



AUGUST 2011  
SOLICITATION OF INTEREST

From

HEALTH CHOICES:  
Florida's Insurance Marketplace

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## INTRODUCTION

This solicitation of interest (SOI) is issued by Florida Health Choices, Inc. (Corporation) seeking information from potentially interested vendors eligible to participate in the marketplace.

The goal of this request for information is to assist the Corporation in identifying potential vendors and the products or services they may choose to offer in Florida's Insurance Marketplace.

The following table provides a very brief overview of the launch phases and proposed expansions of eligibility, vendors, products and services for each phase:

HEALTH CHOICES: FLORIDA'S INSURANCE MARKETPLACE				
Launch	Phase	Target Population	Vendor Offerings	Products/Services
2011	Quick Start/Small Group Pilot	<ul style="list-style-type: none"><li>• Small Employers</li></ul>	<ul style="list-style-type: none"><li>• Risk-Bearing Major Medical Excluding Dental Benefits</li></ul>	Small Group
2011/12	Mid-Term	<ul style="list-style-type: none"><li>• Eligible Employers</li></ul>	<ul style="list-style-type: none"><li>• Risk-Bearing Major Medical</li><li>• Dental, Vision and other Benefits</li></ul>	Small Group
2012/13	Long-Term	<ul style="list-style-type: none"><li>• Eligible Employers</li><li>• Other Eligible individuals</li></ul>	<ul style="list-style-type: none"><li>• Risk-Bearing Offerings</li><li>• Employer Offerings</li><li>• Non-Risk-Bearing Offerings</li></ul>	Individual Small Group Service Contracts

This SOI primarily seeks information and interest from vendors for the Quick Start/Small Group Pilot Project.

### I. DESIGNATED CONTACT

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## II. PROPOSED CALENDAR OF EVENTS

### Quick Start Review and Interest Phase

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Vendor Review Period:	August
Vendor Comments Accepted Through:	August
Quick Start Letter of Interest Due:	August
Establish Schedule of Vendor Conferences:	August
Vendor Set-Up Package Provided:	September
Vendor Discovery Conferences	September
Vendor Confirms Participation in Quick Start	September

### Quick Start Technical Phase

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Receive Vendor Detail	September
Loading Vendor Detail	
Testing and Vendor Approval	
Portal Update	

### Proposed Calendar by Phase

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Quick Start	
Interest Phase	August 2011
Technical Phase	September 2011
Launch	
Mid Term	
Interest Phase	month, year
Technical Phase	month, year
Launch	month, year
Long Term	
Interest Phase	month, year
Technical Phase	month, year
Launch	month, year

### **III. BACKGROUND**

#### **A. State of Florida**

The Florida Legislature created Florida Health Choices, Inc. during 2008 by enacting Section 408.910, Florida Statutes. Recent changes adopted by the 2011 Florida Legislature can be found at the following links:

- [House Bill 1125 \(effective 7/1/2011\)](#)
- [House Bill 1473 \(effective 10/1/2011\)](#)

In establishing the Corporation and the Florida Health Choices Program, the Florida Legislature found that a significant number of the residents of this state did not have adequate access to affordable, quality health care.

Specifically, the Florida Health Choices Program was established to:

- Expand opportunities for Floridians to purchase affordable health insurance and health services.
- Preserve the benefits of employment-sponsored insurance while easing the administrative burden for employers who offer these benefits.
- Enable individual choice in both the manner and amount of health care purchased.
- Provide for the purchase health care coverage.
- Disseminate information to consumers on the price and quality of health services.
- Sponsor a competitive market that stimulates product innovation, quality improvement, and efficiency in the production and delivery of health services.

The Corporation elects to implement the program in three phases which are detailed in a later section.

#### **B. Intent of the Small Group Pilot Project**

The Corporation elects to phase in a program to gradually establish the marketplace. Marketplace operation is proposed to begin with a Small Group Pilot Project which would permit the corporation to:

- Test the strength of the value proposition with small employers
- Test a web-based, uniform application for health coverage
- Test the web-based portal and its usability
- Test the scalability of the administrative platform
- Test the agent interfaces and electronic verification of agent eligibility
- Test the vendor certification and on-boarding process
- Test the marketing plan and approach

## **C. Value Proposition**

For employers, we take the hassle out of establishing Section 125 Plans and allow them to offer benefits to employees while saving on health care premiums, taxes and ancillary products. Small employers can offer a wider range of choices to eligible employees.

For employees, ...

For agents, ...

For vendors, the marketplace will provide access to a distribution channel focused on the promotion of a competitive marketplace that provides convenient access to their products.

## **D. Potential Impact of Health Care Reform**

Vendors are advised that Florida Health Choices, Inc. is not a State designated American Health Benefit Exchange (AHBE Exchange) for individuals or a Small Business Health Options Programs (SHOP Exchange) as defined by the Patient Protection and Affordable Care Act. Likewise, the program the Corporation will implement is not subject to federal approval.

