



# DAILY BRIEF

**From February 1, 2016**

## HEALTH CARE

### **SB1084- Relating to Health Care Protocols**

On Monday, February 1st, **SB 1084**, relating to Health Care Protocols, by **Senator Don Gaetz (R-Destin)** was heard by the **Senate Health Policy Committee** and passed with 9 yeas and 0 nays. **AIF's Vice President of State and Federal Affairs, Brewster Bevis, stood in opposition to this bill.**

SB 1084 requires Medicaid managed care plans, health maintenance organizations (HMOs), and insurers that restrict medications by a step-therapy or fail-first protocol to have a clear and convenient process to request an override of the protocol. The bill requires these entities to grant an override of the protocol within 24 hours if, based on sound clinical evidence or medical and scientific evidence, the prescribing provider:

- Concludes that the preferred treatment required under the fail-first protocol has been ineffective in the treatment of the enrollee's disease or medical condition; or
- Believes that the preferred treatment required under the fail-first protocol is likely to be ineffective given the known relevant physical or mental characteristics and medical history of the enrollee and the known characteristics of the drug regimen or will cause or is likely to cause an adverse reaction or other physical harm to the enrollee.

AIF believes this action to be redundant and unnecessary given that insurers already have a protocol in place if incidents, such as ineffective treatment of the enrollee's disease or medical condition, occurs.

This bill will now go to its final committee step in the **Senate Appropriations Committee.**

**AIF opposes legislation that will negatively impact the standards of care that are currently in place based on real-time protocols that are centered on evidence-based research.**

Please see below a statement released by Tammy Perdue regarding AIF's opposition to SB 1084:

**AIF Statement in Opposition of Step Therapy Legislation Passed Today  
by the Senate Health Policy Committee**

**Tallahassee, Fla.** – The **Associated Industries of Florida (AIF)** today released the following statement attributed to its General Counsel Tamela Perdue in opposition to Senate Bill 1084, which would change the current, effective method of prior authorization, step therapy and fail-first protocols.

“AIF stands in opposition of SB 1084, which passed the Senate Health Policy Committee today, because it negatively impacts the current effective system of prior authorization and step therapy protocols. Ultimately, if passed, this legislation would increase pharmaceutical costs, as well as fail to provide safeguards that Florida insurers have in place against abuse and adverse drug interactions.

“AIF continues to support flexibility for health plans, which ensures consumers receive high-quality, high-value and affordable care, through the continued use of innovative plan designs to achieve this balance. We hope lawmakers stand up against this bad public policy as it heads to Senate Appropriations, as it will only increase costs and not serve Florida consumers.”

Senate Bill 1084 has also been referred to the Senate Committee on Appropriations.

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### **SB 1442-Relating to Out-of-network Health Insurance Coverage**

On Monday, February 1st, **SB 1442**, relating to Out-of-network Health Insurance Coverage, by **Senator Rene Garcia (R-Hialeah)** was heard by the **Senate Health Policy Committee** and passed by a narrow vote of 5 yeas to 4 nays. **AIF's Senior Vice President of State and Federal Affairs, Brewster Bevis, stood in support of this bill.**

The intent of this bill is to protect consumers from balance billing when that situation occurs in an emergency setting; the balance bill is the difference between the provider's charges and the amount the provider has received in reimbursement from the consumer's insurance plan. Provider charges in Florida are often 100 times more than Medicaid charges, so this legislation should cap a significant cost driver in today's health care system.

With the adoption of Amendment 976590, by **Senator Rene Garcia (R-Hialeah)**, AIF supports this bill. The amendment provides that balance billing is prohibited by Florida law; this is applicable under emergency in out of network areas, or in the service network if the patient did not have the option to select their physician. Existing HMO reimbursement standards will remain in place.

