



DAILY BRIEF

From April 23, 2013

Health Care

During the Senate Committee on Appropriations, **AIF's General Counsel, Tamela Perdue**, stood in support of SB 1816, *Relating to Health Care*, by Senator Joe Negron (R-Palm City). The bill would establish a state premium assistance program, called Healthy Florida, for uninsured, low income Floridians to receive assistance in purchasing private health insurance coverage. It would also provide for Health Reimbursement Accounts (HRAs) to be used to encourage healthy behavior. Enrollees would be required to participate in cost sharing in the program.



An amendment by Senator Alan Hays (R-Umatilla) was added in the committee. The language would allow dentists who provide charity care to their patient (and are therefore protected from lawsuits for that care under sovereign immunity) to provide additional services even though the patient may pay a small co-pay for the higher level of care provided by that dentist. Further, the amendment prohibits insurers from requiring dentists to provide discounts to their patients for services that are not covered under the dental plan.

The Healthy Florida program would be administered by the Florida Healthy Kids Corporation (FHK) which offers private insurance options to children in low income families not eligible for Medicaid from birth to age 18. To be eligible for Healthy Florida, an individual must (1) be a Florida resident and meet the definition of being "newly eligible" under PPACA, (2) maintain their eligibility with the corporation, and (3) meet any renewal requirements to renew their coverage at least annually.

Implementation of the bill would require AHCA to submit a state plan amendment to the federal government for permission to use current federal Medicaid dollars to fund this new program. The submission deadline would be June 14, 2013. If the state plan was approved, enrollment would begin on October 1, 2013 with coverage being effective no earlier than January 1, 2014. The program would cover approximately 438,000 enrollees in FY 2013-14 at a cost of \$12.6 billion.

SB 1816 is largely the same as it was last week when it passed the Senate Appropriations Subcommittee on Health and Human Services. The bill passed unanimously and will now be heard on the Senate floor.

In the same committee, legislators debated SB 1844, *Relating to Health Choice Plus Program*, by Senator Aaron Bean (R-Jacksonville). The bill creates the Health Choice Plus (HCP) program which would be an alternative health benefits program for uninsured, low income Floridians with incomes at or below 100 percent of the federal poverty level (FPL) who meet certain eligibility criteria. Enrollees would be required to contribute at least \$20 a month to their account and the state would provide \$10 a month to each account which will be managed by Florida Health Choices (FHC). Funds from the state will be available only to the extent they are appropriated annually. Enrollees may use the funds in the accounts to purchase a range of health care products from the FHC online marketplace or to pay for other out of pocket health care costs.

If approved, the bill would take effect on July 1, 2013 and would be subject to automatic repeal on July 1, 2016, unless reenacted by the Legislature. The estimated funding for the program for the first year is \$15 million from General Revenue. No federal dollars are used for this program.

The bill passed by a vote of 12-6 and is now ready to be heard by the full Senate.

AIF supports SB 1816 by Senator Negron. SB 1816 is the only proposal addressing the inordinate hidden tax that Florida employers pay to cover the cost of care provided to uninsured Floridians. AIF strongly urges the Legislature to continue its focus on developing sound health care reform that will alleviate this financial encumbrance by best leverages available federal funds and safeguards Florida's future economic success.

In the same committee, AIF stood in support SB 844, *Relating to Medicaid Fraud*, by Senator Denise Grimsley (R-Sebring). The bill would increase accountability in the state's Medicaid program by:

- Increase the length of time for retaining all medical and Medicaid related records from 5 to 6 years for Medicaid providers;
- Require Medicaid providers to report a change in any principal of the provider to the Agency for Health Care Administration in writing no later than 30 days after the change occurs;
- Provide a definition for principals of a provider with a controlling interest for hospitals and nursing homes for purposes of conducting criminal background checks;
- Authorize, rather than require, AHCA to perform onsite inspections of a service location of a provider applying for a provider agreement before entering into the agreement;
- Require AHCA to impose the sanction of termination for cause against a provider that voluntarily relinquishes their Medicaid provider number when being investigated;
- Clarify the scope of immunity from civil liability for persons who report fraudulent acts or suspected fraudulent acts and providing a definition of fraudulent acts;

A number of clarifying amendments were added, including one by Representative Mia Jones (D-Jacksonville), which would allow AHCA to enroll Florida-licensed out-of-state providers if they are providing expert opinions through telemedicine. The bill passed unanimously and is ready to be heard by the full Senate.