## **IV. ELIGIBLE VENDORS**

### **A. Risk-Bearing Health Insurance Vendors**

During the Quick Start/Small Group Pilot, vendors meeting all requirements of the Florida Insurance Code may offer risk-bearing policies, products or contracts approved by the Office of Insurance Regulation. Risk-bearing vendors include the following:

- Insurers
- Health Maintenance Organizations
- Pre-paid Limited Health Service Organizations
- Discount Medical Plans
- Prepaid Health Clinics

### **B. Non Risk-Bearing Health Service Vendors**

During the Mid Term and Long Term phases, other health vendors may offer service contracts and arrangements for a specified amount and type of health service or treatment in compliance with applicable state laws and as approved by the Corporation. Non-risk-bearing health service vendors may include but are not limited to the following:

- Hospitals
- Licensed health facilities
- Health care clinics
- Licensed health professionals
- Pharmacies
- Licensed health care providers
- Provider organizations
- Service networks
- Group practices
- Professional associations
- Other incorporated organizations of providers
- Corporate entities

## **C. Other Vendors**

As increasing Marketplace functionality is developed, other vendors may offer services to support participating employers. Examples of other vendors may include but are not limited to the following:

- Payroll service providers
- Human resource compliance providers
- Individual benefit account managers
- Other insurers may offer business insurance products

## **D. Vendor Participation Rules**

The Corporation proposes the following rules for vendor participation with the intent to provide maximum flexibility. The Marketplace will establish operating cycles and vendors:

- May enter the marketplace throughout the operating cycles
- Have discretion over which, and how many, of their offerings are sold through the Marketplace
- May determine the commission structure or agent/brokers
- Vendors that offer coverage to employers must offer coverage to all eligible employees and their dependents
- Must provide coverage for a full plan year as long as premiums are paid on a timely basis
- May submit notice to change, substitute or remove an offering throughout the operating cycles

## V. AGENT AND BROKER ELIGIBILITY

Agents are .....lead in here

- Health Insurance Agents licensed by the State of Florida are eligible to register and participate in the marketplace.
- The system will compare an agent's last name and Florida license number against data provided by the Florida Department of Financial Services. Confirmation of an agent's active license status will determine the agent's eligibility.
- Continuing agent eligibility will be re-determined monthly.
- Fees apply...
- Vendors establish commission structure...

## **VI. ELIGIBLE EMPLOYERS AND INDIVIDUALS**

Florida law outlines the target population for enrollment in the Florida Health Choices Program and the Corporation elects to phase in the program gradually.

### **A. Quick Start/Small Group Pilot Eligibility for Small Employers**

Small employers that meet the following eligibility requirements may participate in the marketplace.

#### **1. Group Size Requirements**

- Group size will be 4-50 participating employees, when the group also meets all other eligibility requirements.
- Eligible employees include those that have satisfied the eligibility waiting period established by the employer.
- Eligible employees are identified as employees actively engaged in the conduct of the business of an enrolled employer who works at least 25 hours per week. This includes a self-employed individual, a sole proprietor, a partner of a partnership, or an independent contractor if included as an employee under a health benefit plan of a small employer. For example, an individual whose income is reported by a 1099 and who works at least 25 hours each week should be included as an eligible employee.
- Employees who have not satisfied the employer's chosen eligibility waiting period and those working less than 25 hours per week, temporary, or substitute employees are not considered eligible employees.

#### **2. Group Structure Requirements**

- A company authorized to conduct business in the State of Florida and which shows evidence of business activity in the previous 24 months
- Eighty-five percent of employees must live in the State of Florida
- Coverage must be offered to all eligible employees who have satisfied the employer's waiting period.
- Groups with Common Ownership/Controlled Groups where the total eligible employees for all groups commonly owned are 50 or less will still be rated as a small group. One or all of the groups may be enrolled with common ownership. A subset of the groups, i.e. 2 out of 3, may not be covered.
- Groups formed strictly for purposes of insurance are not eligible (clubs, fraternal organizations, and consortia).
- If a participating employer exceeds 50 employees after initial enrollment, it may continue to be treated as a small employer for the remainder of the plan year. Upon renewal, the group's status will be reassessed and subsequently redefined, if necessary, in accordance with Florida's Small Group law, 627.669, F.S.

### **3. Employer Contribution Requirements**

- The employer's contribution toward employee premiums must be at least 50 percent of the lowest price plan offered by the selected vendor.

### **4. Employer Participation Requirements**

- At least 70 percent of eligible employees must participate in the health plans offered by their employer.
- All active employees working 25 hours or more per week, who have also satisfied the waiting period, are considered when determining group size.
- Employees excluded when calculating the participation requirement:
  - Employees with other group coverage
  - Employees with Medicaid, SCHIP or Medicare coverage

### **5. Employer Enrollment**

- During initial registration, small employers will elect to participate in the Small Group Pilot Project option and choose enrollment windows.
- If the employer's window is "fixed" all employees will begin coverage on the same date determined by the employer and at the conclusion of the 60-day open enrollment period. If the employer's window is "rolling" employees of that employer may begin coverage on the first of a month during the 60 day enrollment period.

