Durell Peaden (R-Crestview)</u> on Thursday, March 7. The bill basically provides that if a retailer, such as our large Florida grocery stores, offers a motorized or powered shopping cart for use, they can't be sued if the patron using the cart suffers an accident harming the driver or others. Retailers have made it clear to the Florida Legislature that if they cannot enjoy some protection from lawsuits for providing this service, they would have to simply discontinue the practice. Of course, the Academy of Florida Trial Lawyers were completely uncomfortable with this bill and testified against it every step of the way through the committee process. However, the Academy could never come up with any real alternative. They just saw an opportunity for plentiful lawsuits slipping away and could do nothing to stop it. In a moment of good natured kidding, <u>Senator Skip Campbell (D-Tamarac</u>), who is a trial attorney, said that the night before this bill was heard in the Senate Judiciary Committee two weeks ago, he went to a local grocer and actually got hit by one of these powered carts. "I wasn't hurt, " said Campbell, "therefore, I support the bill."

Kudos to the Senate for passing a common sense bill.

AIF supports the bill. These common sense protections from excessive litigation are necessary to insure that Florida's retail establishments can continue to provide a valued service to the their customers.

#### SENATE INCHES CLOSER TO HOUSE ON CABINET REORGANIZATION

The Florida Legislature is still trying to implement the 1998 Constitutional Amendment combining the Cabinet Offices of State Treasurer and State Comptroller into one Chief Financial Officer position.

The Legislature was unsuccessful in both 2000 and 2001 in coming to an agreement on how to combine the high offices and if they can't do it this year, the courts will have to resolve it since the constitutional amendment becomes effective in 2003.

The public voted for a new office that would combine the Constitutional duties of the Treasurer and the Comptroller into one Chief Financial Officer (CFO). However, there are statutory and regulatory duties under those offices that also need to be sorted out and that is where the disagreement has been between the Senate and House. The Treasurer holds oversight of the insurance industry. The Comptroller has oversight of the banking and securities industries.

If the CFO were to absorb the regulatory oversight over the insurance, banking and securities industries, that office would be arguably more powerful than that of the Governor's Office and dangerously politicized. AIF and the House have held that the CFO should simply administer the state finances, which are the constitutionally mandated responsibilities of the two current and soon-to-be-combined offices. AIF supports HB 577 by Representative Mark Flanagan (R-Bradenton) which creates the Department of Insurance and Financial Services. Under the proposal, the Governor and Cabinet serve as the head of the department, with responsibility for rulemaking. An Executive Director appointed by the Governor and Cabinet, subject to Senate confirmation, conducts administration and personnel activities. The functional regulation of insurance and financial services entities are under the direction of commissioners appointed by the Executive Director, subject to approval of the Governor and Cabinet. The Commissioner of Insurance is responsible for regulation of insurance and serves as State Fire Marshal. The Commissioner of Financial Services is responsible for regulation of banks, credit unions, other financial institutions, finance companies, funeral and cemetery services, and the securities industry. Each commissioner has authority to take "final agency action" for purposes of the Administrative Procedure Act.

The Senate amended and approved their version of the new CFO arrangement, coming closer to the House plan in <u>SB 662/232</u> by <u>Senators Jack Latvala (R-Palm Harbor)</u> and <u>Steve Geller (D-Hallandale Beach)</u>. The Senate plan has no Executive Director. The CFO directly appoints two "division heads" – not commissioners – and they are then subject to approval by the Governor and the Cabinet. However, the CFO must appoint these two individuals in consultation with the Governor and the division heads must be approved unanimously by the four-member Cabinet.

Problematic to AIF is that the attorneys, auditors, administrative staff and budget will all be under the control of the CFO and not the division heads of the Banking & Securities and Insurance Divisions. The division heads will be out on an "island" surrounded by people over whom they will not have true authority. This is not good and still lends too much authority to the CFO over these enormous industries.

HB 577 was heard on Second Reading today, was not amended and rolls automatically over to Third Reading for final approval by the House.

The regulation of banking, insurance and securities and where it is housed is the prerogative of the Legislature. The Florida Legislature could place the regulation of those industries under the authority of the Capitol lawn maintenance crew. There is nothing that requires and neither did the voters contemplate requiring that all these industries fall under the direct sway of the CFO. AIF believes that the House plan insures the regulatory oversight, consistency and authority needed to protect both Florida's consumers and the integrity of the Office of the Chief Financial Officer.

# FLORIDA EMPLOYER'S WIN A BIG HEALTH CARE BATTLE IN THE HOUSE

<u>Representative Frank Farkas (R-St. Petersburg)</u> was able to beat back one bad amendment after another today and preserved the bill for a final vote on Third Reading. This bill makes changes to the Employee Health Care Access Act, which was enacted in 1992 to promote the availability of health insurance coverage to small employers regardless of their claim experience or their employees' health status. The bill is an attempt to streamline law that is burdensome to both health insurance carriers and the insured. The bill attempts to provide a stripped-down health insurance product that provides health care insurance without the expensive, mandated, bells and whistles that so many consumers do not need or want.

The whole point of the bill is to provide simplified, more affordable policies to a market in dire need of alternatives. The number of employers that can afford health insurance for themselves and their employees has dropped by 15% since 1997.