The House companion bill, HB 939 by Representative Cary Pigman (R-Sebring) was read a second time on the House floor today and rolled to a third reading. It is expected to pass the House tomorrow.

AIF supports passage of legislation that would lessen incidences of fraud within the state's Medicaid program which could lower the amount by which Florida employers subsidize that program.

Manufacturing

During the Senate Committee on Appropriations, AIF stood in support of SB 582, *Relating to Manufacturing Development*, by Senator Bill Galvano (R-Bradenton). The bill is a top priority for the AIF Manufacturing, Aerospace and Defense Council and, when enacted, it will be referred to as "The Manufacturing Competitiveness Act."

The legislation authorizes local governments to voluntarily adopt, by ordinance, a Local Manufacturing Development Program that would allow manufacturers to obtain master plan approval for manufacturing sites. The agreed upon master plan would set outer limits on the site that would remain applicable over term of the master plan. Once the master plan is approved, the manufacturer would not need further local approval for future expansions or modifications (except for building code, life, or safety issues).

Manufacturers residing in participating counties will also have access to a coordinated permitting process at the state level for the most common state permits. The bill also enables participating local governments to be self-identified as having a particular interest in having manufacturing facilities in their jurisdictions. Enterprise Florida can use this information when recruiting and placing manufacturing facilities. In essence this creates some level of competition among counties for new manufacturing facilities.

Florida is among the bottom five states in the nation as a percentage of manufacturing gross state product output. The sector is a significant job creator with salaries well beyond the state average and with an every direct manufacturing job creating about three indirect jobs, the highest of any employment sector.

Senator Bill Galvano (R-Bradenton) introduced an amendment to make SB 582 identical to the House companion bill, HB 357 by Representative Jim Boyd (R-Bradenton), which is already in the Senate. The amendment was adopted and the bill passed unanimously. SB 582 now moves to the Senate floor where it will join its House companion for final legislative action prior to being sent to the Governor.

AIF supports SB 582 and HB 357 because both will improve the development approval process for Florida's manufacturers.

Business Regulation

In the Senate Committee on Appropriations, AIF stood in support of SB 84, *Relating to Public Private Partnerships (PPPs)*, by Senator Miguel Diaz de la Portilla (R-Miami). The bill, amended in committee to conform with its House counterpart, HB 85 by Representative Greg Steube (R-Sarasota), allows local governments to utilize PPPs in a similar manner as state government, for public projects, infrastructure and transportation needs. Essentially meaning, local governments will be able to accept unsolicited bids from the private sector for projects that the local government may not have the financial capacity to advance at this time. Additionally, the bill creates a Public Private Partnership task force composed of private sector and public officials alike, and is meant to advance potential policies and enhancements over the next two years to help the state take advantage of this new policy.

The bill passed unanimously and will next be heard before the full Senate.

AIF supports SB 84 and the sponsor's intention to encourage private sector investment into local infrastructure projects across the state. Public Private Partnerships have proven successful in aiding government needs for infrastructure project advancement utilizing private contractors, financiers and related industries.

Insurance

During the Senate Committee on Appropriations, legislators discussed SB 242, *Relating to Interstate Insurance Product Regulation Compact*, by Senator Dorothy Hukill (R-Port Orange). The bill enacts into Florida law, the Interstate Insurance Product Regulation Compact (the Compact); a model legislation adopted by the National Association of Insurance Commissioners. The Compact provides for the development of uniform national standards for life insurance, annuity, disability income insurance, and long-term care products (including rate filings for the latter two insurance products) and application of these standards to insurer filings.

The bill passed unanimously and will next be heard by the full Senate.

AIF supports legislation allowing insurers to submit a single filing to the Commission rather than making separate filing in each state in which they are authorized to do business.

Workers' Compensation

AIF stood in support of SB 662, *Relating to Workers' Compensation*, by Senator Alan Hays (R-Umatilla) in the Senate Committee on Appropriations. If enacted, the bill would address a drug repackaging loophole in Florida's workers' compensation system. SB 662 establishes the maximum charges permitted for prescription medications. Further, the legislation does not increase costs or delay medical treatment to injured workers. AIF has been diligently working throughout this session to reach the agreement contained in the strike all amendment that was adopted today which will provide savings to Florida's employers.

The bill passed unopposed and is now ready to be heard on the Senate floor. A House companion measure, HB 605 by Representative Matt Hudson (R-Naples) is waiting to be heard by the House Health & Human Services Committee.