### **6. General Eligibility Periods**

- A new employee becomes eligible for coverage on the 1<sup>st</sup> of the month following the date of eligibility.
- The eligibility waiting period is 3 months unless the employer elects a waiting period that is 0, 1 or 2 months at the time of initial enrollment.
- A group may not waive the waiting period for key employees, unless the waiting period is waived for all employees of that group.
- Small groups can have only one waiting period.
- For new groups purchasing through the marketplace, if both husband and wife are eligible employees of the business, each can enroll separately or they can purchase employee + spouse or family coverage. If they purchase employee + spouse or family coverage, the rates must be based on the age of the older spouse.
- For new groups purchasing through the marketplace, coverage is effective on the group's original enrollment date, provided the eligibility waiting period has been satisfied and application is made during the initial enrollment period.
- No special reworks specifically to change eligibility periods can be made without a letter from the group certifying the change with approval by Group Underwriting.

- After the initial enrollment of a new group, employees must apply for coverage within 60 days of satisfying their eligibility period or within 30 days of COBRA qualifying events or the Special Enrollment Period.
- No retro-active coverage will occur.

## **7. Annual Open Enrollment Periods**

- A maximum 60 day period, occurring no less than 60 days prior to the group anniversary date.

## **8. Special Enrollment Periods**

- A qualifying life event will permit participants to change coverage during the plan year and will establish a special enrollment period for the qualified family or individual. (proposed qualifying life events are listed in Exhibit A)
- A maximum 60 day period immediately following a special event (birth of a child, placement for adoption or marriage). During this time, an eligible employee or eligible dependent may apply for coverage.
- If the reported change causes a change in the monthly premium, the system will calculate the revised premium based on the rating methodology utilized during the current benefit year's calculation.
- All changes must be reported within 30 days of the date that the change occurred.

## **9. Timely Premium Payment**

- Participating employers must agree to payroll deduction of employee contributions.
- Employers are required to make full payment of their invoice by the due date. Group coverage will be canceled if employer accounts are received by the due date. Employees will not be billed directly. (COBRA?)
- Employees associated with an employer who is cancelled for non-payment may pursue enrollment into COBRA, or a medically underwritten individual policy offered outside of the FHC marketplace.
- Accounts on which a notice of insufficient funds are received, will be assessed a \$25.00 non-sufficient fund fee.

## **B. Mid Term and Long Range Eligibility for Employers and Individuals**

Participation is voluntary and, while not specifically limited to the following list of employers and individuals, the Corporation intends to target the organizations named in Section 408.910, Florida Statutes:

- Small employers meeting criteria established by the program
- Employees of enrolled counties designated as fiscally constrained
- Employees of enrolled school districts in fiscally constrained counties
- Employees of enrolled municipalities having fewer than 50,000 residents
- Employees of enrolled statutory rural hospitals

Other individuals that may enroll include:

- Employees of the State of Florida not eligible for state health benefits
- Retirees of the State of Florida
- Medicaid reform participants who select the opt-out provision of Medicaid Reform

## **VII. PROGRAM OPTIONS**

The Corporation proposes establishing options for employers and their eligible employees.

During the Small Group Pilot Project the eligible employer may shop and compare all vendors available in the Marketplace and may recommend up to four plan options offered by a single vendor by line of business.

Eligible employees of a participating employer will shop and compare from among as many as four plan options recommended by the employer.

Additional options may be developed and offered in subsequent phases of the program.

## **VIII. OFFERINGS**

The Corporation, through the centralized marketplace, will offer various products that enable employers and employees to pay for health care.

### **A. Quick Start/Small Group Pilot Offerings**

Initially during the Small Group Pilot, the Marketplace will accept major medical small group plans without imbedded dental benefits.

As functionality of the web-based portal increases, the Marketplace will support ancillary and Section 125 products.

### **B. Mid Term and Long Range Health Offerings**

The health offerings in subsequent phase include, but are not limited to, health insurance plans, health maintenance organization plans, prepaid services, service contracts, and flexible spending accounts.

Employee and individual health offerings may include but are not limited to:

- Health insurance and health maintenance contracts
- Dental, vision and other limited benefit plans
- Life insurance
- Flexible spending accounts
- Public programs
- Wellness programs

The program may also provide administrative services to participating employers which may include the following:

- Payroll services
- Human resource compliance
- Assistance in seeking approval of cafeteria plans
- Worker's Compensation and other business insurance products

## **IX. SMALL GROUP PILOT PROJECT PARAMETERS**

### **A. Timeline**

The Corporation proposes to launch the Small Group Pilot Project with minimum trial duration of six months.  
(INSERT EVALUATION, EXTENSION, COVERAGE FOR A FULL PLAN YEAR)

### **B. Participants**

There will be no limitations placed on the number of participating vendors, employers or employees.

### **C. Geography**

The marketplace area served will encompass the entire State of Florida.

## **XI. IMPLEMENTATION PHASES**

The Corporation proposes to launch the program in three phases as described below:

**The Quick Start Phase/Small Group Pilot Program** will support limited offerings. The Corporation proposes to support 3 to 9 vendor offerings. Vendors may offer small group policies or contracts that are regulated and approved by the Florida Office of Insurance Regulation.

**The Mid-Term Phase** will expand the type and number of products offered through the program. The offerings during this phase will include other risk-bearing entities that are regulated by the Florida Office of Insurance Regulation.