Several legislators seemed to be convinced that Florida's employers would immediately drop their current plans as soon as possible so they could jump at the new, "bare bones" policies to save money. Representatives Lois Frankel (D-West Palm Beach), Anne Gannon (D-Delray Beach), Sara Romeo (D-Tampa) and Mike Fasano (R-New Port Richey) seemed totally unmoved by the plain fact that some insurance is better than no insurance. Prodded on by wealthy specialist doctors that may be dropped out of these "Chevrolet" plans, opponents of the bill kept running amendments that would make the bill unworkable by requiring elements of a "Cadillac" plan.

Representative <u>Manuel Priequez (R-Miami)</u> got an amendment on the bill in a previous House Health Communities Council hearing that requires these stripped down policies to enumerate and characterize every health mandate in Florida law and to explain whether or not the policy carriers such mandate. This would total over 55 pages in text and would be virtually unreadable for the typical consumer. AIF has suggested that a simple list of the mandates in reduced print would suffice but he has rejected such an offer. <u>Representative Priequez is being entirely unreasonable and he needs to be contacted by AIF members to express their dismay with his unwillingness to negotiate.</u>

#### **Rep. Manuel Priequez**

District Address: 316-A Southwest 12th Avenue Miami, FL 33130-2012 Phone: (305) 643-7336 Fax: (305) 643-7338 Legislative Address: Room 210, HOB 402 S. Monroe St. Tallahassee, FL 32399-1300 Phone: (850) 488-4202 Fax: Email: prieguez.manuel@leg.state.fl.us In addition, it has to be noted that opposition to this bill, and any creative reform of the current health system, is rooted in a much darker agenda. There are elements in the Florida Legislature and far Left of the Democratic Party that would love to see the whole health care system collapse of its own weight. They support "Universal Health" or a socialist monopoly of Florida's health care system. Until the Republicans took over in 1996, there was such a bill introduced every year in the House and Senate that did just that. Non-plussed by Canada's near bankruptcy with its socialist health care system, proponents of such a system will fight at every turn against any reforms that assist Florida's employers in providing quality health insurance to their employees.

AIF supports the bill. Any efforts to restore flexibility and competitiveness to the health insurance market and to limit the micro-management of the State in these matters would only be of benefit to Florida's employers.

# MINIMUM WAGE VS. "LIVING WAGE"

The Florida House heard <u>HB 859</u> by <u>Representative Allan Bense (R-Panama City)</u> today and rolled the bill over to Third Reading for final consideration at a later date. The bill restricts local governments from arbitrarily mandating that local employers pay a minimum wage in excess of the federal minimum wage. Characterized as a "living wage," the idea originally gained momentum in California (where else?) where local governments began mandating employers holding a local government contract pay wages in excess of the minimum wage. However, this idea accelerated into local governments requiring local employers, under contract or not, to pay an excessive wage. The bill does nothing to inhibit local government contracts with employers, but it does prohibit the arbitrary mandate of an exorbitant minimum wage on employers who have no contractual relationship with a local government.

AIF supports the bill. A "living wage mandate" would have an extraordinarily damaging effect on the hospitality business community. Artificially increasing the level of wages paid will cause businesses to shut down, reduce hours, reduce staff and increase prices. Discretionary dollars, typically spent in the hospitality sector, would simply go somewhere else, decreasing the level of business activity indefinitely. Finally, such a skewed wage increase will attract more qualified applicants, moving aside the very employees the wage increase was designed to assist.

#### HEALTH PLANS UNDER ASSAULT, AGAIN

<u>SB 1490</u> by Senator Skip Campbell (D-Tamarac) and the Senate Health, Aging and Long Term Care Committee will be heard next Monday in the Senate Health and Human Services Subcommittee. The bill represents the largest and most expensive of any proposed mandate on health insurance providers in recent memory. This bill redefines *emergency medical condition* to include psychiatric disturbances and substance abuse, relating to health insurance and relating to health maintenance organizations. The bill establishes coverage requirements for providing emergency services and care under individual, group, blanket, or franchise health insurance policies, preferred provider organizations, and exclusive provider organizations.

The bill gives the physician who stabilizes a patient's emergency medical condition sole discretion to continue to care for the patient in the hospital for any medically necessary follow-up or to transfer care of the patient to a provider that has a contract with the insurer.

This is an enormous expansion of the coverage(s) mandated on health plans under current law. In addition to the coverage of "psychiatric disturbances" and substance abuse in an emergency room environment, the bill stipulates the health plan must cover whatever the doctor recommends in additional care, whether the health plan provides such care in its original plan or not.

Worse yet, AIF has heard that because of the potential cost to Medicaid and Medicare under this proposal, an amendment will be offered Monday to exclude these services from the bill, leaving the insurers to foot the entire bill.

This bill is monstrously expensive and ill conceived. In short order, it would wreck the finances of health plans in this state, driving up costs to Florida's employers. AIF is opposed to this bill. Florida's employers are currently experiencing double digit increases in their premiums. This bill would only exacerbate the situation.

Stay tuned to our daily brief and to our web site at <u>www.fbnnet.com</u> as the legislature makes some very important decisions on the state's economy. These decisions will have a major impact on the business community and AIF will be reporting to you everything that happens.

This report was prepared by Curt Leonard, Manager – Governmental Affairs at Associated Industries of Florida (AIF). Please send your comments or suggestions to us at <u>aif@aif.com</u> or call the Governmental Affairs department at (850)224-7173.

- For more information on all of the important legislative information concerning the business community, go to our "members only" Florida Business Network web site at <a href="http://fbnnet.com">http://fbnnet.com</a>
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.