AIF supports this legislation because it will address this loophole and will maintain the necessary balance to Florida's workers' compensation system.

Taxation

In the Senate Committee on Appropriations, legislators discussed SB 916, *Relating to Tax on Sales, Use, and Other Transactions*, by Senator Anitere Flores (R-Miami). Sen. Flores explained that the bill provides an exemption from state and local sales tax during the 3-day period beginning at 12:01 a.m. on August 2, 2013, through 11:59 p.m. on August 4, 2013, on purchases of clothing costing \$75 or less per item, school supplies costing \$15 or less per item, and computers costing \$750 or less per item.

The bill passed unanimously and is now ready to be heard by the full Senate.

AIF supports the sales tax holiday as it helps Florida businesses by stimulating sales while also helping Florida families with school age children.

Environment & Agriculture

In the Senate Committee on Appropriations, AIF stood in support of SB 1190, *Relating to Agricultural Lands*, by Senator Jeff Brandes (R-St. Petersburg). The purpose of this legislation is to prevent double regulations by governments. If an agricultural activity is regulated by either the federal or state governments then this bill prevents a local government from also charging a fee to regulate it. The current law applies to just Florida counties, but some municipalities have expanded their boundaries to include farm operations and are applying fees for certain activities.

The bill passed unanimously and will next be heard on the Senate floor.

AIF supports legislation preventing municipalities from placing another layer of regulation, currently covered by federal or state regulations, on Florida agriculture.

In the same committee, AIF stood in support of SB 1200, *Relating to Taxation of Property*, by Senator Wilton Simpson (R-New Port Richey). The bill would amend the agriculture "Greenbelt" law to delete some portions that are very dated. The bill also addresses issues in the value adjustment boards process, deletes requirement that a property appraiser reclassify certain non-agriculture lands that have that have been zoned as non-agriculture.

The bill passed unopposed and is now ready to be heard on the Senate floor.

AIF supports legislation that correctly classifies agriculture property for tax purposes. The "Greenbelt" law is the foundation of Florida's agriculture industry.

Also in the Senate Committee on Appropriations, AIF stood in support of SB 1684, *Relating to Environmental Regulation*, by Senator Thad Altman (R-Melbourne). The bill is the major regulation reform bill of the Session. It amends & revises numerous provisions relating to development permit applications; marinas, boat yards, general permits for special events, well permits, regional water supply planning, and agriculture water supply demand projections.

The bill passed by a vote of 13-3 and will next be heard on the Senate floor.

AIF supports Senator Altman's effort to help streamline the permitting process for Florida's businesses.

Education

In the Senate Committee on Appropriations, AIF stood in support of SB 1722, *Relating to Early Learning*, by Senator John Legg (R-Lutz). The bill's main provisions mirror many aspects of HB 7165, with some differences. Several amendments were passed in committee essentially bringing the House and Senate bills even closer together. The amendments to SB 1722 took out the funding formula for the school readiness program and adjusted the prioritizing requirements. Also, an amendment by Senator Jack Latvala (R-Clearwater) was passed which removed the provision of the bill amending the educational property exemption section of the Florida Statutes.

The bill passed committee without opposition and will next be heard on the Senate floor.

AIF supports early learning programs as they are essential to providing support to working families across the state as well as developing a productive future Florida workforce.

AIF stood in support of another bill in the Senate Committee on Appropriations, SB 1630, *Relating to Education* by Senator John Legg (R-Lutz). A major amendment by Senator Aaron Bean (R-Jacksonville) was attached to the bill in committee. As amended, the bill eliminates artificial enrollment caps for high performing charter schools, creates a standard model contract; requires school districts to share federal funds with charter schools, and provides accountability and transparency for charter schools.

The bill passed unopposed and will next be heard on the Senate floor.

AIF supports equitable funding for public charter schools as well as removing artificial enrollment caps preventing public charter schools from meeting the demand of students on waiting lists.

Also in the Senate Committee on Appropriations, legislators discussed SB 862, otherwise known as the “Parent Trigger Bill,” by Senator Kelli Stargel (R-Lakeland). The bill enables parents, by petition, to request that the school district implement a parent-selected turnaround option if a school earns a grade of “F”. The turnaround option requested by parents must be considered for implementation by the district school board at a publicly noticed meeting if the petition is signed and dated by a majority of the parents of eligible students.

The bill passed committee by a vote of 13-6 and will next be heard by the full Senate.

Currently, AIF does not have a position on the bill, but has been monitoring it as it directly pertains to Florida’s future workforce.