**The Long-Range Phase** provides an opportunity for non-risk-bearing vendors to enter the marketplace. Examples of allowable vendors and their offerings may include but are not limited to:

- Hospitals and other licensed health facilities, health care clinics, licensed health professionals, pharmacies, and other licensed care providers.
- Provider organizations including service networks, group practices, professional associations, and other incorporated organizations of providers.
- Corporate entities providing specific health services in accordance with applicable state law.

## **XII. THIRD PARTY ADMINISTRATION**

The Corporation contracts with Ceridian Exchange Services, LLC (CES) to provide third party administration services. The range of services that will be provided by CES include:

### **A. Web-Based Portal**

In partnership with eHealth, CES is establishing and will maintain a web-based choice portal. CES will design and deploy the web-based choice portal with a wide range of functions. The functions will include:

- Provide information to interested persons about available offerings and vendors
- Facilitate eligibility and enrollment of:
  - Employers
  - Employees of enrolled employers
  - Health insurance agents
- Allow comparison of benefit, plan and service options utilizing a standardized presentation of information

Information about each product and service available through the program will be made available through this interactive website. The presentation of plan and service options will allow comparison when reasonable comparisons exist. The purpose is to allow the eligible participant to search through plan and service offerings, based on a variety of search criteria to identify the product or service that best fits their individual needs. The presentation options will permit the user to identify options available in their geographic area and may also organize the options using criteria selected by the user.

### **B. Medical Questionnaire**

*\*\*\*Proposed topic for discussion regarding the business process for application submittal, underwriting by the vendor selected and final presentation to the Employer.*

### **C. Eligibility Determination**

CES will determine eligibility of employers, their employees and health insurance agents. Applications for enrollment will be accepted by the Administrator by electronic means through on-line applications or through paper applications. Upon determination of eligibility, the information collected during the eligibility process will generate an account for the applicant employer, employee or health insurance agent.

### **D. Enrollment Management**

CES will maintain a comprehensive, automated, enrollment management system and the capabilities described below:

- Correspondence generation
- Account history maintenance
- Late/delinquent payment notification
- Outgoing correspondence
- Transmittal of participant data to participating plans and service providers
- Provide verifications to vendors
- Transfer enrollment to another insurer or service provider when a vendor withdraws from the program or when the participant elects a new choice
- Changes in contact information
- Account update due to change in family composition
- Process returned mail and update address changes received from the U.S. Postal Service
- Continuing eligibility verification
- Renewal processing

#### **D. Financial Services**

The Administrator will calculate and facilitate the collection of participant and third party contributions toward the cost of multiple program offerings.

CES is responsible for maintaining all financial activity on employer and participant accounts and provides the following financial services:

- **Premium Calculation** – Based upon information collected as to participant choice, and contribution amounts designated by the employer, CES will calculate the amount of funds due from each source for each participant. The Administrator will make the detail available to enrolled employers and aggregate the total amount due from the employer for the payroll frequency established by the employer. *\*\*\*Proposed topic for discussion regarding the business process for application submittal, underwriting by the vendor selected and final presentation to the Employer.*
- **Premium Collection** - Options for premium collection will include checks, automatic deductions from checking accounts, automatic deductions from credit card accounts and any other payment methods accepted by CES.

- **Remittance Processing** - At least twice monthly, CES will generate detailed reports the Corporation will use for remittance of premiums and other contributions to participating vendors.

## E. Customer Contact Center

The Administrator provides customer service via a toll-free hotline, email and regular U.S. mail service. The Statewide Customer Contact Center (Center) is located in St. Petersburg, Florida and will:

- Assist employers with establishment and administration of cafeteria plans
- Disseminate information to consumers on the price and quality of services available *\*\*\*Proposed topic for discussion regarding the business process for application submittal, underwriting by the vendor selected and final presentation to the Employer.*
- Provide access to account information
- Assist individual participants with managing available resources
- Respond to inquiries from employers, employees and agents
- Distribute materials *\*\*\*Proposed topic for discussion regarding the business process for application submittal, underwriting by the vendor selected and final presentation to the Employer.*
- Provide general program information and answer inquiries about eligibility and enrollment
- Provide account payment and coverage verification
- Return calls left on voice mail
- Refer calls to a participating agents as appropriate
- Return calls requiring additional research

Professional, accurate, courteous customer service is a high priority for the Corporation. The Administrator is prepared to accurately and timely processing of all incoming correspondence, all outgoing correspondence, and all telephone or email inquiries.

The Center provides customer service days and hours of operation which are conducive to participant needs and include regular business hours on Monday through Friday, from 8:00 a.m. until 8:00 p.m., Eastern Standard Time, excluding approved holidays. The Center provides the option of a live call agent for all callers during these hours of operation. Note: the Corporation follows the holiday schedule designated by the State of Florida with the addition of Good Friday.

The Center will manage customer communications in a professional, culture and language sensitive manner. At a minimum, the Center will make sufficient numbers of English and Spanish speaking staff during all hours of Center operations.

