## Florida State University College of Law

# Scholarship Repository

Staff Analysis

Florida Legislative Documents

1989

# Session law 89-530

Florida Senate & House of Representatives

Follow this and additional works at: https://ir.law.fsu.edu/staff-analysis



Part of the Legislation Commons

#### **Recommended Citation**

House of Representatives, Florida Senate &, "Session law 89-530" (1989). Staff Analysis. 1197. https://ir.law.fsu.edu/staff-analysis/1197

This Article is brought to you for free and open access by the Florida Legislative Documents at Scholarship Repository. It has been accepted for inclusion in Staff Analysis by an authorized administrator of Scholarship Repository. For more information, please contact efarrell@law.fsu.edu.

Florida Information Associates Florida Legislature Staff Analyses 1989 Sessions

S 11-B GENERAL BILL/1ST ENG by Malchon (Similar H 5-B, 1ST ENG/S 485, Compare CS/CS/H 684, S 837) Health Care: requires Health Care Cost Containment Board to conduct study of I public-sector purchasing of health care coverage; requires board to convene L statewide conference of public-sector health care purchasers & to contract with L State University System to conduct conference; establishes Task Force on Private Sector Health Care Responsibility & Task Force on Government Financed Health Care; provides act to be read in pari materia with certain prior acts, etc. H Appropriation: \$1,850,000. Effective Date: 07/06/89. Ι 06/20/89 SENATE Filed; Introduction allowed; Introduced, referred to Health S Care; Immediately withdrawn from Health Care; Passed as T amended; YEAS 35 NAYS 0 -SJ 8 0 06/20/89 HOUSE In Messages; Introduction allowed -HJ 16; Received, placed on Calendar; Substituted for HB 5-B; Read second R time; Read third time; Passed; YEAS 111 NAYS 2 -HJ 16 Y 06/20/89 Ordered enrolled -SJ 16 06/21/89 Signed by Officers and presented to Governor 07/06/89 Approved by Governor; Chapter No. 89-530

NOTES: Above bill history from Division of Legislative Information's FINAL LEGISLATIVE BILL INFORMATION, 1989 SESSIONS. Staff Analyses for bills amended beyond final committee action may not be in accordance with the enacted law. Journal page numbers (HJ & SJ) refer to daily Journals and may not be the same as final bound Journals.

#### \*\*AS PASSED BY THE 1989 LEGISLATURE\*\*

STORAGE NAME: s11-B.hc
DATE: June 22, 1989

# HOUSE OF REPRESENTATIVES HEALTH CARE COMMITTEE FINAL STAFF ANALYSIS & ECONOMIC IMPACT STATEMENT

BILL #: SB 11-B

RELATING TO: Health Care

**SPONSOR(S):** Sen. Malchon

**EFFECTIVE DATE:** Upon Becoming Law

DATE BECAME LAW: July 6, 1989

CHAPTER #: 89-530, Laws of Florida

COMPANION BILL(S): HB 5-B

OTHER COMMITTEES OF REFERENCE: (1)

(2)

\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*\*

#### I. SUMMARY:

#### A. PRESENT SITUATION:

In recent years, assuring access to adequate health care has been a primary concern of the Florida Legislature. Examples of this priority include the creation of the Public Medical Assistance Trust Fund in 1984, the reorganization in 1984 and the reenactment in 1988 of the Health Care Cost Containment Board, the expansion of Medicaid in 1984, 1987 and 1988 and the revision of the Health Care Responsibility Act and the strengthening of emergency care laws in 1988. In all cases the laws have improved access by either financing or regulating health care. Questions regarding the state's responsibility to provide specific levels of health care services may very well have been a part of the discussion in the passage of these laws, but there has never been a systematic review as to this responsibility and to the financial, medical and ethical considerations inherent in government financed and regulated health care.

#### B. EFFECT OF PROPOSED CHANGES:

This bill establishes the Florida Task Force on Government Financed Health Care. The task force will prepare a report with policy recommendations regarding publically financed health care, including specific level and type of services, equitable allocation of resources, and the role and involvement of the private sector in providing and paying for care.

The bill requires the task force to solicit and include technical advice from specified resource groups. It also describes the

STORAGE NAME: s11-B.hc DATE: June 22, 1989

PAGE: 2

composition of the seventeen member task group. The Governor will appoint eleven members from designated groups and the Speaker of the House of Representatives and the President of the Senate will each appoint three members. The task force shall exist for two years and is required to issue its report by March 1, 1991.

Funding for the task force is provided by a \$175,000 annual appropriation from the Health Care Cost Containment Trust Fund. The bill also authorizes staff selection, permits meetings as needed, and allows the reimbursement of travel and per diem expenses.

This bill also directs the Health Care Cost Containment Board (HCCB) to conduct a study, in cooperation with the Advisory Council on Intergovernmental Relations (ACIR), of how the public sector is providing health care coverage. The study is to include recommendations on how the public sector can become more efficient and effective in providing health care coverage; and the report is due to the Legislature by February 1, 1990.

