

ASSOCIATED INDUSTRIES OF FLORIDA
**LEGISLATIVE
DAILY BRIEF**



P.O. Box 784 • Tallahassee, FL 32302 • Phone: (850) 224-7173 • Fax: (850) 224-6532 • Internet: <http://aif.com> • fbnnet.com

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HEALTH CARE

The House Health Care Committee considered and passed HB 1629 by Representative Frank Farkas (R-St. Petersburg) today. The bill incorporates many of the recommendations of the Governor's Health Insurance Task Force and the House Select Committee on Health Insurance. Both groups met throughout the state during 2003 for purposes of receiving input from employers, health care providers, insurers, and other stakeholders. AIF was an active participant in all of these meetings. The bill contains the following provisions which will help to improve the availability and affordability of health insurance:

- Hospital cost of service and quality data which would be available via the internet to consumers to assist them in the selection of their hospitals.
- Makes available the concept of Health Savings Accounts (HAS's) to employers as authorized by federal legislation championed by President Bush. These HAS's would allow employees to save pretax monies for the purpose of paying for future medical expenses.
- Establishes regional purchasing pools for small employers (1 to 50 employees).
- Establishes a pool for uninsurable individuals. The bill currently provides for an assessment on the premiums of insurers and self-insurers which would fund any deficits. After discussions with AIF lobbyists, Representative Farkas agreed to remove this assessment mechanism at the bill's next committee stop.
- The bill also authorizes a new class of insurance agents, Insurance Advisor, which will assist employers in designing benefit packages to meet their employees' needs and in the purchase of such benefits.

AIF lobbyist were successful in beating down a last minute amendment that would required a new health insurance mandate for rehabilitative services for congenital speech and hearing conditions. Not only would this have added another mandate to the extraordinarily long list of insurance mandates that already exists in Florida law, but it would have been extremely expensive for consumers. As a result of quick thinking by our lobbyist they were able to defeat this bad amendment and keep a lid on the ever increasing cost of health insurance for employers and employees.

AIF thanks Representative Farkas for taking the lead in this important legislation. HB 1629 will be heard next in the House Insurance Committee.

AIF supports legislation that allows employers to provide or expand access to high-quality, affordable health benefits to their employees without additional government intrusion or mandates.

MEDICAL MALPRACTICE

The House Insurance Committee met today and passed out favorably a new version of the proposed committee bill (PCB-IN-04-05) which prohibits hospitals or HMOs from requiring in their contracts that doctors have medical malpractice liability insurance.

The original PCB, which was work-shopped just yesterday, did not include any mention of doctors being able to practice without the necessity of having medical malpractice liability insurance. This 25 page PCB was rolled out in quick fashion by Chairman Kim Berfield (R-Clearwater).

AIF opposes legislation that would allow doctors to practice medicine in Florida without sufficient liability insurance coverage.

CONSTITUTIONAL AMENDMENTS

Slated for consideration today was HJR 1337 by Representative Baxter Troutman (R-Winter Haven) before the House Judiciary Committee. This joint resolution creates a new section of the Florida Constitution in Article I whereby a claimant in a medical malpractice lawsuit has a right to fair compensation. More specifically, the resolution would assure that claimants would receive at least 70% of the first \$250,000 of all monies received, and 90% of all monies received in excess of \$250,000 exclusive of court costs.

This resolution was not heard before the committee today apparently because the votes were not there to pass it out. Though AIF and the business community have always been supportive of tort reform initiatives particularly in the medical malpractice arena, this proposed constitutional amendment is ill conceived because of two reasons:

- the current medical malpractice law which was passed after very heated debate, was only effective as of January 1, 2004, and so there has not been sufficient time to ascertain the impact of the recently approved caps on damages on medical malpractice insurance rates; and
- AIF and the business community does not believe that the Constitution is an appropriate place for limits on people's salaries, rather it is a document reserved for altering the structure of government or limiting the powers of state government.

We understand that this resolution may be heard by a different House committee next week. Because of the extensive debate already heard on this issue, the chances of this bill ever being heard in the Senate are remote.

AIF opposes proposed constitutional amendments unless the deal with government structure or limiting governmental powers.

Please send your comments or suggestions to us at aif@aif.com 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 <http://fbnnet.com>
- Send us your E-mail address and we will begin to send this report to you automatically via E-mail.