The Administrator has the ability to communicate timely, accurately and efficiently with non-English speaking callers, and callers that are hearing impaired.

### **XIII. MARKETING**

Several sources of data have been identified that will be useful in designing and implementing marketing and outreach efforts to employers and potential participants. The Corporation proposes to establish partnerships with public and private agencies that may share information on businesses, professionals, corporations, and contractors licensed by, doing business with, or associated with the partner agency.

The Corporation intends to develop targeted marketing and outreach efforts for the purpose of educating potential participant employers and their employees about the Florida Health Choices Program. Marketing materials may be designed and distributed based on a variety of elements including county of residence, zip code, type or status of professional license, business type, association membership, etc.

A comprehensive approach to establish awareness of the program will be developed. A Marketing and Outreach Committee of the FHC has been established and will begin meeting in the coming weeks. Vendor input and suggestions on developing the marketing approach are solicited.

Vendors offering produces in the Marketplace will have the ability to co-market and promote as desired and approved by the Corporation.

## **XIV. PROPOSED PROGRAM RULES**

### **A. Employer Enrollment**

1. During initial registration, employers will elect program options and enrollment windows.
2. During Quick Start, employer options will include the Choice and Preferred participation options.
3. If the employer's window is "fixed" all employees will begin coverage on the same date determined by the employer and at the conclusion of the 60-day open enrollment period. If the employer's window is "rolling" employees of that employer may begin coverage on the first of a month during the 60 day enrollment period.

### **B. Open Enrollment Periods**

1. An eligible employee may enroll in health coverage during the employer's established 60-day open enrollment period.
2. No retro-active coverage will occur.
3. New hires will be provided an enrollment window of 30 days.
4. Participants are locked into their plan selection for one year unless a life event qualifies them to make a change in plan selection.

### **C. Special Enrollment Periods**

1. A qualifying life event will permit participants to change coverage during the plan year and will establish a special enrollment period for the qualified family or individual. (Proposed qualifying life events are listed in Exhibit C.)
2. If the reported change causes a change in the monthly premium, the system will calculate the new rate based on the rate that was in effect at the time the participant enrolled in the plan (grandfathered rate).

3. All changes with the exception of Drop Dependent due to eligibility in Medicare/Medicaid/SCHP must be reported within 30 days of the date that the change happened. Drop Dependent due to eligibility in Medicare/Medicaid/SCHP must be reported within 90 days of the eligibility date.

## **XV. PROPOSED VENDOR PROCESSES**

Florida Health Choices is committed to a successful partnership with interested vendors throughout implementation and during ongoing program administration. The vendor implementation delivery model is structured using best-practices and industry standards for excellence within Florida's insurance marketplace.

The Corporation, working with CES and eHealth, offer the following processes for consideration by interested vendors. Vendor comments and suggestions for improving upon the initial recommendations are desired.

### **A. Plan Documentation**

1. Interested vendors are provided with the template that will be used to obtain the plan description/benefits, rates, rate rules (age, gender, location), eligibility rules (location), zip code tables, provider directory, billing rules, pre-existing exclusions and effective dates.



FHC\_NEW Vendor  
Supply Requirements |

2. CES will work with the vendor to set the plan up in the system. The vendor will test and approve plan setup before it is released to production. The Corporation will also have access to review the plan information prior to it being released to production.

### **B. Discovery Calls**

CES will conduct discovery calls with vendors. During the call, CES will gather eligibility file requirements. Following are some examples of items that will be discussed:

- Transmission methods are sent via Secure File Transmission Protocol (SFTP)
- File frequency
- EDI file format version to be utilized
- EDI 834 - 5010 Version (Included record counts)
- EDI 834 - 4010 Version (Does not include record count)
- Verification of Consolidated File Acceptance
- Full or Changes File
- Coverage types to be reported
- Passing Terminated Records
- Paid through date requirements

- SSN and/or Alternate ID reporting
- Carrier specific structure requirements
- Error Reporting
- Capability of notifications of file receipt and load successful
- There are two different file types for carrier reporting purposes, batch files or consolidated files can be supported by the program.

## **C. Shop And Compare**

1. Employees will enter the program portal via the employer-specific URL or the general program URL.
2. Employees will click "Get Quote" then enter their date of birth, dependents' dates of birth, indicate whether they or any of their dependents are full-time college students, enter their zip code then click "Get Quote".
3. If the zip code entered spans multiple counties, the employee selects their county from a drop down list.
4. All program plans the employee is eligible for will immediately display.
6. The system will filter plans by plan type, office visit, company (carrier name), premium range, deductible range, and co-insurance range to aid in identifying the plan that best meets the employee's needs.
7. As criteria are entered, the number of plans meeting that criteria and the lowest plan rate is displayed. The lowest rate will display based on whether the employee is searching before or after employer contribution.
8. The system will allow the enrollee to select up to four (4) plans to display in a side-by-side comparison.
9. Monthly plan premiums displayed to the enrollee will show "Cost" (full monthly cost), "Employer Contribution", and "My Cost" (employee's portion of the cost).
10. The system will provide a method for employees to search for a health insurance agent to assist with plan selection. Search criteria will be full zip code, county name, agent's last name, first name and/or languages spoken.
11. The system will not allow an employee to enroll outside of the 60-day enrollment window.