The next committee stop for SB 1442 will be in the **Senate Banking and Insurance Committee.**

**AIF supports legislation that requires a patient to be presented with documentation regarding any charges for out-of-network services.**

## **INSURANCE**

### **SB 596- Relating to Assignment or Transfer of Property Insurance Rights**

On Monday, February 1st, **SB 596**, relating to Assignment or Transfer of Property Insurance Rights, by **Senator Dorothy Hukill (R- Port Orange)** was heard by the **Senate Banking and Insurance Committee** and passed with 10 yeas and 1 nay. **AIF stood in support of this bill.**

This straightforward bill provides for provision in an assignment of benefits contract for property insurance proceeds. The sponsor committed to continue working on the bill to ensure that the fraud in the property insurance marketplace is stamped out. AIF stands in support of the Senate bill and is strongly in favor of preserving policyholder rights from being stripped away from unscrupulous vendors and attorneys seeking to profiteer off the backs of policyholders.

SB 596 will now go to the **Senate Judiciary Committee** for a hearing.

**AIF supports this legislation because it aims to stamp out cost drivers and control attorneys' fees for the benefit of premium payers statewide.**

## **LEGAL & JUDICIAL**

### **HB 713 & SB 562- Relating to Consumer Debt Collection**

On Monday, February 1st, **SB 562**, relating to Consumer Debt Collection, by **Senator Kelli Stargel (R-Lakeland)** was heard in front of the **Senate Commerce and Tourism Committee** and unanimously passed with 6 yeas and 0 nays. **AIF's General Counsel, Tammy Perdue, stood in support of this bill.**

Also on Monday, February 1st, **HB 713**, relating to Consumer Debt Collection, by **Rep. Kathleen Passidomo (R-Naples)** was heard by the **House Insurance & Banking Subcommittee** and passed by a vote of 12 yeas to 0 nays. **AIF stood in support of this bill.**

SB 562 seeks to better define the parameters by which an attorney representing a debit or debtor must notify a creditor of their representation in order for that creditor to properly direct communications concerning the dead. For during today's committee, through the amendment process, there was some confusion as to whether the bill scope would be expanded. However, the amendments which were adopted, actually narrow the application of the bill to situations in which an attorney communicates the representation to the creditor.

The House companion, HB 713, contains provisions that invoked penalties and implications relative to Florida's deceptive and unfair trade practices act which cause some great concerns in the business community.

The next stop for SB 562 will be in the **Senate Fiscal Policy Committee.**

HB 713 will head to its second committee stop in the **House Judiciary Committee.**

**AIF supports legislation that eliminates a current scam against Florida's employers while also protecting legitimate debt collection processes by companies.**

## **WORKERS' COMPENSATION**

### **SB 986-Relating to Workers' Compensation System Administration**

On Monday, **SB 986**, relating to Workers' Compensation System Administration, by Senator Wilton Simpson (R-Trilby) was heard by the **Senate Banking and Insurance Committee** and passed with 11 yeas and 0 nays.

SB 986 provides additional administrative tools to the deep vision of Worker's Compensation for penalty enforcement and stop work order fines. Two amendments were offered by **Senator Chris Smith (D – Fort Lauderdale)** and adopted by this committee to improve the bill and eliminate concerns the business community had earlier expressed about its potential unintended consequences for fraud. **AIF General Counsel, Tammy Perdue**, stood in support of this measure today.

SB 986 will now go to **Senate Appropriations Subcommittee on General Government**.

**AIF supports Florida's current workers' compensation law and any proposed change to the workers' compensation system- in the courtroom or Legislature- will be evaluated through the prism of coverage affordability, market stability, and employee safety.**

### **SB 1402-Relating to Ratification of Department of Financial Services Rule**

On Monday, February 1st, **SB 1402**, relating to Ratification of Department of Financial Services Rule, by **Senator David Simmons (R-Longwood)** was heard by the **Senate Banking and Insurance Committee** and passed with 11 yeas and 0 nays. **AIF's General Counsel, Tammy Perdue**, stood in support of this bill.

SB 1402 addresses adoption of the current version of the Florida Worker's Compensation healthcare provider reimbursement manual. This manual has not been adopted or updated since 2008, leaving Florida well behind every other state in the amount of reimbursement it pays to healthcare providers for the treatment of injured workers.

This bill will now go to its last committee stop in the **Senate Fiscal Policy Committee**.

**AIF supports legislation that will keep Florida's Workers' Compensation system a stable and self-executing mechanism that benefits both injured workers and Florida's employers.**