



**FROM JANUARY 9, 2003
INTERIM COMMITTEE MEETINGS**

HEALTH CARE SUMMIT

The Florida Legislature began its two-day joint Health Care Summit on the House Floor this morning. The Summit is highlighting the following topics:

- ✓ Framework for Policy Analysis.
- ✓ Health Care Cost Pressures and Financing Fundamentals
- ✓ Understanding Medicaid
- ✓ Medical Liability Insurance Overview
- ✓ Healthcare Workforce Shortages
- ✓ Turf Wars: Understanding Workforce Licensure and Scope of Practice Issues

Speaker Johnnie Byrd (R-Plant City) opened the Summit by telling Legislators to use this information to help determine which aspects of health care should be given back to consumers and the private sector. Senate President Jim King (R-Jacksonville) stated that 36% of the budget is health and human services issues. He advised Legislators to “think outside the box.”

Health Care experts from Washington described the drivers behind the spiraling costs of healthcare such as increased technology, an aging population, the loosening of managed care and more demanding consumers.

The Summit then turned to Florida specific issues. Florida’s Agency for Health Care Administration Secretary, Rhonda Meadows, discussed the pressures on hospitals from uncompensated care, the exodus of HMOs from the state and the growing uninsured population. Discussion also focused on ways to improve Medicaid, eliminate fraud and abuse and on the growing medical malpractice liability insurance problems. Testimony was also heard on the medical malpractice liability insurance crisis.

It is gratifying that the Legislature is taking time to educate its members on this multi-dimensional crisis. We are sure that this Summit will be a great asset to the members in the months ahead as they consider proposed policies in an effort to reform and improve the state’s provision of health care.

2003 REGULAR SESSION IN ONE WORD? INSURANCE

On Wednesday, January 8, 2003, the House Insurance Committee held its first interim committee meeting since the elections of November 2002. This committee has a new chairman, Representative Kim Berfield (R-Clearwater) and many new members who have not previously served on the Insurance Committee. Chairman Kim Berfield outlined the four priority areas that the committee will consider during the upcoming legislative session as worker’s compensation, medical liability insurance, PIP, and health care accessibility and financing. Two members serving on the committee have already been appointed as chairs of select committees. Representative Donna Clarke (R-Sarasota) will chair the Subcommittee on Health Access and Finance and Representative Donald Brown (R-DeFuniak Springs) will chair the Subcommittee on Insurance Regulation. Chairman Berfield expressed a committee goal to develop global solutions for the problems with which they are presented, rather than adopt a band-aid or quick fix.

On the issue of worker's compensation, Chairman Kim Berfield informed the committee members that this issue was still under review by the Governor's Commission for Worker's Compensation Reform. The Commission is required to have a report by January 31, 2003. Upon receipt of the Commission report, Chairman Kim Berfield announced that a select subcommittee on worker's compensation will be created to study the Commission's recommendations and proceed with legislative work on that subject. Neither the chair nor the members of that select subcommittee were announced.

In the Senate, there were a few more familiar faces behind the table at the Banking and Insurance Committee meeting, including Chairman Bill Posey (R-Rockledge). The only other returning members to the Banking and Insurance Committee are Senator Skip Campbell (D-Tamarac) and Senator Debbie Wasserman-Schultz (D-Pembroke Pines). However, Senator Gwen Margolis (D-Miami Beach) will serve as the vice chair of the Committee.

After very brief introductory remarks, the Committee heard testimony from Chief Financial Officer, Tom Gallagher, updating the transition of the Department of Banking and Finance and the Department of Insurance under the direction of the newly created Department of Financial Services and the Financial Services Commission. Mr. Gallagher informed the Committee that he and the Governor would be appointing a Financial Services Commission and naming a director of that Commission and the Division of Worker's Compensation within the next few days. He would not provide any specific names of individuals being considered for appointments to those posts. Committee staff also presented an interim project report to the members detailing the mechanics of this transition.

The Committee also received the reports of staff members on two interim projects relating to public records exemptions in worker's compensation. The current law allows for Notices of Injury received by the Division of Worker's Compensation and Investigatory Records Relating to Worker's compensation Employer Compliance to be exempt from public records. Unless the Legislature re-enacts these exemptions, they will expire on October 2, 2003. The staff recommended repeal of the exemption for Notices of Injury. The initial legislative purpose of the public records exemption was to protect the identity of injured workers. However, this information is now readily available through a wide variety of other means, including an online database through the Office of Judges of Compensation Claims. Accordingly, keeping the Notices of Injury exempt from public records no longer serves its original purpose.

Committee staff suggested the continuation of a public records exemption for Investigatory records of employer compliance. This exemption was originally enacted to protect the safety and identity of persons alleging violations, the confidential business or financial information of employers, and to avoid placing businesses at an unfair competitive disadvantage due to release of sensitive information. The staff, however, also suggested amending Section 440.108, F.S., to allow the sharing of investigatory records from the Division of Worker's Compensation with law enforcement agencies that are actively involved in investigations, provided that those agencies are prohibited from release of the records to any third parties, including other governmental entities.

The Committee also received a staff interim project recommending continuance of the public records exemption for the Joint Automobile Underwriting Association. No other bills or substantive issues were presented.

The Committee voted to introduce the proposed committee bills implementing staff recommendations. Those bills will be presented to the committee for consideration in the future.

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

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