## **D. Application**

1. The Corporation proposes to develop a single, standardized, medical questionnaire and a uniform on-line enrollment form. However, the Corporation is committed to developing an approach to the application process that is acceptable to participating vendors.
2. During the application process, the enrollee will create an account.
3. The application will include a section for the enrollee to provide information about each dependent being enrolled into the plan. Employee's tier (individual, individual+1, family) will be based on the number of dependents entered on the census page.
4. The application will include eSignature functionality for employees to certify that they agree to payroll deductions and to the lock-in of their plan selection for one year or the remainder of the plan year unless a life event qualifies them to make a change.
5. The application will include functionality for the enrollee to indicate which health insurance agent assisted the enrollee with plan selection. Identifying information of the associated agent will be transmitted to the vendor.

#### **E. Enrollment Transmission**

1. CES will work with the vendor to set up the file and processes used to transmit enrollments and changes to the vendor. Initially, the EDI-834 industry standard file will be the program's standard format used to transmit data to the vendors. However, CES will work with vendors who cannot accept the standard format to establish a format that will meet their needs.
2. Newly enrolled member information will be transmitted to the vendor on the first weekly file after the application has been approved by the employer.
3. Full population files will be sent weekly. The weekly system extract used to create the file for transmission to the carrier will include all active records (participants and dependents) and canceled records that have not previously been sent to the carrier (participants and dependents).
4. Participant account changes (address, etc.) will be sent to the vendor on the next file sent.
5. A health insurance agent's identifying information will be a data element on the file.
6. Vendors will be required to acknowledge receipt of the file and provide the number of records successfully loaded into their system.

## **F. Premium Management**

1. When the enrollment is complete, the employer will be advised how much of the full premium is their responsibility and how much is their employee's. The employer will use payroll deduction to obtain the employee's portion.
2. The system will have the capability to house and maintain split family rate information where the vendor may have specific rates based on age. Split family means that some vendors may require a different rate for a dependent that is in a different age band than the primary enrollee. The system must display the premium based on the data entered by the enrollee and the plan's rate rules.
3. Monthly billing to employers for their enrolled employees will be run on or about the 23rd of the month to generate invoices for coverage that is effective the 1st of the second month (approx. 5 weeks out). For example on 4/23/11 the invoice will be generated for the coverage period 6/1/11 - 6/30/11.
4. Daily billing will occur to generate invoices for rebilling and for new enrollments with applicable coverage effective dates.
5. Independent participants will be invoiced for their full premium. Employees will not be invoiced directly.
6. Employers will be invoiced for the full premium for each of their active employees, aggregated into a single monthly invoice.
7. The system will set the employer invoice method automatically based on whether the employer has ACH set up. If ACH is set up, the employer will get electronic notification when their bill is ready to view and pay online. Paper invoices will be mailed to employers who do not have ACH set up. These employers may view their invoice detail online, but the Pay My Bill button will not display.
8. Online invoice detail will display the amount owed by the employee and the amount owed by the employer which, added together, will equal the total premium
9. Employers can recalculate their invoice by canceling employees via the Manage My Employees functionality.

## **G. Methods of Payment**

1. Employers will have the option to pay by check or sign up for ACH.
  - a. The ACH option will require them to take action each billing period. Clients using the ACH option review their invoice online, update employee status to remove employees as applicable, and click the “Make Payment” link.
  - b. Employers that select the option to mail in a check each month will be provided with a paper invoice.
2. The system will pull the funds from the employers designated bank account and apply the payments to the employee accounts.
3. Independent participants will have the option to pay by check or Fiserv’s CheckFree service. A link to the CheckFree service will be located on the participant's billing & payment screen.

## **H. Premium Disbursement to Vendors**

1. The vendor disbursement process will be run on or around the 5th (for funds received by the 1st) and the 15th (for funds received by the 10th) of each month.
2. The disbursement process will generate a Premium Distribution Report indicating what funds should be disbursed to each vendor. The Corporation will transmit funds to the vendor.

## **XVI. PARTICIPATION AGREEMENT AND TERMS**

The vendor will execute a participation agreement with the Corporation. The Corporation intends to develop a standard participation agreement for vendor consideration. At a minimum, vendors must agree:

- To ensure the availability of covered services and benefits to participating individuals for an enrollment year. Products may be offered for multiyear periods provided the price of the product is specified for the entire period or for each separately priced segment of the policy or contract
- To submit required information, including a complete description of the coverage, services, provider network, payment restrictions, and other requirements of each product or service offered through the program
- To comply with grievance and other procedures established by the Corporation
- To participate in reporting and evaluation efforts
- To a prohibition on refusal to sell any offered non-risk-bearing product to a participant who elects to buy it
- To accept payment for enrolled participants from the Corporation.

The Corporation will assess all vendors a surcharge on products and service purchased through the marketplace. The maximum surcharge permissible in 408.910, F. S. is 2.5%. Therefore, the Corporation will remit a minimum of 97.5% of the premium or service amount collected.

Once collected, and based upon remittance reports generated by CES, the Corporation will distribute the appropriate amount to the recipient vendors.

Vendors will benefit from the marketing efforts of the Corporation and from the activities conducted by its Third Party Administrator. Vendors are not responsible for any payments to the Corporation's Third Party Administrator.

**A proposed Participation Agreement is provided as Exhibit XX and vendor suggestions or comments on the draft agreement is encouraged.**

## **XVII. SOLICITATION OF INTEREST**

### **A. Comments and Questions**

Please direct comments, questions or suggestions about this SOI to [info@myfloridachoice.org](mailto:info@myfloridachoice.org) as noted in the Designated Contacts section.

### **B. Letter of Interest**

Potential vendors are invited to submit a non-binding Letter of Interest. If choosing to submit a letter of interest for the quick start phase, please submit it by 5:00 p.m., Eastern Standard Time, \_\_\_\_\_ and direct it to the address [info@myfloridachoice.org](mailto:info@myfloridachoice.org) as noted in Designated Contacts.

Please provide the formal name, title, type of insurer, business address, location of the vendor's principal offices, as well as any other name(s) under which the organization does business.

With the Letter of Interest, please provide evidence of appropriate licensure and indicate the Florida file numbers issued by the Office of Insurance Regulation, Life and Health Product Review unit, for each of the small group plans the vendor proposes to offer during the Quick Start Phase.

### **D. Discovery Conferences and Vendor Set-Up Packages**

1. On or before \_\_\_\_\_, the Corporation will establish a 1-2 hour block of time for each vendor requesting a discovery conference. Interested vendors eligible for the Quick Start phase will be invited to register for a discovery conference.
2. On or about \_\_\_\_\_ the Corporation will provide interested eligible vendors with a vendor set-up package. The
3. Questions regarding plan detail set-up and implementation may be submitted prior to the vendor's scheduled discovery conference to the address [info@myfloridachoice.org](mailto:info@myfloridachoice.org) as noted in Designated Contacts.
4. Initial meetings with interested vendors are tentatively scheduled  
\_\_\_\_\_
5. Additional meeting locations are possible and may be added to the schedule.

6. Follow up meetings may also be scheduled when requested by the vendor.

## **E. Quick Start Technical Phase**

After reviewing the vendor set-up package and participating in a discovery conference, eligible vendors will submit the information required for plan set-up using the template provided by the Corporation. Upon submission of the plan detail, it will be loaded into the test web-portal and prepared for vendor approval. Only after receiving vendor approval, and negotiation of the participation agreement, will the plan detail be loaded to [www.floridahealthchoices.com](http://www.floridahealthchoices.com).

## **XVIII. GENERAL CONDITIONS**

### **A. Corporation Furnished Property**

No material, labor, or facilities will be furnished by the Corporation unless otherwise provided for in this SOI.

### **B. Special Note**

The Corporation is a private, not-for-profit corporation, and is not subject to the bid requirements of the State of Florida. The Corporation is not a state agency.

### **C. Excluded Organizations**

The Corporation will not consider, directly or indirectly, any vendor that is debarred, suspended, ineligible or voluntarily excluded from doing business with any state or federal agency.

Otherwise eligible vendors may be excluded from participating in the marketplace for deceptive or predatory practices, financial insolvency, or failure to comply with the terms of the participation agreement or other standards set by the Corporation.

### **D. Performance Standards**

The Corporation places a high priority on customer service including the timely and accurate handling of all vendor functions. Please know that the Corporation is committed to negotiation of reasonable standards of performance.

### **E. Announcements**

To ensure the accuracy of any public communication, the content of any announcement, press release or statement issued by a vendor concerning acceptance to or withdrawal from the Corporation's marketplace must be submitted to, and approved by, the Corporation prior to release.

## **XVII. EXHIBITS**

**EXHIBIT D**  
**Qualifying Life Events (For Discussion)**

Event	Example	Action
<b>Employee Events</b>		
Employee gains dependent	Marriage	Add dependent
	Birth	
	Adoption	
Employee loses dependent	Death	Remove dependent
	Divorce	
	Placed for adoption	
Employee becomes eligible	New hire	Add employee/family
	Job status change	
Employee loses eligibility	Employment ends	Add independent
	Job status change	
Employee loses eligibility in dependent plan	Dependent employment ends	Add employee/family
	Divorce	
	Dependent job status change	
Employee moves out of service area	Relocation by employer	Remove employee/family
	Residence address change	
Eligible employee moves to new service area	Relocation by employer	Add employee/family
	Residence address change	
Employee enrolls in public coverage	Enrolls in Medicare	Remove employee/family
	Enrolls in Medicaid/SCHIP	
Eligible employee loses public coverage	Public coverage canceled due to ineligibility.	Add employee/family
Dependent enrolls in another plan	Enrolls in employer's plan	Remove dependent
Dependent loses eligibility in another plan	Dependent employment ends	Add dependent
	Job status change	
Dependent become ineligible	Overage dependent	Remove dependent
Dependent moves out of service area	Out of service area college student	Remove dependent
Dependent moves to service area	Returning college student	Add dependent
Dependent enrolled in public coverage	Enrolls in Medicare	Remove dependent
	Enrolls in Medicaid/SCHIP	
Eligible dependent loses public coverage	Public coverage canceled due to ineligibility.	Add dependent
Judgment, decree or order to add	Court order requiring coverage for employee's dependent	Add dependent
Judgment, decree or order to release	Court order releasing required coverage for employee's dependent	Remove dependent

**EXHIBIT E**  
**Open Enrollment**

Enrollment Periods Applying to Risk-Bearing Products Only <sup>1</sup>				
Type	Duration	Allowable Activity	Established By	Reference
Initial Open Enrollment Period	60 days	Shop and Compare	Employer	408.910(7)(a) Participation in the program may begin at any time during a year after the employer completes enrollment and meets the requirements specified by the corporation.
				408.910(7)(b) Initial selection of products and services must be made by an individual participant within 60 days.
Annual Open Enrollment Period	60 days	Shop and Compare	Based on initial enrollment	408.910(7)(d) Changes in selected products and services may only be made during the annual enrollment period.
Change Period				
Special Open Enrollment Period	Up to 60 days	Add/Remove/Change as determined by the qualifying event	Board of Directors	Qualifying life events as adopted by the board of directors March 25, 2011.
Enrollment Period	12 month duration	Continuation in chosen offerings		408.910 (7)(c) 12 months unless the individual participant specifically agrees to a different period of coverage or service duration.
Non-Open Enrollment Period	Year-round	Enrollment in Flexible spending Account Services is Permitted		408.910 (7)(b) Initial selection of products and services must be made by an individual participant within 60 days after the date the individual employer qualified for participation. An individual who fails to enroll in products and services by the end of this period is limited to participation in flexible spending account services until the next annual enrollment period.

<sup>1</sup> Limitation on open enrollment do not apply to flexible spending plans or any product offering individual participants a specific amount and types of health service and treatments at a contracted price. 408.910(7)(e)

## EXHIBIT F

### Vendor Certification Process

Certification of Risk-Bearing Vendors						
Vendor Type	Vendor Sub-type	Licensing Reference	License Requirement	Issued By	Limitations	Verification = Certification
Insurer		Chapter 624	Certificate of Authority	Office of Insurance Regulation		<a href="http://www.floir.com/companysearch">www.floir.com/companysearch</a>
Health maintenance organization		Chapter 641	HMO Certificate of Authority	Office of Insurance Regulation	Geography	<a href="http://www.floir.com/companysearch">www.floir.com/companysearch</a>
			Health Care Provider Certificate	Agency for Health Care Administration		<a href="http://www.floridahealthfinder.gov/HealthPlans">www.floridahealthfinder.gov/HealthPlans</a>
Prepaid limited health service organization	<ul style="list-style-type: none"> <li>• Dental</li> <li>• Ambulance</li> <li>• Vision</li> <li>• Mental Health</li> <li>• Substance Abuse</li> <li>• Chiropractic</li> <li>• Podiatric</li> <li>• Pharmaceutical</li> </ul>	Part I Chapter 636	Certificate of Authority	Office of Insurance Regulation		<a href="http://www.floir.com/companysearch">www.floir.com/companysearch</a>
Discount medical plan		Part II Chapter 636	Certificate of Authority or Discount Medical Plan license	Office of Insurance Regulation		<a href="http://www.floir.com/companysearch">www.floir.com/companysearch</a>
Prepaid health clinic		Part II Chapter 641	Certificate of Authority	Office of Insurance Regulation	Geography	<a href="http://www.floir.com/companysearch">www.floir.com/companysearch</a>
			Health Care Provider Certificate	Agency for Health Care Administration		<a href="http://www.floridahealthfinder.gov/HealthPlans">www.floridahealthfinder.gov/HealthPlans</a>

Certification of Non Risk-Bearing Vendors						
Vendor Type	Vendor Sub-type	Licensing Reference	License Requirement	Issued By	Limitations	Verification and Satisfactory Assessment = Certification
Health care provider	• Hospitals and licensed health facilities	Applicable state law	Applicable state law	Appropriate Florida regulatory agency		<ul style="list-style-type: none"><li>• Verification of appropriate, active license at <a href="http://www.myflorida.com/?">www.myflorida.com/?</a> and verification of business entity at <a href="http://www.sunbiz.org">www.sunbiz.org</a></li><li>• Assessment will vary depending on the vendor type and experience. Certification is at the absolute discretion of the Corporation. Assessment may include but is not limited to the following:  If in business at least three years:     Credit history for previous 3 years     Absence of actions against licenses     Performance bond required  If in business less than 3 years:     Principal background and experience     Principal credit history     Business plan     Principal credit history     Performance bond required  And, if indicated  Solvency review Actuarial review</li></ul>
	• Health care clinics					
	• Licensed health professionals					
	• Pharmacies					
	• Other licensed health care providers					
Provider organization	• Service networks	Applicable state law	Applicable state law	Appropriate Florida regulatory agency		
	• Group practices					
	• Professional associations					
	• Other incorporated organizations of providers					
Corporate entities		Applicable state law	Applicable state law	Appropriate Florida regulatory agency		