

**FLORIDA HEALTH MAINTENANCE ORGANIZATION
CONSUMER ASSISTANCE PLAN**

Board Meeting

**Thursday, January 31 at 3 p.m. Eastern Time
by Teleconference**

Board Members Participating

Dr. Raed Assar, Chairman
Stephen Harris, Vice Chairman
David Schandel, Secretary/Treasurer
Sabin Bass
Elizabeth Boyd as proxy for Donald C. Coffey
Michael Garner as proxy for Lourdes Rivas
Karen Zeiler

Others in Attendance

Bruce Platt, Akerman LLP
Sheryl Rosen, Akerman LLP
Brad Bentley, AvMed
Champa Burns, Florida Office of Insurance Regulation
Wences Troncoso, Florida Association of Health Plans
Paul Sanford, Lobbyist
William Falck, Florida Life and Health Insurance Guaranty Association
William Coats, Florida Blue
Mary Lindsay Branham, Florida Department of Financial Services
Unknown attendee from Florida House of Representatives Insurance & Banking Subcommittee
Toma Wilkerson, Florida Department of Financial Services

I. Call to Order

Dr. Raed Assar noted the presence of a quorum and called the meeting to order.

II. Antitrust Preamble

Dr. Assar read aloud the following antitrust preamble:

We are here to discuss and act on matters relating to the business of the Florida Health Maintenance Organization Consumer Assistance Plan ("HMOCAP"). We are not here to discuss or pursue the business of our individual member companies. All of us should proceed with caution and awareness of the requirements and prohibitions of federal and state antitrust laws. We should not engage in discussions, either at this meeting or in private conversation, of our individual companies' plans or contemplated activities. We should concern ourselves only with the business of the HMOCAP as set forth in the agenda for

this meeting. Only HMOCAP matters may be discussed at the meeting and each company's business plans cannot be discussed.

III. Approval of Minutes

Dr. Assar asked the board members for comments or changes to the draft minutes of the 2018 annual board meeting. Hearing none, Stephen Harris moved to approve the minutes as drafted. David Schandel seconded the motion, which passed without opposition.

IV. Discussion Regarding Draft Legislation to Include HMOs in the Long-Term Care Assessment Base

HMOCAP Plan Manager Bruce Platt shared draft legislation with the board. He explained the legislation would keep the HMOCAP as a separate entity from the Florida Life and Health Insurance Guaranty Association (FLAHIGA) but would add HMOs to the assessment base for long-term care insurance insolvencies. Assessments would be limited to 0.5% of a plan's premiums, and HMOs would receive a seat on FLAHIGA's board.

Mr. Platt raised privacy concerns with the legislation as drafted. It is unclear if information would become public regarding which plans paid assessments and which plans received exemptions from assessments, such as if a plan petitioned the FLAHIGA board for an exemption from assessment because of financial strain. Mr. Platt then invited discussion of the legislation.

Brad Bentley expressed AvMed's objections. Splitting the assessment base between HMOs and insurers would be not beneficial to companies that only operate as HMOs. The tax offset provided in the bill likewise does not help offset assessments that would be owed by non-profit HMOs. In addition, the exemption in the bill for Medicare and Medicaid plans is not a benefit to plans that mainly sell commercial products. As a result, Mr. Bentley feels that AvMed and similar plans will be disproportionately affected by the assessments.

Mr. Platt thanked Mr. Bentley for his comments and acknowledged the disparate impacts of the legislation. Mr. Platt noted that the HMOCAP has been asked to issue a resolution in support of the legislation if the board is so inclined.

Michael Garner moved to propose a resolution supporting the bill as drafted. Mr. Harris seconded the motion. After much discussion, Dr. Assar called a vote on the resolution that would support the legislation as drafted. Chair Assar, David Schandel, Sabin Bass, Michael Garner as proxy for Lourdes Rivas, and Karen Zeiler voted in favor of the resolution. Stephen Harris voted against the resolution. Elizabeth Boyd as proxy for Chris Coffey either abstained or was no longer in attendance at the time of the vote.

V. Other Business

Mr. Platt stated that the board previously allocated the plan manager \$10,000 to monitor the proposed legislation and communicate with other interested parties regarding the bill as needed. He asked for an additional \$10,000 to continue doing the same. Dr. Assar asked Mr. Schandel if

he supports the request. Mr. Schandel answered in the affirmative and moved to authorize the additional \$10,000. Mr. Garner seconded the motion, which passed without opposition.

Mr. Platt recommended having another board meeting after the legislative session ends in May regardless of whether the bill becomes law.

VI. Adjourn

Hearing no further business, a motion to adjourn was made and accepted. Dr. Assar declared the meeting adjourned.

David C. Schandel, Secretary/Treasurer
Florida HMO Consumer Assistance Plan

Dated this ____ day of _____, 20__

DRAFT