Further, the bill requires the HCCB to convene a statewide conference to develop consensus recommendations for improving the efficiency of public sector health care purchasing. The conference is to be conducted with the state university system and the results of the conference are to be presented to the Governor and the Legislature by March 1, 1991.

Finally, the bill establishes the Florida Task Force on Private Sector Health Care Responsibility which consists of 19 members appointed by the Governor, the President of the Senate and the Speaker of the House of Representatives. The task force is charged with the responsibility of studying the problem of the uninsured and underinsured in Florida. An interim report is due February 1, 1990 and a final report is due February 15, 1991. The membership of the task force is specified; its existence is limited to 2 years; provisions are made for staff; its powers and duties are specified; and members are authorized to be reimbursed for travel and per diem expenses. Certain confidentiality protections are provided.

#### C. SECTION-BY-SECTION ANALYSIS:

- **Section 1.** Establishes legislative findings and intent relating to rising health care costs.
- Section 2. Requires the HCCB, in cooperation with the ACIR, to conduct a study of public sector health care purchasing.
- **Section 3.** Directs the HCCB to hold a statewide conference of public sector health care purchasers.
- **Section 4.** Establishes a 19 member Florida Task Force on Private Sector Health Care Responsibility.

STORAGE NAME: s11-B.hc
DATE: June 22, 1989

PAGE: 3

Section 5. Makes appropriations for sections 2, 3 and 4 of the act.

**Section 6.** Creates the Florida Task Force on Government Health Care composed of 17 members to determine the state's role in the provision of health services.

Section 7. Provides an effective date.

#### II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

- A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:
  - 1. Non-recurring or First Year Start-Up Effects:
    None.
  - 2. Recurring or Annualized Continuation Effects:

This bill authorizes an appropriation of \$175,000 for FY 1989-90 and \$175,000 for FY 1990-91 from the Health Care Cost Containment Trust Fund to fund the Florida Task Force on Government Financed Health Care, \$100,000 of these funds are taken from the Public Medical Assistance Trust Fund for each year. The cost of the insurance study by the HCCB is projected to be \$75,000 and the cost of the statewide conference is projected to be \$25,000. Both are funded from the Health Care Cost Containment Trust Fund. The 19 member study on private sector responsibility for health care is funded at \$300,000 for FY 1989-90 and \$300,000 for FY 1990-91 from the Insurance Commissioner's Regulatory Trust Fund.

- 3. Long Run Effects Other Than Normal Growth:
  None.
- 4. Appropriations Consequences:
- B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:
  - 1. Non-recurring or First Year Start-Up Effects:
    None.
  - Recurring or Annualized Continuation Effects:
     None.
  - 3. Long Run Effects Other Than Normal Growth:
    None.

STORAGE NAME: s11-B.hc DATE: June 22, 1989

PAGE: 4

#### C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

1. Direct Private Sector Costs:

None.

2. Direct Private Sector Benefits:

Hopefully, the results of the studies conducted under the act will be a reduction in the rate of health care spending and wider availability of health care coverage.

3. Effects on Competition, Private Enterprise, and Employment Markets:

Indeterminate.

D. FISCAL COMMENTS:

#### III. LONG RANGE CONSEQUENCES:

The nature and extent of the policy recommendations of the task forces and studies contained in this bill should greatly assist the Legislature and Governor in establishing a plan for the financing and regulation of health care. The establishment of a framework and the development of guidelines should provide positive immediate, as well as long range, benefits.

### IV. COMMENTS:

At the 1989-1990 Legislative Issues Conference, the Florida House of Representatives concluded that the Legislature must completely reevaluate the state's health care policy. In its policy statement on preventive and primary health care, the conferees stated that a strategic plan identifying priorities should be developed. Possible issues to be addressed and strategies to be considered included: who gets health care; what kinds of health care are provided; how much care is provided; how services are funded; what are the thresholds; what factors, such as insurance, affect the thresholds; what provisions should be made for catastrophic illness; and, state sponsored wellness/fitness program for state employees. It is the intent of this bill that the Florida Task Force on Government Financed Health Care address and discuss these issues.

#### History

6/20/89 Ordered Enrolled

6/20/89	Filed; Referred to Health Care; Immediately withdrawn from Health Care; Passed as amended; 35 yeas, 0 nays
6/20/89	In Messages; Substituted for HB 5-B; Passed 111 yeas, 2 nays

STORAGE NAME: s11-B.hc DATE: June 22, 1989 PAGE: 5

A. DIGITAL OTTED	TURES:	SIGNA	٦
------------------	--------	-------	---

SUBSTANTIVE COMMITTEE: Prepared by:	Staff Director:
Mike Hansen	Mike Hansen
SECOND COMMITTEE OF REFERENCE:	Mike Hallsell
Prepared by:	Staff Director:
APPROPRIATIONS: Prepared by:	Staff Director: