



FLORIDA HEALTH MAINTENANCE ORGANIZATION
CONSUMER ASSISTANCE PLAN

POLICY AND PROCEDURE MANUAL

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DEFINED TERMS

The following terms have the meanings assigned to them.

"Administrator" or "Third Party Administrator" means the third-party administrator selected pursuant to Section 2.2.

"Board" and "Board of Directors" mean the HMOCAP Board of Directors appointed pursuant to the HMOCAP Plan of Operation.

"Bookkeeper" means the person designated by the Plan Manager and having the duties listed in Section 2.16.

"Chairman" means the Chairman of the HMOCAP Board selected pursuant to 2.14.

"Check Holder" means the person designated by the Plan Manager according to Section 2.16.

"Chief Financial Officer" means the Chief Financial Officer for the State of Florida.

"Department of Financial Services" and "DFS" mean the Florida Department of Financial Services.

"HMOCAP" means the Florida Health Maintenance Organization Consumer Assistance Plan.

"Office of Insurance Regulation" means the Florida Office of Insurance Regulation.

"Plan Manager" means the person or entity selected pursuant to 2.16.

"Plan of Operation" means the HMOCAP Plan of Operation as amended from time to time and approved by the Office of Insurance Regulation.

"Secretary/Treasurer" means the HMOCAP Secretary/Treasurer selected pursuant to Section 2.14.

"Vice Chairman" means the HMOCAP Vice Chairman selected pursuant to Section 2.14.



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Policy Number: 1.1
Subject: Accounting Methods

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To properly account for costs incurred by the HMOCAP.

Policy:

The HMOCAP shall follow the accrual basis of accounting to properly account for revenues and expenses, including those due to claims and prepaid expenses.

Implementation Information:

A. ACCRUAL BASIS OF ACCOUNTING. The HMOCAP shall use the accrual basis of accounting that recognizes revenues when they have been earned and expenses when they have been incurred.

The HMOCAP shall accrue unpaid expenses on its financial records if such expenses are in excess of \$250 individually.

B. ALLOCATION OF LOSS ADJUSTMENT EXPENSES. For the purposes of this subsection, "allocated loss adjustment expenses" means claim-adjustment expenses attributable to specific claims, and "unallocated loss adjustment expenses" means claim-adjustment expenses that are not attributable to specific claims.

If such information is readily ascertainable, the HMOCAP shall account for expenditures necessary to resolve claims as allocated loss adjustment expenses. If it is not readily ascertainable as to which expenses are attributable to particular claims, the HMOCAP shall account for expenses as unallocated loss adjustment expenses.

The Plan Manager shall not request that the Administrator specify which costs were incurred for particular claims.

C. PREPAID EXPENSES. The HMOCAP shall treat payment of expenses that have a time-sensitive future benefit as prepaid expenses on the financial records and expense them in the proper period. Payment of any expense of \$500 or less will not qualify as a



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Policy Number: 1.1

Subject: Accounting Methods

prepaid expense. Records of prepaid expenses shall be maintained and budgeted for accordingly.



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Policy Number: 1.2
Subject: Allegations of Wrongdoing

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with HMOCAP Plan of Operation section XIV(x).

Policy:

The HMOCAP encourages the reporting of fraud, embezzlement, and breaches of conflicts of interest, post-employment restrictions, or other ethics policies by persons and entities associated with the HMOCAP.

Implementation Information:

A. ALLEGED WRONGDOING BY PLAN MANAGER OR DIRECTORS. The Plan Manager and any member of the Board of Directors who receives a report of allegations of wrongdoing by the Plan Manager or Board members shall forward such allegations to the Chairman of the Board immediately. If the allegation includes potential criminal activity, the Plan Manager shall also report the allegation to the Department of Financial Services, Division of Insurance Fraud within 48 hours of discovery.

B. ALLEGED WRONGDOING BY OTHERS. The Plan Manager shall forward allegations of wrongdoing by a vendor or other party to the Board of Directors in writing within 3 days of receipt of notice of the allegations.

C. INTERNAL INVESTIGATION. Upon receiving a report of allegations of wrongdoing, the Chairman or his representative shall investigate such allegations and submit written findings to the Board of Directors within 30 days. However, if the allegation implicates the Chairman, the remaining members of the Board of Directors may select another director to conduct the investigation.

D. RETALIATION. No Board member or Plan Manager shall retaliate against any person or entity that makes an allegation of wrongdoing.



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Policy Number: 1.3
Subject: Amendments to Policies and Procedures

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To provide for amendments to this manual.

Policy:

The policies and procedures in this manual may be amended as necessary.

Implementation Information:

The HMOCAP recognizes that the policies and procedures noted in this manual will require review and periodic amendments due to accounting and taxation changes, and statutory or regulatory requirements, as well as because of changes required for operational issues. The Board of Directors shall amend this manual as necessary by majority vote.

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Policy Number: 1.4
Subject: Annual Audit

Category: Accounting and Financial Polices	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with HMOCAP Plan of Operation Article XI, Section 4.

Policy:

The HMOCAP shall cause an annual audit to be completed of the organization.

Implementation Information:

The HMOCAP shall contract with a qualified accounting firm to perform an annual audit and submit an accompanying management letter.

The HMOCAP shall solicit proposals from appropriately licensed firms to perform the audit. In review of the proposals, the HMOCAP Board of Directors shall consider the firms' experience auditing similar guarantee organizations, health maintenance organizations, or health insurance companies; the firms' overall qualifications and experience; and the proposed cost to the HMOCAP. The Board shall solicit proposals at least every three years.

Following the selection of an auditor, the Board shall review the draft of the auditor engagement letter before it is signed. The Chairman of the Board has the authority to sign the engagement letter on behalf of the HMOCAP.



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Policy Number: 1.5
Subject: Audited Financial Statements

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To disseminate HMOCAP financial statements to regulators and the public.

Policy:

The HMOCAP shall ensure regulators and the public have access to the organization's audited financial statements.

Implementation Information:

The Plan Manager shall distribute audited financial statements to the Board of Directors and governmental agencies entitled to receive a copy because of oversight responsibilities. The statements shall also be published on the HMOCAP web site following issuance.



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Policy Number: 1.6
Subject: Board of Directors' Fiduciary Responsibilities

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure Directors understand their fiduciary obligations to the HMOCAP.

Policy:

Individuals currently serving on the HMOCAP Board of Directors shall acknowledge that they agree to fulfill their fiduciary obligations to the organization.

Implementation Information:

Individuals currently serving as the Board of Directors shall acknowledge that they agree to their fiduciary obligations by signing the Board of Directors' Fiduciary Obligations Agreement Form in Appendix A. Upon joining the Board, each new director shall also sign the Board of Directors' Fiduciary Obligations Agreement Form.



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Policy Number: 1.7

Subject: Standards for the Compliant Operation of the Florida HMO Consumer Assistance Plan

Category: Conduct Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure proper conduct of the HMOCAP's business affairs.

Policy:

1. **Consistency** – All activities and operations of the Florida HMO Consumer Assistance Plan (HMOCAP), its Plan Manager and affiliated support staff will be consistent with the standards and policies for business conduct as set forth by the applicable Florida Statute and Administrative Code provisions.
2. **Integrity** – The HMOCAP will conduct all of its business affairs and relationships with others with honesty, integrity, and high ethical standards.
3. **Regulatory** – The HMOCAP will strive to ensure that all activities by or on behalf of the organization comply with applicable federal, state, and local laws and regulations.
4. **Antitrust** - Directors, officers, and employees of HMOCAP will refrain from discussing, agreeing, or exchanging information regarding any competitively sensitive information. Meeting topics and discussions will only address the business of the HMOCAP as set forth in the agendas for those meetings. These standards of conduct will be observed at all informal or social discussions at the sites of any public or private meetings or gatherings.
5. **Conflicts of Interest** – All directors, officers, and employees are expected to conduct their activities to avoid impropriety or the appearance thereof, which might arise from the influence of those activities on business decisions of the HMOCAP.
6. **Confidentiality** – The HMOCAP shall reasonably protect proprietary and confidential information from inappropriate disclosure.
7. **Privacy** – The HMOCAP will protect the privacy of members' and customers' information and shall comply with all state and federal healthcare privacy standards, including but not limited to HIPAA Privacy and Security Rules.

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Policy Number: 1.7

Subject: Standards for the Compliant Operation of the Florida HMO Consumer Assistance Plan

8. **Respect for Employees** – The HMOCAP recognizes that its success is dependent upon the collective efforts of all of its employees, and will respect the dignity and rights of its employees. It will maintain an environment which values individual differences, both internally and externally, and enables employees to contribute their full potential in a work setting that is free from discrimination, harassment or intolerance.
9. **Respect for Business Partners** – The HMOCAP recognizes that its success depends upon honest and mutually beneficial relationships with its business partners, customers, vendors, and regulators. The HMOCAP shall manage these relationships with honesty and integrity.
10. **Protection of Assets** - Directors, officers, and employees of the HMOCAP shall use its assets and property only for HMOCAP-related business purposes.
11. **External Reporting** – The HMOCAP will ensure that its reporting to external agencies, associations, and the public is accurate, honest, and reasonably complete.

Implementation Information:

1. It is the adopted policy of the HMOCAP to comply with all applicable responsibilities and obligations as detailed under federal, state, and local laws and regulations.
2. The Plan Manager shall develop procedures to ensure compliance with this policy.
3. The Plan Manager shall report to the Board on its implementation and compliance with this policy.
4. HMOCAP's Plan Manager shall set the tone for exemplary business conduct in meeting the organization's mission for the benefit of the community.
5. The HMOCAP Board of Directors has designated the Plan Manager as the individual within the organization responsible for overall implementation of the Plan of Operation.
6. Supporting procedures specific to the approved Plan of Operation of the HMOCAP shall be developed and kept current with applicable laws and regulations. This information will be made available to the appropriate individuals and departments.

Note: This policy is a consolidated statement of the corporate position. Specific procedures and processes used to accomplish compliance are found in the procedure manual.



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Policy Number: 1.8
Subject: Conflicts of Interest

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date: March 13, 2014
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with HMOCAP Plan of Operation Article XIV.

Policy:

All persons and organizations associated with the HMOCAP shall avoid conflicts of interest.

Implementation Information:

Members of the Board of Directors, committees and subcommittees of the Board, the Plan Manager, vendors, and contractors, including auditors, shall avoid conflicts of interest with the HMOCAP pursuant to Article XIV of the HMOCAP Plan of Operation. Such individuals must acknowledge that they agree with this policy by signing the Conflict of Interest Statement in Appendix B annually.

The Board of Directors may recommend the removal of a Board member who fails to sign the Conflict of Interest Statement within a reasonable time after receiving a request to sign the statement. Such recommendation by the Board shall be made to the Florida Department of Financial Services upon a vote of the majority of the Board in accordance with Article IV of the HMOCAP Plan of Operation.



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Policy Number: 1.9
Subject: Executive Sessions

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with Section 631.822, Florida Statutes (2011) and HMOCAP Plan of Operation Article XIII.

Policy:

The HMOCAP Board of Directors may go into executive session to discuss personnel issues.

Implementation Information:

The Board of Directors may go into executive session to discuss personnel issues, including hiring and retention of the Plan Manager or legal counsel. However, these shall be open to the public in accordance with Florida's public meeting laws.

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Policy Number: 1.10
Subject: Investment Policy

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date: May 22, 2014
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with HMOCAP Plan of Operation Articles VII, Section 3 and XI, Section 3.

Policy:

The HMOCAP shall maintain a sufficient amount of readily available funds and invest remaining funds in a diverse portfolio.

Implementation Information:

A. FUNDS IMMEDIATELY AVAILABLE. To help ensure that short-term funds are immediately available, and to minimize the risk of having to incur penalties through accessing funds in certificates of deposit prior to their maturation dates, the HMOCAP shall strive to maintain at least \$30,000 in checking or money market accounts.

The Investment Advisory Committee described in HMOCAP Plan of Operation Article VII, Section 3 shall periodically review the needs of the HMOCAP to determine the appropriate amount to be held in short-term accounts and in the certificates of deposit to ensure that there is a maximum investment return consistent with the required risk minimization.

B. INVESTMENT STRATEGY. To help ensure that funds are available quickly if necessary, and to help minimize the HMOCAP's exposure to loss of funds due to financial institution solvency concerns, the HMOCAP should diversify its investments as follows:

The majority of the HMOCAP's funds should be invested in the Florida State Treasury Special Investment Account ("SPIA"). The HMOCAP should also purchase certificates of deposit ("CDs") and/or money market accounts from at least three financial institutions. Up to 50% of the value of funds held by the HMOCAP in investments other than SPIA may have maturity dates exceeding 24 months, but no maturity dates may exceed 60 months.

The HMOCAP should strive to ensure that the total amounts of the CDs and/or money market accounts held by any one financial institution shall not exceed the amount protected by the Federal Deposit Insurance Corporation. To the extent possible, CD maturity dates should be staggered so that they mature throughout the year. In determining where to purchase the CDs

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Policy Number: 1.10
Subject: Investment Policy

and/or money market accounts, the HMOCAP Plan Manager shall consider the length of the CD, the rate of return, and the solvency of the financial institution.

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Policy Number: 1.11
Subject: Lobbying

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To prohibit persons associated with the HMOCAP from lobbying related to the HMOCAP.

Policy:

The HMOCAP Board of Directors and Plan Manager shall not engage in lobbying related to the HMOCAP.

Implementation Information:

The Board of Directors and the Plan Manager shall not directly lobby the Florida Legislature regarding matters pertaining to the HMOCAP. If requested to provide information to the Legislature by representatives of the Legislature, the Chief Financial Officer, the Department of Financial Services, or the Office of Insurance Regulation, the requested person shall abide by all Federal and Florida requirements regarding lobbying.



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Policy Number: 1.12
Subject: Plan of Operation

Category: Records Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure public access to the HMOCAP Plan of Operation.

Policy:

The HMOCAP shall make its Plan of Operation available to the public.

Implementation Information:

The HMOCAP shall publish its current Plan of Operation on its web site and provide a physical copy to any person upon request. Costs for copies shall be as provided in Section 119.07, Florida Statutes (2011).



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Policy Number: 1.13
Subject: Vendor Contracts

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure the Plan Manager does not contractually bind the HMOCAP without the express prior approval of the Board of Directors.

Policy:

The Plan Manager may not enter into any contract with accountants, auditors, attorneys, actuaries, administrators (including licensed third-party administrators), or any other party without the written direction of the Board of Directors.



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Number: 2.1
Subject: Board Meetings

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with Section 631.822, Florida Statutes (2011) and HMOCAP Plan of Operation Article V and Article XII, Section 1.

Procedure:

A. MEETING NOTICE. Notice of all meetings of the HMOCAP Board of Directors and its committees and subcommittees shall be published on the HMOCAP web site at least five days in advance of the meeting. Notice of the annual meeting of the Board shall also be placed in the Florida Administrative Weekly and shall be distributed to each member HMO and to appropriate representatives of the Department of Financial Services and the Office of Insurance Regulation at least five days in advance of the meeting. A conference telephone number shall be provided for each meeting if requested.

However, if the Chairman of the Board of Directors or three Board members determine that an emergency meeting is advisable, an emergency meeting may be held upon less than five days' notice, so long as notice of the meeting is given as soon as is reasonably possible to each Board member, appropriate representatives of the Department of Financial Services, and appropriate representatives of the Office of Insurance Regulation.

Notice of each meeting shall include a copy of the agenda and copies of all materials to be discussed, except that documents pertaining to or that may identify a potentially insolvent HMO or an HMO placed in receivership shall not be made public until the termination of a liquidation, rehabilitation, or revocation proceeding, or until the Department of Financial Services or the Office of Insurance Regulation informs the HMOCAP that the HMO is no longer in danger of becoming insolvent or being placed in receivership.

B. ANTITRUST STATEMENT. It is the policy of the HMOCAP to abide by antitrust laws at all times. Members shall read the following antitrust statement at all meetings of



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Number: 2.1

Subject: Board Meetings

the HMOCAP Board of Directors and at all committee and subcommittee meetings of same:

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.

- C. QUORUM. In accordance with the HMOCAP Plan of Operation, at any meeting of the Board of Directors each member of the Board shall have one vote. A majority of the Board, not including any vacancies, shall constitute a quorum for the transaction of business, except that an affirmative vote of a majority of the full Board is required to:
1. Levy an assessment or provide for a deferment or assessment adjustment;
 2. Borrow money;
 3. Approve reinsurance contracts;
 4. Designate a Plan Manager or Administrator as provided for in Section 631.820(4), Florida Statutes (2011);
 5. Recommend amendments to the Plan of Operation; or
 6. Approve a successor HMO to assume the membership of an insolvent HMO.

A majority of members of a committee or subcommittee of the Board shall constitute a quorum for any meeting of the committee or subcommittee.

D. MINUTES. The Secretary/Treasurer, or his/her designate, shall keep minutes of every meeting of the HMOCAP Board of Directors and every meeting of a committee or subcommittee of the Board. Board meeting minutes shall be reviewed and approved at the next meeting of the Board if possible. When approved, such minutes shall be signed by the Secretary/Treasurer and kept in the HMOCAP minute book. Draft committee and subcommittee minutes shall be distributed to the Board as soon as possible after the



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Number: 2.1

Subject: Board Meetings

committee or subcommittee meeting and shall be reported to and approved at a subsequent meeting of the committee or subcommittee.

E. MEETINGS OPEN TO PUBLIC. In accordance with Florida law, all meetings of the Board of Directors and its committees and subcommittees are open to all members of the Board, to all member HMOs, regulatory agencies and to the public at large. However, discussions regarding an insolvent HMO or an HMO that is being placed into receivership are confidential and are not open to member HMOs or the public. Minutes of such meetings shall be made public upon the termination of a liquidation, rehabilitation, or revocation proceeding involving the insolvent HMO.

If some or all of the meeting attendees are participating through a telephone conference, and if some of the discussions are confidential as provided above, the HMOCAP shall secure two telephone conference lines. After discussions that are open to the general public have concluded, the Board, committee, or subcommittee shall adjourn and resume the meeting on a separate conference line not available to the general public or member HMOs.



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Number: 2.2
Subject: Budget

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with HMOCAP Plan of Operation Article IX, Section 1(vi).

Procedure:

The HMOCAP Plan Manager, working with the HMOCAP Secretary/Treasurer, shall prepare an annual budget for the HMOCAP and present it to be voted upon and approved by the HMOCAP Board of Directors at the annual Board meeting.



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Number: 2.3
Subject: Checks

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date: March 13, 2014
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with HMOCAP Plan of Operation Article XI and ensure checks are prepared with oversight and properly accounted for.

Procedure:

A. CHECK PREPARATION AND MAILING. The HMOCAP shall prepare and mail checks for vendor payments, employee expense reimbursements, and other payments within 30 days after the invoice or request for payment is received and marked with the HMOCAP's date received stamp. The Plan Manager or his/her assistant shall initial each date received stamp.

Prior to issuance of disbursement, the invoice shall be marked with a date paid stamp, initialed by the Plan Manager's Bookkeeper, and coded with the appropriate general ledger code.

The representative of the Plan Manager or Administrator who has authority to perform bank reconciliations and add new vendors to the accounting system shall not have unrestricted access to the stock of blank checks.

B. CHECK SIGNATURE AUTHORITY. The Chairman, Vice Chairman, Secretary/Treasurer, and Plan Manager are authorized to sign checks on behalf of the HMOCAP. Checks for amounts greater than \$5,000 require the signatures of two authorized persons.

C. CHECK REGISTER. The Plan Manager shall keep and provide a check register to the Secretary/Treasurer each month.

D. VOIDED CHECKS. The HMOCAP shall maintain a voided checks log and document every check that has been voided, regardless of the reason. If voided checks are physically available, they shall be stamped "VOID" and filed in the HMOCAP's

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Number: 2.3
Subject: Checks

voided checks file, and the signature line must be torn off. If the voided checks are not physically available, the HMOCAP's copy of the stop-payment order shall be filed in the stop-payment order file.

E. WRITE-OFFS OF OLD CHECKS. The HMOCAP shall make every attempt possible to contact the payees of outstanding checks that have failed to clear the bank.

Outstanding checks will be handled in accordance with applicable state escheat or unclaimed property law. A log of checks that have been turned over to the state shall be completed and made available for the annual audit.



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Number: 2.4
Subject: Contract Signing Authority

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with Section 631.818(6)(a) and (e), Florida Statutes (2011) and HMOCAP Plan of Operation Article IX, Section 2.

Procedure:

The Chairman of the Board of Directors or any other person authorized by the Board of Directors may sign contracts on behalf of the HMOCAP. However, if the financial implication of signing a contract is not included in the HMOCAP's budget, the Board of Directors must provide approval before authority to sign the contract is granted.



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Number: 2.5
Subject: Deposit of Receipts

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To provide for the handling of payments received by the HMOCAP.

Procedure:

Receipts received in the mail shall be deposited on or before the next business day. All checks received will be date stamped and initialed by the Plan Manager or appropriate representative and the Plan Manager's Bookkeeper.



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Number: 2.6
Subject: Disclosure of Public Records

Category: Records Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with Chapter 119 and Section 631.822, Florida Statutes (2011) and HMOCAP Plan of Operation Article XIII.

Procedure:

In accordance with Florida law, certain documents in possession of the HMOCAP, including all material submitted to the HMOCAP, are public records and are available to the public upon request unless they are exempt from Florida's public disclosure requirements. However, pursuant to Section 631.822, Florida Statutes (2011), documents regarding a pending or ongoing insolvent HMO are not public records until the liquidation, rehabilitation, or revocation proceedings involving the insolvent HMO are completed.

The Plan Manager, or some other person as may be appointed by the Board of Directors, shall be the HMOCAP's custodian of public records and shall be responsible for compiling responses to all public records requests in accordance with applicable state and federal law, including redaction of any information protected from disclosure under applicable state and federal law.

All public records requests should be submitted to the Plan Manager or other appointed custodian. The Plan Manager or custodian shall review each request to make sure that copies of the requested documents may be released. If the Plan Manager or custodian believes the requested documents are not yet public, he/she shall contact the Legal Section of the Department of Financial Services, Division of Rehabilitation and Liquidation, for confirmation and shall notify the requesting entity.

Costs for copies of public records shall be as provided in Section 119.07, Florida Statutes (2011).



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Number: 2.7
Subject: Electronic Transfers

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure proper oversight of electronic transfers from HMOCAP bank accounts.

Procedure:

Electronic transfers from the HMOCAP operating bank account to any other account owned by the HMOCAP or an HMOCAP Administrator must receive prior approval from the Plan Manager.

Electronic transfers of funds from the HMOCAP operating bank account to any other account not owned by the HMOCAP or an Administrator must receive prior approval from the Plan Manager and at least one signer on the account.



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Number: 2.8

Subject: Immunity for Board of Directors and Staff

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with Section 631.825, Florida Statutes (2011) and HMOCAP Plan of Operation, Article XII.

Procedure:

In accordance with Section 631.825, Florida Statutes (2011), there shall be no liability on the part of, and no cause of action of any nature shall arise against, any member HMO or its agents or employees, the HMOCAP or its agents or employees, the HMOCAP Board of Directors or its members, the Chief Financial Officer, the Department of Financial Services, the Office of Insurance Regulation, or their representatives for any action taken by them in the performance of their powers and duties under Part IV of Chapter 631, Florida Statutes (2011).

It is the policy of the HMOCAP to protect and represent all members of the Board of Directors and the Plan Manager from any legal action taken against them as a result of performance of their HMOCAP responsibilities.



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Number: 2.9
Subject: Independent Contractor Files

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure the HMOCAP keeps records of contractors with which it does business.

Procedure:

The HMOCAP shall maintain a file on each individual it has classified as an independent contractor and to whom it has issued a Form 1099.



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Number: 2.10
Subject: Investigation of Suspected Privacy Breach

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To protect the privacy of personal information obtained by the HMOCAP.

Procedure:

It is the intention of the HMOCAP that this section be construed in accordance with the applicable provision of Florida and federal privacy laws and regulations applicable to suspected privacy breaches, and this section shall be implemented in a manner consistent with such laws and regulations. For purposes of this section, "breach" shall have the same meaning as that provided under 45 C.F.R. Section 164.402 (2010) and shall also include the definition provided in Section 817.5681(4), Florida Statutes (2011). "Unsecured Protected Health Information," "Nonpublic Personal Information," and "Personal Information" shall have the same meanings as those provided under 45 C.F.R. Section 164.402 (2010); Rule 69O-128.002(18), Fla. Admin. Code; and Section 817.5681(5), Florida Statutes (2011), respectively.

The HMOCAP shall enter into appropriate agreements with all affiliates to protect confidential personal and health information and provide appropriate notices if there is a breach involving same.

If the HMOCAP suspects a privacy breach, as defined under state or federal law, of any unsecured Protected Health Information, Nonpublic Personal Information, or Personal Information in its possession, or in the possession of any of its agents, the Plan Manager, or some other person as may be appointed by the Board of Directors, shall be immediately notified upon discovery of the suspected privacy breach. The Plan Manager or other appointed person shall promptly notify the Office of Insurance Regulation and the Department of Financial Services, Division of Liquidation and Rehabilitation. The Plan Manager or other appointed person shall promptly conduct an investigation of the suspected breach in accordance with applicable state and federal law to determine whether a breach occurred. If the Plan Manager or other appointed person determines



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Number: 2.10

Subject: Investigation of Suspected Privacy Breach

that a breach occurred, he/she shall comply with any notification and documentation requirements under applicable state and federal law.

The Plan Manager or other appointed person shall keep all records relating to actions and decisions regarding the breach investigation and determination of whether a breach occurred as well as any notification procedures that might be required. All such records shall be maintained and destroyed in accordance with the record retention and destruction policies in this manual.



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Number: 2.11

Subject: Internal Revenue Service Forms

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure proper reporting of payments to unincorporated entities and taxes to the Internal Revenue Service.

Procedure:

A. IRS FORM 1099. The HMOCAP shall prepare a Form 1099 return for all individuals and vendors receiving \$600 or more from the HMOCAP. A Form 1096 shall also be prepared and sent to the IRS, by the due date, along with copy A of the 1099 forms.

B. IRS FORM 990. The HMOCAP shall prepare a Form 990 return yearly. The Secretary/Treasurer shall review and sign each completed Form 990.



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Number: 2.12
Subject: Legal Services

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To provide for the selection and oversight of HMOCAP legal counsel.

Procedure:

A. LEGAL COUNSEL. The HMOCAP Board of Directors shall select and enter into a contract with legal counsel. The determination of need for legal services and the fees to be paid shall be subject to Board of Directors' approval. The HMOCAP may enter into agreements with more than one legal counsel, if the Board of Directors believes it advantageous to do so. Such legal counsel may also be the Plan Manager.

B. SELECTION. In selecting legal counsel, the Board of Directors shall consider the person's reputation in the community, potential conflicts with the HMOCAP, and familiarity with and knowledge of the HMOCAP, commercial health maintenance organizations and the health maintenance organization market in Florida.

C. OVERSIGHT. The Board of Directors periodically shall review the performance and qualifications of the legal counsel.



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Number: 2.13
Subject: Liability Insurance

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure the HMOCAP maintains sufficient liability insurance.

Procedure:

The HMOCAP shall maintain at all times commercial crime coverage that covers the Board of Directors, the Plan Manager, and independent contractors working for the HMOCAP. The policy must have a limit of at least \$250,000.



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Number: 2.14
Subject: Officers

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with HMOCAP Plan of Operation Article VI.

Procedure:

A. SELECTION OF OFFICERS. In accordance with Article VI, Section 1 of the HMOCAP Plan of Operation, the Board of Directors shall select officers consisting of a Chairman, a Vice Chairman, and a Secretary/Treasurer. The Board of Directors shall elect its officers during the annual meeting required by Article V of the HMOCAP Plan of Operation. Each officer shall be elected by a majority vote of the Board of Directors and shall serve a two year term or until his/her successor has been elected.

B. CHAIRMAN'S DUTIES. The Chairman shall have the duties assigned to him/her by the Plan of Operation and this Manual, including the duty to:

1. Investigate allegations of wrongdoing pursuant to section 1.2;
2. Call emergency Board meetings in accordance with section 2.1;
3. Sign checks and contracts on behalf of the HMOCAP as necessary pursuant to sections 2.3 and 2.4;
4. Provide pre-authorization to the Plan Manager for expenses greater than \$500 pursuant to section 2.16; and
5. Appoint a procurement committee pursuant to section 2.17.

C. VICE CHAIRMAN'S DUTIES. The Vice Chairman shall have the duties assigned to him/her by the Plan of Operation and this Manual, including the duty to sign checks on behalf of the HMOCAP as necessary pursuant to section 2.3.

D. SECRETARY/TREASURER'S DUTIES. The Secretary/Treasurer shall have the duties assigned to him/her by the Plan of Operation and this Manual, including the duty to:

1. Work with the Plan Manager to prepare the HMOCAP's annual budget and present it to be voted upon pursuant to section 2.2;



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Number: 2.14
Subject: Officers

2. Sign checks on behalf of the HMOCAP as necessary pursuant to section 2.3;
3. Review tax forms as necessary;
4. Review financial statements, bank reconciliations, and check registers and provide them to the Board pursuant to section 2.23;
5. Review the HMOCAP's annual audit;
6. Keep and sign minutes of Board meetings;
7. Review existing financial and internal controls, policies, and procedures; and
8. Review other budget and finance issues as directed by the Chairman.



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Number: 2.15
Subject: Payment of Claims

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To carry out Section 631.818, Florida Statutes (2011).

Procedure:

- A. ADMINISTRATOR. If the HMOCAP Board of Directors determines that it is in the best interest of the members of an insolvent HMO that the HMOCAP retains responsibility for payment of provider claims, the HMOCAP shall contract with an Administrator pursuant to section 2.22 to pay such claims.
- B. CLAIMS FOR \$10,000 OR LESS. For claims of \$10,000 or less, the Administrator shall submit documentation of the claims to the Plan Manager and process payments according to its contract with the HMOCAP.
- C. CLAIMS FOR MORE THAN \$10,000. For claims greater than \$10,000, the Administrator shall submit documentation of the claims to the Plan Manager and at least one Board member for their authorization prior to payment. The Board shall designate a Board member to provide such authorization.



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Number: 2.16
Subject: Plan Manager

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To implement HMOCAP Plan of Operation Article IX, Section 2(vii).

Procedure:

A. SELECTION. The Board of Directors shall select and enter a contract with a Plan Manager to oversee the day-to-day operations of the HMOCAP. The Plan Manager may be a company or an individual.

The Board of Directors shall solicit proposals from persons with appropriate knowledge of the Florida health maintenance organization marketplace and the demonstrated ability to manage the HMOCAP's operations, specifically including the ability to oversee the administration of the HMOCAP during a health maintenance organization insolvency. The appropriateness of such persons shall be determined by the Board based upon the knowledge and understanding of individual members of the Board and discussions with the Office of the Chief Financial Officer and with the Commissioner of the Office of Insurance Regulation or his/her designate. After review of material submitted to the Board, the Plan Manager shall be selected by a majority vote of the Board of Directors.

B. DUTIES.

1. Plan Manager. The Plan Manager shall have the duties assigned to him/her by the plan manager contract with the HMOCAP and this Manual, including the duty to:
 - a. Ensure an audit of HMOCAP is conducted annually, provide audited financial statements to the Board, and post those statements on the HMOCAP web site pursuant to sections 1.4 and 1.5;
 - b. Enter into vendor contracts with the approval of the Board pursuant to section 1.13
 - c. Sign checks on behalf of HMOCAP when necessary pursuant to section 2.3;
 - d. Approve vendor expenses for payment pursuant to section 2.3;
 - e. Mark incoming invoices with a date received stamp and initials pursuant to section 2.3;



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Number: 2.16

Subject: Plan Manager

- f. Review and submit financial statements, bank reconciliations, and a check register to the Secretary/Treasurer monthly in accordance with sections 2.3 and 2.23;
 - g. Answer public records requests in accordance with section 2.6;
 - h. Authorize electronic bank transfers pursuant to section 2.7;
 - i. Investigate suspected privacy breaches pursuant to section 2.10;
 - j. Prepare and submit all tax forms and returns, including those mentioned in section 2.11;
 - k. Approve claims greater than \$10,000 pursuant to section 2.15;
 - l. Implement the record retention and destruction procedures in sections 2.18 and 2.19;
 - m. Prepare and submit reports to the Department of Financial Services pursuant to section 2.20;
 - n. Comply with technology policies in section 2.21;
2. Bookkeeper. The Plan Manager shall designate and supervise a Bookkeeper, who shall:
- a. Set up new vendors in the HMOCAP accounting system;
 - b. Process receipts and disbursements in accordance with the requirements of this Manual;
 - c. Fund pre-approved claims registers; and
 - d. Prepare financial statements, bank reconciliations, and check registers pursuant to sections 2.3 and 2.23.
3. Check Holder. The Plan Manager shall designate and supervise a Check Holder, who shall:
- a. Keep check stock for administrative/operating expenses in a secured location; and
 - b. Distribute checks to the bookkeeper as necessary after the Plan Manager approves expenses for payment.

C. EXPENSES. The Plan Manager shall seek pre-authorization by the Chairman of the Board of Directors for all Plan Manager expenses greater than \$500. Plan Manager expenses less than or equal to \$500 may be submitted for payment without pre-authorization by the Chairman.

D. OVERSIGHT. The Board of Directors shall actively monitor the Plan Manager. The Board shall evaluate the Plan Manager during the HMOCAP's annual Board meeting.



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Number: 2.17
Subject: Procurement of Goods and Services

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure the HMOCAP procures goods and services with proper oversight.

Procedure:

When a vendor for contracted goods or services is necessary, the Plan Manager and the Chairman of the Board of Directors shall meet and determine the amount the goods or services are likely to cost.

- A. GOODS OR SERVICES LESS THAN \$1,000. If goods or services are anticipated to cost less than \$1,000 annually, the Plan Manager may make the purchase from a vendor supplying the item at a reasonable price with an appropriate quality level using good purchasing practices.

- B. GOODS OR SERVICES \$1,000 TO \$5,499. For goods or services anticipated to cost between \$1,000 and \$5,499 annually, the Plan Manager may make the purchase after obtaining two quotes, if practical. If verbal quotes are received, the Plan Manager shall keep written records including the name and address of the companies submitting the quotes and the amount quoted. The Chairman of the Board of Directors may appoint a committee, consisting of one or more members of the Board and the Plan Manager, to evaluate the purchase on behalf of the Board. The committee shall make its decision based upon the reasonableness of the price and the quality level of the goods or services, using good purchasing practices, and it shall keep written documentation of any decision made.

- C. GOODS OR SERVICES \$5,500 to \$10,999. If the cost of goods or services is expected to be between \$5,500 and \$10,999 annually, the Chairman of the Board of Directors shall appoint a committee consisting of one or more members of the Board and the Plan Manager to determine the appropriate purchasing methodology consistent with this Policy and Procedure. If there are two or more appropriate vendors for the goods or services, the committee may make the decision to solicit and advertise the procurement in



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Number: 2.17

Subject: Procurement of Goods and Services

the Florida Administrative Weekly and on the HMOCAP website, or it may make the decision to solicit proposals directly from an appropriate number of qualified vendors (based upon the committee members' understanding and knowledge). The committee may ask for additional information regarding the proposals, and it shall make its recommendation to the Board based upon the reasonableness of the price and the quality level of the goods or services, using good purchasing practices, and it shall keep written documentation of any decision made. If the committee determines that the goods or services are available only from a single source, the committee may make the decision to ask the Board to contract with that vendor, but it must keep written documentation of the conditions and circumstances leading to that decision.

D. GOODS OR SERVICES \$11,000 OR MORE. If goods or services are expected to cost \$11,000 annually or greater, the Chairman of the Board of Directors shall appoint a committee consisting of one or more members of the Board and the Plan Manager to determine the appropriate purchasing methodology consistent with this section. Bids for the goods or services shall be solicited and advertised in the Florida Administrative Weekly and on the HMOCAP website, and such advertisement shall appear no less than 28 calendar days prior to the date the responses are to be opened. Bids are due at a specified time and place and the bid opening shall be public. After the bids are opened, the committee may negotiate with responding entities and may request additional information from such vendors. The committee may ask for additional information regarding the proposals, and it shall make its recommendation to the Board based upon the reasonableness of the price and the quality level of the goods or services, using good purchasing practices, and it shall keep written documentation of any decision made. After review, the committee may make the recommendation that none of the responses is appropriate and that additional solicitation should be made.

E. OVERSIGHT. The HMOCAP Board of Directors shall actively monitor all vendors.

F. APPLICATION OF THIS SECTION. This section shall not apply to the selection of a Plan Manager or Administrator.



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Number: 2.18
Subject: Record Destruction

Category: Records Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date: Dec. 11, 2012
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure proper destruction of HMOCAP records and documentation of such destruction.

Procedure:

After the appropriate time period has expired, the HMOCAP shall destroy sensitive documents to ensure confidentiality. These include, but are not limited to, the following documents:

1. Personnel records;
2. Insolvency information;
3. Insolvent HMO member information;
4. Litigation records;
5. Bank statements;
6. Budgets;
7. Canceled checks;
8. Contracts; and
9. Claims.

Records shall be destroyed only after the retention period for the record to be retained, as outlined in Appendix C, has passed.¹ The Records Management Liaison Officer ("RMLO"), as described in section 2.19, shall not destroy any records without the prior documented approval of the Board of Directors.

The destruction of records shall be in accordance with Florida law, including any guidelines adopted by the Division of Library and Information Services of the Department of State pursuant to Section 119.021(2)(a), Florida Statutes (2011), and that are in effect at the time of the destruction of the records. The RMLO is authorized to complete or submit any forms deemed necessary in conjunction with the destruction of

¹ On December 11, 2012, the HMOCAP Board of Directors decided that the retention period in Appendix C for federal income tax records shall be increased from 4 to 7 years.

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Number: 2.18

Subject: Record Destruction

the records. The RMLO shall ensure that the documentation of any record destruction is maintained as a permanent record of the HMOCAP.



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Number: 2.19
Subject: Record Retention

Category: Records Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with Section 631.820(3)(d), Florida Statutes (2011) and HMOCAP Plan of Operation Article IX, Section 1(vii) and Article XIII, Section 1.

Procedure:

A. POLICY. The HMOCAP has established procedures for keeping records of all financial transactions of the HMOCAP, its agents, and its Board of Directors. Additionally, the HMOCAP frequently receives and creates public records, as defined by Florida law. As a result, the HMOCAP has determined that a comprehensive record retention policy would be beneficial to ensure the efficient and economic handling of public records.

Accordingly, the HMOCAP has established a general record retention policy pursuant to its Plan of Operation, as approved by the Florida Office of Insurance Regulation. This record retention policy is based on Florida's Records Management Program, which is created pursuant to Chapter 257, Florida Statutes and is part of the Division of Library and Information Services of the Department of State ("Division"). The HMOCAP does not believe that it falls within the provisions of Section 257.36, Florida Statutes, but it has determined that adoption of the Records Management Program applicable to state agencies will foster transparency and help ensure compliance with Florida's public records laws, including Section 119.021(2), Florida Statutes (2010). The applicable provisions of the Division's Records Management Program are incorporated by reference herein.

B. RECORDS MANAGEMENT LIAISON OFFICER. The Plan Manager, or some other person as may be appointed by the Board of Directors, shall serve as the HMOCAP's Records Management Liaison Officer ("RMLO").

The retention periods are set forth in the Appendix to this Policy and Procedure Manual. These retention periods may be revised from time to time by the Division, and the RMLO



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Number: 2.19

Subject: Record Retention

is authorized to update the Appendix to ensure consistency with the Division's published retention periods.

In the event the Appendix does not contain a retention period for a specific record sought to be destroyed, or if deemed necessary by the RMLO or the Board of Directors, the RMLO is authorized to adopt the Division's published record retention schedule or seek assistance from the Division.

C. DUTIES OF RMLO. The RMLO is authorized to complete and submit all necessary forms to the Division, including the RMLO designation form and any annual forms. The RMLO shall administer the HMOCAP's record retention policy and has the authority, subject to oversight or approval as the Board of Directors deems necessary, to take all actions necessary to implement, maintain, or amend the record retention policy. Such authority shall include without limitation:

1. Inventorying records;
2. Establishing new record retention schedules pursuant to the Division's guidelines;
3. Training and advising the HMOCAP in records management practices;
4. Participating in decision-making for issues such as microfilming, digital imaging, storage, and disposal;
5. Responding to public questions regarding the HMOCAP's records and records management practices; and
6. Reporting annually (if necessary or deemed advisable) to the Department of Financial Services, Division of Rehabilitation and Liquidation regarding the HMOCAP's compliance with records management statutes and rules.



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Number: 2.20

Subject: Reports to Department of Financial Services

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To comply with Section 631.823, Florida Statutes (2011) and HMOCAP Plan of Operation Article XI, Section 4 and ensure there is a proper accounting of the HMOCAP's transactions.

Procedure:

For each quarter, or in such other reporting period as required by the Department of Financial Services ("DFS"), the Plan Manager's Bookkeeper shall prepare a report of income and expenses for each insolvency from the date of insolvency to the end of the reporting period. The report shall consist of a description and documentation of income and expenses incurred during that reporting period, as well as any other information required by DFS. The Plan Manager shall review each report and submit it to DFS.



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Number: 2.21
Subject: Technology Policies

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date: Sept. 5, 2012
Responsible Party: Plan Manager	Distribution:

Purpose:

To safeguard the HMOCAP's electronic records from accidental and intentional loss.

Procedure:

A. DISASTER PREPAREDNESS. HMOCAP correspondence, files, records, and databases that are maintained electronically shall be copied at least daily and stored off site at least monthly, preferably in an area unlikely to be affected by a disaster that would compromise the original records.

In the event of a disaster or emergency that renders the Plan Manager or other record holder unavailable, the Chairman of the Board of Directors, or a representative designated by the Chairman, may contact the holder of the off-site copies of HMOCAP records and gain access to the records.

The current off-site location is Iron Mountain Bloomington, 9450 West Bloomington Freeway, Bloomington, MN 55431, (952) 886-9000. The Plan Manager shall inform the Board of Directors when the off-site location changes, and the Board of Directors shall amend this manual to reflect any new location.

B. ANTIVIRUS. It is the policy of the HMOCAP to avoid computer viruses. Downloaded files must be scanned prior to introduction to the network, and all disks and other removable storage devices must be scanned before being opened. Introducing viruses or intentionally destroying or modifying files on the network is prohibited.

C. SOFTWARE LICENSES. It is the policy of the HMOCAP to adhere to the license requirements for all software purchases.



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Number: 2.22
Subject: Third-Party Administrator

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Director	Revision Date: March 13, 2014
Responsible Party: Plan Manager	Distribution:

Purpose:

To carry out Section 631.816(5), Florida Statutes (2011) and HMOCAP Plan of Operation Article IX, Section 2(vi).

Procedure:

A. SELECTION. As provided Article IX, Section 2 of the HMOCAP Plan of Operation, the Board of Directors may choose to administer coverage for members of an insolvent HMO. If this decision is made, the HMOCAP shall contract with an Administrator (which may be an insurance administrator or a health insurance company) appropriately authorized in Florida to collect premiums and adjust and settle claims.

The HMOCAP periodically shall solicit and evaluate proposals from potential administrators pursuant to a competitive process. However, if the HMOCAP does not have a current relationship with an Administrator, and the HMOCAP Board of Directors and the Office of Insurance Regulation or Department of Financial Services determine that there is not sufficient time for a formal competitive bid process review, the Board of Directors may enter into an arrangement with a qualified Administrator through competitive negotiation. The Administrator selected through the competitive bid process or otherwise shall be approved by the Board of Directors and the Office of Insurance Regulation.

B. DUTIES. The Administrator shall have the duties assigned to it in its contract with the HMOCAP and in section 2.15.

C. COMPLAINTS AND GRIEVANCES. The Administrator shall comply with complaint and grievance procedures provided in the contracts of assumed members. If changes are needed to the complaint and grievance procedures in the assumed contracts, such as to update contact information or to bring a procedure into compliance with Florida law, the Administrator shall notify affected members of the changes as soon as is

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Number: 2.22

Subject: Third-Party Administrator

reasonably possible following the HMOCAP's assumption of the members.

D. OVERSIGHT. When the HMOCAP has contracted with an Administrator to provide administrative services to the members of an insolvent HMO, the HMOCAP shall monitor and review the Administrator to ensure that appropriate services are being provided. Such monitoring and review shall be directed by the HMOCAP Board of Directors and shall include independent inspection and reconciliation of payments including the following:

1. Membership eligibility;
2. Benefits provided;
3. Timeliness and accuracy of provider payments;
4. Financial reporting of transactions on monthly basis; and
5. Process for reviewing claims for irregularity, i.e. up-coding, incidence of large claims, pattern of coding.

Such monitoring and review shall take place 45 days after an HMO was placed into liquidation and again after all of the members of the insolvent HMO have transitioned out of the HMOCAP and the HMOCAP is no longer responsible for providing coverage to any former member of the HMO, except that the HMOCAP Board of Directors may determine that another schedule for monitoring and review is appropriate with coverage related to any specific insolvency.



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Number: 2.23

Subject: Unaudited Financial Statements and Bank Reconciliations

Category: Accounting and Financial Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To ensure Board oversight of HMOCAP finances.

Procedure:

The Plan Manager shall cause financial statements to be prepared and bank reconciliations to be done for the HMOCAP monthly. The Plan Manager shall review the financial statements and bank reconciliations. The Plan Manager shall then submit the financial statements, bank reconciliations, and a monthly check register to the Secretary/Treasurer. The Secretary/Treasurer shall confirm in writing his receipt and review of those documents and then submit them to the Board of Directors at the next Board meeting.



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Number: 2.24
Subject: Voting by Proxy

Category: Administrative Policies	Original Date: Jan. 5, 2012
Approval: Board of Directors	Revision Date:
Responsible Party: Plan Manager	Distribution:

Purpose:

To encourage presence of a quorum at Board meetings by authorizing Board members to appoint proxies.

Procedure:

A member of the Board of Directors, or a member of any committee or subcommittee of the Board, may appoint a proxy to vote on all matters. To appoint a proxy, the member must notify the Chairman of the Board or the Plan Manager prior to any meeting at which a proxy will be used. Notification shall identify the board member appointing the proxy, the name of the proxy, and the date and time the proxy power begins and ends.

APPENDIX A

Form 3.35

Fiduciary Obligations Form

As a member of the Board of Directors of the Florida Health Maintenance Organization Consumer Assistance Plan, I acknowledge that I have a fiduciary obligation to adhere to the following general duties:

DUTY OF CARE

I agree that my decisions and actions will be in the best interest of the organization taken as a whole.

DUTY OF LOYALTY

I agree that while serving on the Board of Directors I will have no conflicts of interest with other organizations.

DUTY OF OBEDIENCE

I agree that to the best of my ability I will ensure that the organization complies with prevailing federal and state not-for-profit law as well as the organization's by-laws.

Name: _____

Position: _____

Signature: _____

Date: _____

APPENDIX B

APPENDIX B

Form 3.36

**FLORIDA HMO CONSUMER ASSISTANCE PLAN
CONFLICT OF INTEREST STATEMENT**

It is a policy of the Florida HMO Consumer Assistance Plan (FHMOCAP) that no member of the Board of Directors or any committee or subcommittee thereof, no officer or employee of the FHMOCAP and no person who spends a substantial amount of their time performing services for the FHMOCAP shall permit their private interests to conflict with the proper discharge of their official duties for the FHMOCAP nor shall they use their position or knowledge gained therein in such manner as to give the appearance of such conflict. Conflicts of interest may be considered to exist in those instances where the actions or activities of an individual on behalf of the FHMOCAP may result in (a) improper personal gain or advantage to the individual, (b) unnecessary adverse effect upon the FHMOCAP's interest, or (c) improper gain or advantage to a third party.

No attempt is made here to further define any interest that might be considered to be or that might give rise to a conflict of interest as that may vary between individuals and situations. It is incumbent upon the individuals to be conscious of the importance of the utmost rectitude in these areas and they should exercise the utmost good faith and judgment in situations involving the existence of a possible conflict of interest. It is assumed that everyone of sufficient capacity to exercise the responsibilities delegated to them will have like capacity to recognize any situation that might create a possible conflict of interest.

The FHMOCAP recognizes that members of the Board of Directors of the FHMOCAP and its various committees or subcommittees are also officers or employees of other business or professional organizations and that many matters may arise in the relationship between such business or organization and the FHMOCAP which may involve such persons in an apparent conflict of interest. This statement is not designed to alter or affect such relationship or the duties or obligations, which such person owes to his employer or organization.

STATEMENT BY INDIVIDUAL: I am familiar with and understand the established position of the FHMOCAP with respect to conflicts of interest as enunciated in the preceding Conflict of Interest Statement.

Except as indicated below or in such Statement, there does not exist as of the execution hereof of any material conflict of interest which violate such Statement and I do not know of any fact or circumstance which is or likely to be in conflict with such Statement. Should any change occur in my situation, I shall submit a further Statement to the FHMOCAP, and if at any time I find that there is doubt as to the proper application of the FHMOCAP's policy on Conflict of Interest with respect to any particular situation, I shall refrain from exercising responsibility in any FHMOCAP matter which might reasonably be thought to be affected by my other interest.

EXCEPTIONS: _____



Signature

Date

Position with Plan

Membership Affiliation

APPENDIX C



APPENDIX C

RECORD RETENTION PERIODS

NOTE: The Retention Period applies to the Record Copy (i.e., the original document). Unless otherwise specified, duplicates of the following records are not required to be retained for the same period of time as the Record Copy; instead, duplicates shall be retained until obsolete, superseded, or administrative value is lost. For purposes of this Policy and Procedure Manual only, "agency" shall refer to the FHMOCAP, and any reference to the director of an agency shall be construed to mean the Board of Directors or its duly-authorized agent, including without limitation the Plan Manager.

DESCRIPTION	RETENTION PERIOD
ADMINISTRATIVE CONVENIENCE RECORDS This record series consists of DUPLICATES of correspondence, reports, publications, memoranda, etc., maintained for the convenience of officials and employees in carrying out their duties. The material filed in this series is NOT the official file or Do NOT use this item if records fall under a more appropriate retention schedule item.	Retain until obsolete, superseded, or administrative value is lost.
ADMINISTRATIVE SUPPORT RECORDS This record series consists of records relating to internal administrative activities rather than the functions for which the office exists. These records document day-to-day office management and do not serve as official documentation of office programs. Examples are an individual's daily activity tracking log used to compile periodic activity reports; sign-up sheets for staff use of office equipment or facilities (e.g., reserving a meeting room); and records documenting operating and use of an internal staff library. Do NOT use this item if records fall under a more appropriate retention schedule item or if the unique content/requirements of the records necessitate that an individual retention schedule be established. For instance, use Budget Records: Supporting Documents for budget work papers; use Purchasing Records for records relating to purchase of office supplies; etc.	Retain until obsolete, superseded, or administrative value is lost.
ADMINISTRATOR RECORDS: AGENCY DIRECTOR/PROGRAM MANAGER This record series consists of records documenting the substantive actions of elected or appointed program managers or agency directors. These records constitute the official record of an agency's performance of its functions and formulation of policy and program initiatives. This series may include various types of records such as correspondence; memoranda; statements prepared for delivery at meetings, conventions, or other public functions that are designed to advertise and promote departmental programs, activities, and policies; interviews; and reports concerning agency program development and implementation. These records may have archival value.	10 anniversary years; State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.
ADVERTISEMENTS: LEGAL	5 fiscal years provided

<p>This record series consists of advertisements which have appeared in newspapers or in the "Administrative Weekly" regarding matters pertaining to the agency and other legal advertisements which may directly or indirectly affect the agency, e.g., bid invitations for construction jobs, public hearings or notices, and public sales. A legal advertisement is frequently filed with the item to which it applies.</p>	<p>applicable audits have been released.</p>
<p>ANNUAL REPORTS: GOVERNING BODY</p> <p>This record series consists of the annual program, narrative, and statistical report issued by the highest level of authority within an agency. It is a comprehensive compilation of all annual reports submitted by departments, divisions, bureaus, program offices, and other subdivisions including boards, commissions, and dependent special districts. This is NOT the annual financial report required under Section 218.32, Florida Statutes, nor is it the annual financial audit report required under Section 218.39, Florida Statutes, and Chapters 10.550, 10.800, and 10.850 of the Rules of the Auditor General of the State of Florida. These records may have archival value.</p>	<p>Permanent. State agencies should contact the State Archives of Florida for archival review after 5 years. Other agencies should ensure appropriate preservation of records.</p>
<p>AUDIT TRAILS: CRITICAL INFORMATION SYSTEMS</p> <p>This record series consists of system-generated audit trails tracking events relating to records in critical information systems including, but not limited to, systems containing patient records, law enforcement records, public health and safety records, clinical trial records, voter and election records, and financial transaction records. Audit trails link to specific records in a system and track such information as the user, date and time of event, and type of event (data added, modified, deleted, etc.). Since audit trails may play an integral part in prosecution, disciplinary actions, or audits or other reviews, agencies are responsible for ensuring that internal management policies are in place for retaining audit trails as long as necessary for these purposes.</p>	<p>Retain each audit trail entry as long as the record the entry relates to, provided applicable audits have been released.</p>
<p>AUDIT TRAILS: ROUTINE ADMINISTRATIVE INFORMATION SYSTEMS</p> <p>This record series consists of system-generated audit trails tracking events relating to records in information systems used for routine agency administrative activities. Audit trails link to specific records in a system and track such information as the user, date and time of event, and type of event (data added, modified, deleted, etc.). Since audit trails may play an integral part in prosecution, disciplinary actions, or audits or other reviews, agencies are responsible for ensuring that internal management policies are in place for retaining audit trails as long as necessary for these purposes.</p>	<p>Retain until obsolete, superseded, or administrative value is lost, provided applicable audits have been released.</p>
<p>AUDITS: AUDITOR GENERAL</p> <p>This record series consists of an annual report issued by the Auditor General to establish the position of the agency being audited against its standard of performance. These records are created pursuant to s. 11.45, Fla. Stat. These records may have archival value.</p>	<p>10 fiscal years. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of</p>

	records determined to have long-term historical value.
<p>AUDITS: INDEPENDENT</p> <p>This record series consists of a report, including any appropriate financial statements, issued by an independent auditor to establish the position of the agency being audited against its standard of performance. The audits may be instigated by any agency, organization, or internal management. These records are created pursuant to s. 11.45, Fla. Stat., Definitions; duties; authorities; reports; rules (Auditor General), and/or s. 215.97, Fla. Stat., Florida Single Audit Act.</p>	10 fiscal years.
<p>AUDITS: INTERNAL</p> <p>This record series consists of a report issued by an internal auditor to establish the position of the agency being audited against its standard of performance. The audits may be instigated by any agency, organization, or internal management. Records of internal audits for state agencies are created pursuant to s. 11.45 and/or s. 20.055, Fla. Stat.</p>	5 fiscal years provided applicable audits have been released.
<p>AUDITS: STATE/FEDERAL</p> <p>This record series consists of a report issued by a federal or state auditor to establish the position of the agency being audited against its standard of performance. The audits may be instigated by any agency, organization, or internal management. Records of such audits for state agencies are created pursuant to s. 11.45(3), Fla. Stat. These records may have archival value.</p>	10 fiscal years. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.
<p>AUDITS: SUPPORTING DOCUMENTS</p> <p>This record series consists of the documentation and supporting documents used to develop the audit report with all bills, accounts, records, and transactions. The audit may be instigated by any agency, organization, or internal management.</p>	3 fiscal years provided applicable audits have been released and resolved.
<p>AUTOMATED ACCOUNTING SYSTEM REPORTS</p> <p>This record series consists of reports generated by an agency's automated accounting system, such as SAMAS (State Automated Management Accounting System), FLAIR (Florida Accounting & Information Resource), Aspire, or other automated accounting system. Included are such reports as a log of all updated transactions entered into the system and a financial statement for each month for all divisions and/or bureaus of the agency.</p>	3 fiscal years provided applicable audits have been released.
<p>BACKUP TAPES</p> <p>There is no retention schedule for backup tapes or other forms of data backup. A backup tape or drive should be just that: a data/records backup kept solely as a security precaution but not intended to serve as the record copy or as a records retention tool. In the case of disaster, the backup would be used to restore lost records; otherwise, agency records that have not met their retention should not be disposed of on the</p>	

<p>basis of the existence of a backup. If for any reason (for instance, a disaster erases e-mails on your server) the only existing copy of an item that has not met its retention period is on a backup tape or drive, the custodial agency of that record must ensure that the record on the backup is maintained for the appropriate retention period. A backup containing record copies/only existing copies of items that have not passed their retention would have to be retained for the length of the longest unmet retention period. Preferably, the records should be restored to the agency from the backup to ensure that the backup is not used as a records retention tool.</p>	
<p>BANK STATEMENTS: RECONCILIATION</p> <p>This record series consists of monthly statements of bank accounts and reconciliations to show debits, credits, and cash balance in the account.</p>	<p>5 fiscal years provided applicable audits have been released.</p>
<p>BID RECORDS: NON-CAPITAL IMPROVEMENT</p> <p>This record series consists of information relative to the processing and letting of successful and unsuccessful non-capital improvement bids including, but not limited to, legal advertisements, "Requests for Proposals," "Requests for Qualifications," "Letters of Interest," "Invitations to Bid," "Invitations to Negotiate," technical specifications, correspondence, bid tabulations, and bid responses.</p>	<p>5 fiscal years after awarded provided applicable audits have been released.</p>
<p>BUDGET RECORDS: APPROVED ANNUAL BUDGET</p> <p>This record series consists of the agency's approved annual budget and its amendments which are filed chronologically. This series does NOT include working papers, agency staff analyses, drafts, budget requests, or other supporting documentation relating to the development, modification, or implementation of an agency's final approved budget. These records may have archival value.</p>	<p>Permanent. State agencies should contact the State Archives of Florida for archival review after 5 years. Other agencies should ensure appropriate preservation of records.</p>
<p>BUDGET RECORDS: SUPPORTING DOCUMENTS</p> <p>This record series consists of any documentation supporting budget matters, including but not limited to working papers, agency staff analyses, drafts, budget requests, or other supporting documentation relating to the development, modification, or implementation of an agency's final approved budget.</p>	<p>3 fiscal years provided applicable audits have been released.</p>
<p>CALENDARS</p> <p>This record series consists of calendars, appointment books, planners, or other records showing official daily appointments and meetings. The series might also include lists of "prioritized daily tasks," background materials, issues for discussion, and speaking points or remarks. This series does NOT include the record copy of speeches, which are covered by "PUBLIC INFORMATION FILES"</p>	<p>1 anniversary year.</p>
<p>CHARTERS/AMENDMENTS/BYLAWS/CONSTITUTIONS</p> <p>This record series consists of foundation documents establishing an organization and its mission, functions, duties and responsibilities, and organizational structure. These records may have archival value.</p>	<p>Permanent.</p>

<p>COMMITTEE/BOARD APPOINTMENT RECORDS</p> <p>This record series consists of records relating to the appointment of individuals to serve on committees, boards, advisory councils, etc. The series may include, but is not limited to, applications, letters of recommendation, letters of appointment, letters of acceptance, oaths of office, resignation letters, and related correspondence and supporting documentation.</p>	<p>3 fiscal years after term of office or committee/board is abolished.</p>
<p>COMMITTEE/BOARD APPOINTMENT RECORDS: NON-SELECTED APPLICANTS</p> <p>This record series consists of records relating to applicants not selected to serve on committees, boards, advisory councils, etc. The series may include, but is not limited to, applications, letters of recommendation, and related correspondence and supporting documentation.</p>	<p>4 anniversary years after personnel action and any litigation is resolved.</p>
<p>COMPLAINTS: CITIZENS/CONSUMERS/EMPLOYEES</p> <p>This record series consists of individual complaints received from citizens, consumers, or employees. The records provide name, address, and telephone number of complainant, date of complaint, nature of complaint, to whom referred and date, action taken, and signature of person taking the action. This series does not include records documenting employee claims of harassment or discrimination.</p>	<p>1 anniversary year after resolved provided applicable audits have been released.</p>
<p>COMPUTER LOGS</p> <p>This record series consists of firewall logs, system logs, network logs, or other logs used to maintain the integrity and security of the agency's computer systems. The logs may record such information as source and destination Internet Protocol (IP) addresses; user identification information; files, directories, and data that have been accessed; user rights; and running applications and databases. Since these logs may play an integral part in prosecution or disciplinary actions, agencies are responsible for ensuring that internal management policies are in place establishing criteria for which logs or entries should be retained for further investigation.</p>	<p>30 days or until review of logs is complete, whichever occurs first.</p>
<p>CONTRACTS/LEASES/AGREEMENTS: NON-CAPITAL IMPROVEMENT</p> <p>This record series consists of legal documents, correspondence, reports, etc., relating to the negotiation, fulfillment, and termination of non-capital improvement contracts, leases, or agreements to which the agency is a party. In addition, it includes the various contracts, leases, or agreements entered into for the purchase of goods and services such as the purchase of gas, fuel oil, and annual purchases of inventory-maintained items.</p>	<p>5 fiscal years after completion or termination of contract/lease/agreement provided applicable audits have been released.</p>
<p>COPYRIGHT RELEASE/AUTHORIZATION DOCUMENTATION</p> <p>This record series consists of releases or other documentation authorizing the agency to publish copyrighted materials, including</p>	<p>Permanent.</p>

<p>publication on the Internet. The series includes release/authorization forms, correspondence, and related documentation.</p>	
<p>CORRESPONDENCE AND MEMORANDA: ADMINISTRATIVE</p> <p>This record series consists of routine correspondence and memoranda of a general nature that are associated with administrative practices but that do not create policy or procedure, document the business of a particular program, or act as a receipt. These records may have archival value.</p>	<p>3 fiscal years. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>CORRESPONDENCE AND MEMORANDA: PROGRAM AND POLICY DEVELOPMENT</p> <p>This record series consists of correspondence and memoranda documenting policy development, decision-making, or substantive programmatic issues, procedures, or activities. These records may have archival value.</p>	<p>5 fiscal years provided applicable audits have been released. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>DIRECTIVES/POLICIES/PROCEDURES</p> <p>This record series consists of the official management statements of policy for the organization, supporting documents, and the operating procedures which outline the methods for accomplishing the functions and activities assigned to the agency. The series may include, but is not limited to, such materials as employee handbooks, standard operating procedures, and correspondence and memoranda stating the policies and procedures to be followed by employees. These records may have archival value.</p>	<p>2 anniversary years after superseded or becoming obsolete. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>DISASTER PREPAREDNESS PLANS</p> <p>This record series consists of disaster preparedness and/or recovery plans adopted by an agency. Section 252.365, Fla. Stat. requires state agencies to develop and maintain "a disaster preparedness plan that is coordinated with the applicable local emergency-management agency..." Section 252.38, Fla. Stat., authorizes counties and municipalities to "develop an emergency management plan and program that is coordinated and consistent with the state comprehensive emergency management plan and program." These records may have archival value.</p>	<p>5 fiscal years after superseded or becoming obsolete. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>DISBURSEMENT RECORDS: DETAIL</p> <p>This series consists of records documenting specific expenditures or transfers of agency moneys for the procurement of commodities and services and other purposes. The series may include, but is not limited to, procurement records such as requisitions, requisition logs, purchase orders, contracts, purchasing card (p-card) receipts, vendor invoices, receiving reports, acceptances of contract deliverables, approvals, and</p>	<p>5 fiscal years provided applicable audits have been released.</p>

<p>related documentation; and expenditure records for disbursements made through checks, warrants, electronic fund transfers (EFT), purchasing cards, or other methods, such as payment vouchers, approvals, check registers, cancelled checks, check stubs, cancelled warrants, disbursement ledgers, journal transactions, expenditure detail reports, refund records, and other accounts payable and related documentation.</p>	
<p>DISBURSEMENT RECORDS: SUMMARY</p> <p>This series consists of records providing summary or aggregate documentation of expenditures or transfers of agency moneys for the procurement of commodities and services and other purposes. The series may include, but is not limited to, summary records such as trial balance reports, check logs and registers, summary expenditure reports, federal grant final closeout reports, summary journal transactions, and other accounts payable summary and related documentation.</p>	<p>10 fiscal years provided applicable audits have been released.</p>
<p>DRAFTS AND WORKING PAPERS</p> <p>This records series consists of materials used in developing, compiling, and assembling a final product such as an agency report or database. The series may include, but is not limited to, copies of correspondence or memoranda; circulated drafts; data entry forms; notes; calculations; and other supporting documents. Drafts of documents that could have a significant effect on an agency's programs, functions, and responsibilities (for instance, agency mission statements or major policy initiatives) should be placed under the record series "ADMINISTRATOR RECORDS: AGENCY DIRECTOR/PROGRAM MANAGER."</p>	<p>Retain until obsolete, superseded, or administrative value is lost.</p>
<p>ELECTRONIC FUNDS TRANSFER RECORDS</p> <p>This record series consists of the documentation necessary to establish and maintain the electronic transfer of funds. The series may include, but is not limited to: an agreement between the two parties; a form which lists both institutions' names, their routing numbers, the name(s) and authorizing signature(s) of the account holder(s); direct deposit authorizations; canceled deposit slips or checks; and documentation of the termination of service or transfer of service to a new institution. This series does not include records of specific individual deposits or payments.</p>	<p>5 fiscal years after termination of service agreement/authorization.</p>
<p>ELECTRONIC MAIL</p> <p>There is no single retention period that applies to all of any agency's e-mails. Retention periods are determined by the content, nature, and purpose of records, and are set based on their legal, fiscal, administrative, and historical values, regardless of the format in which they reside. Electronic mail, as with records in other formats, can have a variety of purposes and relate to a variety of program functions and activities. The retention of any particular electronic mail message will generally be the same as the retention for records in any other format that document the same program function or activity. For instance, e-mails might fall under a CORRESPONDENCE series, a BUDGET RECORDS series, or one of numerous other series, depending on the content, nature, and purpose of each e-mail. E-mails that are created primarily to communicate information of short-term value, such as e-mails reminding employees about scheduled meetings or appointments, might fall under the "TRANSITORY MESSAGES" series.</p>	

<p>ELECTRONIC RECORDS SOFTWARE AND DOCUMENTATION</p> <p>This record series consists of proprietary and non-proprietary software as well as related documentation that provides information about the content, structure, and technical specifications of computer systems necessary for retrieving information retained in machine-readable format. These records may be necessary for an audit process.</p>	<p>Retain as long as software-dependent records are retained.</p>
<p>ENCUMBRANCE/CERTIFICATION FORWARD RECORDS</p> <p>This record series consists of reports and other documentation detailing funds that have been encumbered, i.e., set aside, but not yet spent, for a specific planned, approved expenditure. This series includes lists of encumbrances to be applied against certified forward money, i.e., money brought forward from the previous fiscal year for goods and services not received until the current fiscal year.</p>	<p>3 fiscal years provided applicable audits have been released.</p>
<p>ENDOWMENTS/BEQUESTS/TRUST FUND RECORDS</p> <p>This record series documents the creation of, contributions to, or expenditures from endowments, bequests, and trust funds. These records may have archival value.</p>	<p>Permanent. State agencies should contact the State Archives of Florida for archival review after 5 years. Other agencies should ensure appropriate preservation of records.</p>
<p>EQUIPMENT REFERENCE FILES</p> <p>This record series consists of equipment specifications, technical manuals, brochures, bulletins, operating instructions, and other records documenting equipment characteristics and operations.</p>	<p>Retain until obsolete, superseded, or administrative value is lost.</p>
<p>EQUIPMENT/VEHICLE MAINTENANCE RECORDS</p> <p>This record series documents service, maintenance, and repairs to agency equipment and vehicles, including program changes to electronic equipment. The series may include, but is not limited to, work orders and documentation of dates/history of repairs, locations, cost of parts, hours worked, etc. Records for all agency vehicles, including ground, air, and water vehicles, are covered by this series.</p>	<p>1 fiscal year after disposition of equipment.</p>
<p>EQUIPMENT/VEHICLE USAGE RECORDS</p> <p>This record series documents use of agency equipment and vehicles, including, but not limited to, vehicle logs indicating driver, destination, fuel/service stops, and odometer readings and/or total trip mileage; equipment usage logs and/or reports; and other usage documentation.</p>	<p>1 calendar year.</p>
<p>FEASIBILITY STUDY RECORDS</p> <p>This record series consists of working papers, correspondence, consulting firm reports, and management committee reports investigating various projects of the governing agency. These files cover potential projects under consideration or those ideas which are studied and discarded by a governmental agency. If the agency decides to continue</p>	<p>3 fiscal years after completion of study provided applicable audits have been released. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other</p>

<p>with the project, these records should be scheduled under one of the "Project Files" items. These records may have archival value.</p>	<p>agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>FEDERAL INCOME/EMPLOYMENT TAX FORMS/REPORTS</p> <p>This record series consists of tax withholding and reporting forms including, but not limited to, W-2, W-4, W-5, W-9, 940, 941-E, 1096, 1099, and 1099-INT. Retention period is pursuant to 26 CFR s. 31.6001-1(e)(2), Place and Period for Keeping Records.</p>	<p>4 years from the tax due date (April 15) of the year to which the record applies, or for W-4s, four years from the last tax due date of the year in which the employee separated from employment or submitted a newer W-4.</p>
<p>FEE/SERVICE SCHEDULES</p> <p>This record series consists of a price sheet or report identifying the types of goods or services provided by the agency and any associated fees. The series may also include supporting documents used to determine service costs and fees. The price sheet or report may be reviewed and revised as necessary.</p>	<p>3 fiscal years after obsolete or superseded.</p>
<p>FINANCIAL ACCOUNT AUTHORIZATION RECORDS</p> <p>This record series consists of an authorization to maintain a bank, investment, or other financial account and the names of those authorized to access the account.</p>	<p>5 fiscal years after authorization superseded, expired, or cancelled provided applicable audits have been released.</p>
<p>FINANCIAL HISTORY SUMMARY RECORDS</p> <p>This record series consists of records providing a periodic summary of an agency's receipts and disbursements over the course of an agency's history. The series may consist of annual summary general ledgers, annual financial reports, or equivalent records in other forms.</p>	<p>Permanent.</p>
<p>HIPAA HEALTH CARE COMPONENT DESIGNATION RECORDS</p> <p>This record series consists of records of a designation of a health care component of a covered hybrid entity under the Health Insurance Portability and Accountability Act (HIPAA). Under HIPAA, a hybrid entity is a covered entity whose business activities include both covered and non-covered functions (45 CFR s. 164.103). Per 45 CFR s. 164.104 (a)(2)(iii)(C), "The covered entity is responsible for designating the components that are part of one or more health care components of the covered entity and documenting the designation..."</p>	<p>6 anniversary years from date of designation or from the date when it last was in effect, whichever is later.</p>
<p>HIPAA SECURITY STANDARDS IMPLEMENTATION RECORDS</p> <p>This record series consists of policies, procedures, and records of actions, activities, or assessments relating to the implementation of security measures for protected electronic health information required under the Health Insurance Portability and Accountability Act (HIPAA), Subpart C, Security Standards for the Protection of Electronic Protected Health Information. The records are required HIPAA documentation</p>	<p>6 anniversary years from date of creation or from the date when it last was in effect, whichever is later.</p>

<p>per 45 CFR s. 164.316(b).</p>	
<p>INCIDENT REPORT FILES</p> <p>This record series documents incidents or unusual occurrences at a public facility or on publicly owned property, including incident reports and documentation of any follow-up investigation. These incidents or occurrences may include alarm or lock malfunctions, security breaches, hostile actions by employees or the public, suspicious persons, significant maintenance problems, or any other circumstance that should be noted for future reference or follow-up. The incident report may include, but is not limited to, the name of the reporting staff member, the date/time/location of the incident, names of persons involved or witnesses, description of the incident or occurrence, emergency response, names of supervisors notified and at what time, and the general outcome of the incident. This series does not include documentation of injuries requiring medical attention.</p>	<p>4 anniversary years from date of incident.</p>
<p>INFORMATION REQUEST RECORDS</p> <p>This record series consists of correspondence accumulated in answering inquiries from the public. The series may include requests for: publications or services provided by the agency; inspection and/or copies of public records; confirmation of meeting or event times/dates/locations; information on outstanding liens; and general agency information (e.g., mission statement, telephone list, map/directions, employee directory, etc.).</p>	<p>1 fiscal year provided applicable audits have been released.</p>
<p>INSURANCE RECORDS: AGENCY</p> <p>This record series documents insurance policies held by an agency for fire, theft, liability, medical, life, etc., on an agency's property and/or employees. The series may include, but is not limited to, policies; claim filing information such as applications, correspondence, and related documentation; documentation of premiums due and amounts paid; and information on insurance carriers and rates.</p>	<p>5 fiscal years after final disposition of claim or expiration of policy provided applicable audits have been released.</p>
<p>INVENTORY: AGENCY PROPERTY</p> <p>This record series consists of all information regarding the physical inventory of agency property, including a perpetual inventory of expendable parts and supplies which may be located in a central supply office for use by agency employees, as well as Fixed Assets/Operating Capital Outlay (O.C.O.) items requiring an identification number and tag. The series may also include copies of disposition documentation when the property or equipment is relocated, transferred, surplus, sold, scrapped, traded in, abandoned, stolen, cannibalized, or destroyed. Section 274.02, Fla. Stat., requires an annual physical inventory of all O.C.O. property.</p>	<p>3 fiscal years provided applicable audits have been released.</p>
<p>INVENTORY: AGENCY RECORDS</p> <p>This record series consists of an inventory of agency records providing such information as record series title, inclusive dates, and quantity (e.g.,</p>	<p>Retain until obsolete, superseded, or administrative value is lost.</p>

<p>in cubic feet); if records are active, inactive, or closed; whether they are vital records; whether they are exempt from public inspection; format of records (paper, electronic, microform, etc.); name of custodial agency and official; records retention requirements; and location, including offices or offsite storage facilities and specific physical locations. This series may include documentation of transmittal of records to an offsite storage facility.</p>	
<p>INVESTMENT RECORDS</p> <p>This record series consists of records related to the selection and maintenance of a government's investments. The series may include, but is not limited to, selection criteria, score sheets, and correspondence concerning the selection process or potential investments; annual reports of the investments; firm histories; prospectus and other research materials; and initial goals or projected recovery at the time of the initial investment. These records may have archival value.</p>	<p>10 fiscal years provided applicable audits have been released. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>LEGISLATION RECORDS</p> <p>This record series documents the development of legislation proposed by and/or potentially impacting an agency. The series may include, but is not limited to, proposed legislation; research materials on the subject of the legislation; agency staff analysis of the potential impact of the legislation; reports and statistical studies; surveys of and/or input from affected industries or populations; and other related records. These records may have archival value.</p>	<p>Retain until obsolete, superseded, or administrative value is lost. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>LITIGATION CASE FILES</p> <p>This record series consists of legal documents, notes, reports, background material, etc., created or received in preparing for or engaging in litigation of legal disputes.</p>	<p>5 anniversary years after case closed or appeal process expired provided applicable audits have been released.</p>
<p>LOBBYIST REGISTRATION RECORDS</p> <p>This record series consists of registration records for lobbyists engaging in lobbying activity with the local government entity. The series may include, but is not limited to, registration forms, lobbying activity, expense reports, and correspondence.</p>	<p>5 fiscal years after expiration or withdrawal of registration or ceasing to lobby, whichever occurs first.</p>
<p>MAIL: REGISTERED AND CERTIFIED</p> <p>This record series consists of receipts for registered or certified mail sent out by an agency as well as undeliverable registered or certified mail items returned by the post office for any reason. This record is usually filed with the agency's copy of the item mailed.</p>	<p>1 fiscal year.</p>
<p>MAIL: UNDELIVERABLE/RETURNED</p> <p>This record series consists of outgoing agency mail returned by the post office for any reason, including insufficient postage, incorrect address,</p>	<p>1 anniversary year after returned undeliverable.</p>

<p>forwarding order expired, etc. It does NOT include returned registered or certified mailings.</p>	
<p>MAILING LISTS</p> <p>This record series consists of mailing lists used in agency mail outs. Mailing lists that fall under s. 283.55, Fla. Stat., Purging of Publication Mailing Lists, must be updated and superseded every odd-numbered year.</p>	<p>Retain until obsolete, superseded, or administrative value is lost.</p>
<p>MEDICARE/MEDICAID RECORDS</p> <p>This records series consists of all financial, administrative and program records associated with Medicare and Medicaid claims, reimbursement, and client activities. Sections 409.907 and 409.913 Fla. Stat.</p>	<p>5 fiscal years provided all audit issues have been resolved.</p>
<p>MICROGRAPHICS: QUALITY CONTROL RECORDS</p> <p>This record series consists of, but is not limited to, test results and microfilm inspection records for all permanent or long-term microfilm as required by Rules 1B-26.0021(3)(f) and 1B-26.0021(3)(j), F.A.C.</p>	<p>Permanent.</p>
<p>MINUTES: OFFICIAL MEETINGS</p> <p>This record series consists of the official record of official meetings, defined in s. 286.011(1), Fla. Stat. as "All meetings of any board or commission of any state agency or authority or of any agency or authority of any county, municipal corporation, or political subdivision, except as otherwise provided in the Constitution, at which official acts are to be taken..." The series may include verbatim transcripts or minutes summarizing issues addressed, actions taken, and decisions made. The series may also include agendas and background materials used as reference documentation for agenda items. This series does not include documentation of the logistics/planning of the meetings such as venue information or directions, travel itineraries, reservations and confirmations, etc., which are covered by Administrative Support Records. These records may have archival value.</p>	<p>Permanent. State agencies should contact the State Archives of Florida for archival review after 5 years. Other agencies should ensure appropriate preservation of records.</p>
<p>MINUTES: OFFICIAL MEETINGS (PRELIMINARY/AUDIO RECORDINGS/VIDEO RECORDINGS)</p> <p>This record series consists of handwritten or typed notes and/or audio and/or video recordings of official meetings as defined in s. 286.011(1), Fla. Stat.</p>	<p>2 anniversary years after adoption of the official minutes or certification of transcript.</p>
<p>MINUTES: OFFICIAL MEETINGS (SUPPORTING DOCUMENTS)</p> <p>This record series consists of supporting documents for minutes and agendas generated by official meetings. These records provide information necessary for completing the minutes but do not document actual meeting proceedings. Records may include, but are not limited to, roll call sheets and sign-in sheets for speakers.</p>	<p>2 anniversary years after adoption of the official minutes or certification of transcript.</p>
<p>MINUTES: OTHER MEETINGS</p>	<p>1 anniversary year after date of</p>

<p>This record series consists of minutes and all supporting documentation from meetings which are not official meetings as defined in s. 286.011(1), Fla. Stat. These records may have archival value.</p>	<p>meeting. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>NEWS RELEASES</p> <p>This record series consists of news releases distributed by the agency and/or received from other offices for informational purposes. These records may have archival value.</p>	<p>90 days. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>OPINIONS: LEGAL</p> <p>This record series consists of written legal opinions issued by agency attorneys establishing policy or precedent and answering questions involving legal interpretation of Florida or federal law in relation to the agency's functions, responsibilities, and authority. These records may have archival value.</p>	<p>Permanent. State agencies should contact the State Archives of Florida for archival review after 5 years. Other agencies should ensure appropriate preservation of records.</p>
<p>OPINIONS: LEGAL (SUPPORTING DOCUMENTS)</p> <p>This record series consists of documentation supporting the legal opinions issued by agency attorneys. These records may have archival value.</p>	<p>3 fiscal years provided applicable audits have been released. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>ORGANIZATION CHARTS</p> <p>This record series consists of organizational charts that show lines of authority and responsibility agency-wide, within and between the various departments of the agency. These records may have archival value.</p>	<p>Retain until obsolete, superseded, or administrative value is lost. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>PAYMENT CARD SENSITIVE AUTHENTICATION DATA</p> <p>This record series consists of elements of a customer's payment card data</p>	<p>Record Copy: Destroy immediately upon completion of transaction.</p>

<p>that are used to authenticate a financial transaction using that payment card (e.g., credit card, debit card). Sensitive authentication data includes those elements defined as such by the Payment Card Industry Security Standards Council in their Data Security Standard: Requirements and Security Assessment Procedures (Version 1.2, October 2008 or subsequent edition) and includes full magnetic stripe data (also known as full track, track, track 1, track 2, and magnetic-stripe data); three-digit or four-digit card verification code or value; and personal identification number (PIN) or encrypted PIN block.</p>	<p>Duplicates: Destroy immediately upon completion of transaction.</p>
<p>PETTY CASH DOCUMENTATION RECORDS</p> <p>This record series consists of records documenting an agency's petty cash account including, but not limited to, receipts, bills, and monthly balances indicating amount needed for replenishing the revolving account.</p>	<p>5 fiscal years provided applicable audits have been released.</p>
<p>POSTAGE/SHIPPING RECORDS</p> <p>This record series consists of a detailed listing/report showing the amount of postage used, dates used, unused balance, and purpose. Also included in this series are postage meter books, daily balance sheets, and agency copies of shipping slips from Express Mail, United Parcel Service, Federal Express, DHL, or other express shipping services for packages shipped by the agency.</p>	<p>3 fiscal years provided applicable audits have been released.</p>
<p>PROCLAMATIONS</p> <p>This record series consists of a governing body's proclamations calling attention to issues of current significance or honoring groups, individuals, or past events, such as a proclamation declaring "Water Conservation Month," "Law Enforcement Appreciation Week," or "Emancipation Proclamation Day." The series may also include, but is not limited to, correspondence, memoranda, public input, sample proclamations, drafts, and letters of support. These records may have archival value.</p>	<p>2 calendar years after date of issuance. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>PROJECT FILES: FEDERAL</p> <p>This record series consists of original approved federal project contracts, agreements, awards, line-item budgets, budget amendments, cash requests, correspondence, and audit reports. NOTE: Check with applicable agency and/or the Code of Federal Regulations (CFR) for any additional requirements.</p>	<p>5 fiscal years after completion of project provided applicable audits have been released.</p>
<p>PROJECT FILES: NON-CAPITAL IMPROVEMENT</p> <p>This record series documents projects in progress and/or project proposals which may or may not be sent out for bid. This may include, but is not limited to, correspondence, memoranda, contract specifications, resolutions, narratives, budget revisions, survey information, change orders, and reports.</p>	<p>5 fiscal years after completion of project provided applicable audits have been released.</p>
<p>PROJECT FILES: OPERATIONAL</p>	<p>3 fiscal years provided</p>

<p>This record series documents projects conducted by agencies in connection with agency operations, programs, and functions. The records may include, but are not limited to: project schedules, logs, and reports; correspondence relating to the project; names of employees involved in project; equipment/supplies used; project costs; and other related information.</p>	<p>applicable audits have been released.</p>
<p>PROPERTY CONTROL RECORDS</p> <p>This record series documents all property of a non-consumable nature. The records may provide such information as the class and type, number of units, make, manufacturer, year, model, manufacturer's serial number or other identifying marker attached to the property, the value or cost of the property, date acquired, the location, custodian, date of inventory, condition of property, final detailed disposition of property, and any additional information that may be necessary. The series may include a copy of the property transfer record completed when the property or equipment is relocated, transferred, surplus, sold, scrapped, traded in, abandoned, or stolen.</p>	<p>Retain until completion of the next physical inventory after the equipment leaves service.</p>
<p>PROPERTY TRANSFER RECORDS</p> <p>This record series documents the transfer of property or equipment that is relocated, transferred to another agency/office, surplus, sold, scrapped, traded in, abandoned, or stolen. This series does not include records documenting real property transfers.</p>	<p>1 fiscal year provided applicable audits and a physical inventory have been released.</p>
<p>PROTECTED HEALTH INFORMATION ACCESS PROVIDER RECORDS</p> <p>This record series consists of records listing the title(s) of the person(s) or office(s) of the covered entity responsible for receiving and processing requests by individuals for access to protected health information. The records are required HIPAA documentation per 45 CFR s. 164.524(e).</p>	<p>6 anniversary years from date of creation or from the date when it last was in effect, whichever is later.</p>
<p>PROTECTED HEALTH INFORMATION AMENDMENT REQUEST PROVIDER RECORDS</p> <p>This record series consists of records listing the title(s) of the person(s) or office(s) of the covered entity responsible for receiving and processing requests by individuals for amendment of protected health information. The records are required HIPAA documentation per 45 CFR s. 164.526(f).</p>	<p>6 anniversary years from date of creation or from the date when it last was in effect, whichever is later.</p>
<p>PROTECTED HEALTH INFORMATION DISCLOSURE RECORDS</p> <p>This record series consists of records documenting the disclosure by a covered entity of protected electronic health information required under the Health Insurance Portability and Accountability Act (HIPAA), Subpart C, Security Standards for the Protection of Electronic Protected Health Information. The records are required HIPAA documentation per 45 CFR s. 164.528(b) and must include for each disclosure: date of disclosure; name of entity or person to whom disclosed, and address if known; brief description of disclosed information; and purpose of the</p>	<p>6 anniversary years from date of disclosure.</p>

<p>disclosure or copy of the written request for disclosure. This series can also include documentation related to the investigation and resolution of suspected privacy breaches.</p>	
<p>PROTECTED HEALTH INFORMATION PRIVACY PRACTICES RECORDS</p> <p>This record series consists of a covered entity's policies and procedures for safeguarding the privacy and security of protected electronic health information. The series can also include revisions to policies and procedures and any correspondence relating to the policies or their revision. The records are required HIPAA documentation per 45 CFR s. 164.528(j).</p>	<p>6 anniversary years from date of creation or from the date when it last was in effect, whichever is later.</p>
<p>PROTECTED HEALTH INFORMATION PRIVACY PRACTICES VIOLATION RECORDS</p> <p>This record series consists of records of all complaints received concerning the covered entity's privacy policies and procedures and compliance thereto, the disposition of any of the complaints, and any sanctions applied by the covered entity against employees failing to comply with the policies and procedures. The records are required HIPAA documentation per 45 CFR ss. 164.530(d) and 164.530(e). This series can also include documentation related to the investigation and resolution of suspected privacy breaches.</p>	<p>6 anniversary years from date of creation or from the date when it last was in effect, whichever is later.</p>
<p>PUBLIC INFORMATION FILES</p> <p>This record series documents an agency's efforts to disseminate information to the public about its programs and services through such activities as speeches, presentations, exhibits, displays, etc. The series may include, but is not limited to, speeches (including outlines, speaking points, and drafts), photographs or other illustrations used in agency publications or displays, and examples of brochures, handouts, or other items meant for public distribution. NOTE: Stocks of agency publications (e.g., brochures, pamphlets, handbooks, etc.) are not included in this series. These records may have archival value.</p>	<p>90 days. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>PUBLIC PROGRAM/EVENT RECORDS</p> <p>This record series consists of files documenting agency-provided or sponsored events or programs available to the public or segments of the public. The files may include, but are not limited to, copies of contracts or agreements, participant or performer information, program details and arrangements, photographs, and audio and/or video recordings. These records relate both to events staged by the agency and to events staged by a contractor or vendor on behalf of the agency.</p>	<p>5 fiscal years after completion of contract or program/event, whichever is later, provided applicable audits have been released.</p>
<p>PUBLICATION PRODUCTION RECORDS</p> <p>This record series consists of records used to generate publications such as catalogs, pamphlets, leaflets, and other media items. The series may include, but is not limited to, rough, blue lined, camera-ready, and final copies, as well as illustrations (e.g., cropped photographs).</p>	<p>Retain until receipt of final, published copy.</p>

<p>PUBLIC RECORDS EXEMPT STATUS NOTIFICATIONS AND REDACTION REQUESTS</p> <p>This record series consists of written requests from individuals to agencies notifying them of personal information in public records that is exempt from public disclosure. The series may include, but is not limited to, notifications that an individual has exempt status under Sections 119.071 (general exemptions), 493.6122 (private investigative, private security, and repossession services), and 741.465 (domestic violence victims), Florida Statutes, and other applicable sections.</p>	<p>Retain until disposition of record(s) to which notification or request relates or until request is withdrawn or exemption no longer applies, whichever is sooner.</p>
<p>PURCHASING RECORDS</p> <p>This record series consists of copies of purchase orders which are retained by the originating office while another is sent to the Purchasing/Business Office and the appropriate vendor for action. The series may include, but is not limited to, copies of requisitions sent by the originating office to supply, purchasing, graphics, duplicating, or other sections for action; copies of receiving reports; and a log of outstanding and paid requisitions and purchase orders used for cross-referencing purposes.</p>	<p>5 fiscal years provided applicable audits have been released.</p>
<p>RECEIPT/REVENUE RECORDS: DETAIL</p> <p>This series consists of records documenting specific receipts/revenues collected by an agency through cash, checks, electronic fund transfers (EFT), credit and debit cards, or other methods. The series may include, but is not limited to, records such as cash collection records and reports, cash receipt books, cash register tapes, deposit/transfer slips, EFT notices, credit and debit card records, receipt ledgers, receipt journal transactions and vouchers, refund records, bad check records, and other accounts receivable and related documentation.</p>	<p>5 fiscal years provided applicable audits have been released.</p>
<p>RECEIPT/REVENUE RECORDS: SUMMARY</p> <p>This series consists of records providing summary or aggregate documentation of receipts/revenues collected by an agency. The series may include, but is not limited to, records such as trial balance reports, bank statements, credit and debit card reports, revenue reconciliations, collection balance sheets, and other accounts receivable summary and related documentation.</p>	<p>10 fiscal years provided applicable audits have been released.</p>
<p>RECORDS DISPOSITION DOCUMENTATION</p> <p>This record series documents each disposition of public records by an agency. Agencies are required to maintain internal documentation of records dispositions pursuant to Rule 1B-24.003(9)(d), F.A.C., which states in part that "For each record series being disposed of, agencies shall identify and document the following: 1. Records retention schedule number; 2. Item number; 3. Record series title; 4. Inclusive dates of the records; 5. Volume in cubic feet for paper records; for electronic records, record the number of bytes and/or records and/or files if known, or indicate that the disposed records were in electronic form; and 6.</p>	<p>Permanent.</p>

<p>Disposition action (manner of disposition) and date." Disposition may include either destruction of records or transfer of legal custodianship of the records to another agency.</p>	
<p>RECORDS MANAGEMENT COMPLIANCE STATEMENTS</p> <p>This record series consists of the agency's copy of records management compliance statements submitted annually to the Department of State, Records Management Program. The statements indicate the agency's compliance or non-compliance with Florida's public records management statutes and Florida Administrative Code rules, including documentation of the quantity of records dispositions and the agency's designated Records Management Liaison Officer. Compliance reporting is required pursuant to Rule 1B24.003(11), F.A.C., which requires that "Each agency shall submit to the Division, once a year, a signed statement attesting to the agency's compliance with records disposition laws, rules, and procedures."</p>	<p>1 fiscal year.</p>
<p>RECORDS RETENTION SCHEDULES: AGENCY SPECIFIC</p> <p>This record series consists of copies of records retention schedules approved by the Department of State, Records Management Program for records that are specific to an individual agency's programs and activities and are not covered by a general records retention schedule. Agency-specific retention schedules are established pursuant to Rule 1B24.003(1)-(8), F.A.C., s. 119.021(2)(a), Fla. Stat., and s. 257.36(6), Fla. Stat.</p>	<p>Permanent.</p>
<p>RECORDS RETRIEVAL/REFERENCE RECORDS</p> <p>This record series documents the retrieval and refile of records stored in a records management or archival facility. The series may include, but is not limited to, reference and records retrieval and refile requests/work orders and pull slips and/or "out cards." The records may indicate name of requesting party; specific records retrieved; date of retrieval and/or delivery to requesting party; by whom retrieved/delivered; date records returned/refiled and by whom; and any additional information, such as if anything was missing.</p>	<p>Retain until obsolete, superseded, or administrative value is lost.</p>
<p>RESOLUTIONS</p> <p>This record series consists of formal expressions of opinion, intention, or decision by a governing body concerning administrative matters before the governing body or relating to the governing body's areas of responsibility. These records may have archival value.</p>	<p>Permanent. State agencies should contact the State Archives of Florida for archival review after 5 years. Other agencies should ensure appropriate preservation of records.</p>
<p>RESOLUTIONS: SUPPORTING DOCUMENTS</p> <p>This record series consists of documentation used in formulating resolutions of a governing body. The documentation may include correspondence, memoranda, public requests, drafts and working papers, letters of support from civic and political bodies, and samples of similar resolutions from other bodies.</p>	<p>3 calendar years after date of resolution.</p>

<p>SECURITY SCREENING RECORDS</p> <p>This record series consists of records documenting security screenings/background checks conducted on individuals who are not employees or candidates for employment (for instance, vendors or couriers at ports, contractors who need site access, etc.). Records may include, but are not limited to, requests for and results of background and driver's license checks, fingerprints, copies of driver's licenses, and any other supporting documentation.</p>	<p>2 anniversary years after receiving results of screening or termination of individual's access and any litigation is resolved, whichever is later.</p>
<p>SIGNATURE AUTHORIZATION RECORDS</p> <p>This record series consists of forms authorizing individuals to sign purchase orders, credit cards/receipts, or paychecks, to accept packages requiring a signature, or to sign off on other types of agency business.</p>	<p>1 fiscal year after obsolete or superseded.</p>
<p>SUBJECT/REFERENCE FILES</p> <p>This record series may contain copies of correspondence, reports, memoranda, studies, articles, etc., regarding topics of interest to or addressed by an agency or program unit. These records may have archival value.</p>	<p>Retain until obsolete, superseded, or administrative value is lost. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>
<p>SUBPOENAS</p> <p>This record series consists of subpoenas served on an agency or employee to provide specified records and/or testimony.</p>	<p>1 anniversary year after compliance date specified in subpoena.</p>
<p>TELEPHONE CALL RECORDS</p> <p>This record series consists of documentation of long distance telephone calls, cellular phone calls, or facsimiles (faxes), maintained in order to reconcile with telephone service bills/invoices. The series does not include telephone messages.</p>	<p>1 fiscal year provided applicable audits have been released.</p>
<p>TRANSITORY MESSAGES</p> <p>This record series consists of records that are created primarily to communicate information of short-term value. Examples of transitory messages include, but are not limited to, e-mail messages or other communications reminding employees about scheduled meetings or appointments; telephone messages (whether in paper, voice mail, or other electronic form); announcements of office events such as holiday parties or group lunches; and recipient copies of announcements of agency-sponsored events such as exhibits, lectures, workshops, etc. Transitory messages are not intended to formalize or perpetuate knowledge and do not set policy, establish guidelines or procedures, certify a transaction, or become a receipt.</p>	<p>Retain until obsolete, superseded, or administrative value is lost.</p>

<p>TRAVEL RECORDS</p> <p>This record series consists of copies of travel vouchers and related records detailing expenses incurred during travel and the authorized per diem rate indicated or the amount of reimbursement based on the actual cost of lodging and meal allowances. Copies of supporting documents such as itineraries, etc. may also be included.</p>	<p>5 fiscal years provided applicable audits have been released.</p>
<p>UNCLAIMED PROPERTY RECORDS</p> <p>This record series consists of agency copies of the Report of Unclaimed Property submitted to the Department of Financial Services as required by s. 717.117, Fla. Stat., for the registration of unclaimed or abandoned tangible or intangible property. Section 717.1311(1), Fla. Stat., Disposition of Unclaimed Property – Retention of Records, requires agencies holding unclaimed or abandoned property to maintain records of the specific type of property, amount, name, and last known address of the owner for five years after the property becomes reportable.</p>	<p>5 anniversary years after the property becomes reportable.</p>
<p>VEHICLE ACCIDENT RECORDS</p> <p>This record series consists of all transportation accident reports, general correspondence, and property receipts concerning fatality or non-fatality accidents involving employees in an agency vehicle or in their own vehicle, including ground or water vehicles, during the course of agency business. The series includes information on vehicles involved, occupants, time, and circumstances. This record series is not the official law enforcement agency documentation of traffic accidents.</p>	<p>4 anniversary years provided applicable audits have been released.</p>
<p>VENDOR FILES</p> <p>This record series consists of records documenting services offered and/or provided by individual vendors. The series may include, but is not limited to, vendor background information; product/service and price lists; purchase/lease and payment histories; copies of invoices, purchase orders, and receiving reports; payment credit documentation; and other related records.</p>	<p>3 fiscal years provided applicable audits have been released.</p>
<p>WHISTLE BLOWER INVESTIGATIVE RECORDS</p> <p>This record series consists of complete case files of both substantiated and unsubstantiated formal and informal "Whistle Blower" cases investigated or released by the Office of the Inspector General of any agency. The record series includes, but is not limited to, witness statements; documentary evidence; notes filed by the person(s) filing the complaint (the Whistle Blower(s)), employees, witnesses, anonymous complainants, or others; complete case file history; letters; determinations; final reports; and executive summaries. Refer to ss. 14.32, 20.055, 112.3187-31895, and 119.07(6)(w), Fla. Stat. These records may have archival value.</p>	<p>5 anniversary years after case closed or conclusion of any litigation that may ensue provided applicable audits have been released. State agencies must contact the State Archives of Florida for archival review before disposition of records. Other agencies should ensure appropriate preservation of records determined to have long-term historical value.</p>

APPENDIX D

PART IV
HEALTH MAINTENANCE ORGANIZATION
CONSUMER ASSISTANCE PLAN

- 631.811 Short title.
- 631.812 Purpose; construction.
- 631.813 Application of part.
- 631.814 Definitions.
- 631.815 Florida Health Maintenance Organization Consumer Assistance Plan.
- 631.816 Board of directors.
- 631.817 Eligibility.
- 631.818 Powers and duties of the plan.
- 631.819 Assessments.
- 631.820 Plan of operation.
- 631.821 Powers and duties of the department.
- 631.822 Records of plan.
- 631.823 Examination of the plan; annual report.
- 631.824 Tax exemptions.
- 631.825 Immunity.
- 631.826 Extent of liability of plan.
- 631.827 Prohibited advertisement.
- 631.828 Assessments against member HMOs; income tax credit for assessments paid.

631.811 Short title.—This part may be cited as the “Florida Health Maintenance Organization Consumer Assistance Plan.”

History.—ss. 1, 23, ch. 88-388; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429.

631.812 Purpose; construction.—The purpose of this part is to protect the subscribers of HMOs, subject to certain limitations, against the failure of the HMO to perform its contractual obligations due to its insolvency. This part shall be liberally interpreted to carry out its purpose.

History.—ss. 1, 23, ch. 88-388; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429.

631.813 Application of part.—This part shall apply to HMO contractual obligations to residents of Florida by HMOs possessing a valid certificate of authority issued as provided by part I of chapter 641. The provisions of this part shall not apply to persons participating in medical assistance programs under the Medicaid program.

History.—ss. 1, 23, ch. 88-388; ss. 187, 188, ch. 91-108; s. 67, ch. 91-282; s. 4, ch. 91-429; s. 34, ch. 95-211; s. 1364, ch. 2003-261.

631.814 Definitions.—As used in this part, the term:

- (1) “Plan” means the Florida Health Maintenance Organization Consumer Assistance Plan created by this part.
- (2) “Board” means the board of directors of the plan.
- (3) “Contractual obligations” means any obligation under covered health care policies.
- (4) “Covered policy” means any policy or contract issued by an HMO for health care services.
- (5) “Date of insolvency” means the effective date of an order of liquidation entered by a court of competent jurisdiction.
- (6) “Health care services” means comprehensive health care services as defined in s. 641.19.
- (7) “HMO” means a health maintenance organization possessing a valid certificate of authority issued by the office pursuant to part I of chapter 641.
- (8) “Insolvent HMO” means an HMO against which an order of rehabilitation or liquidation has been entered by a court of competent jurisdiction, with the department appointed as receiver, even if such order has not become final by the exhaustion of appellate reviews.
- (9) “Person” means any individual, corporation, partnership, association, or voluntary organization.
- (10) “Subscriber” means any resident of this state who is enrolled for benefits provided by an HMO and who makes premium payments or for whom premium payments are made.

History.—ss. 1, 23, ch. 88-388; ss. 103, 187, 188, ch. 91-108; s. 4, ch. 91-429; s. 35, ch. 95-211; s. 1365, ch. 2003-261.

631.815 Florida Health Maintenance Organization Consumer Assistance Plan.—

There is created a nonprofit legal entity to be known as the Florida Health Maintenance Organization Consumer Assistance Plan. All HMOs shall be and must remain members of the plan as a condition of their authority to transact business in this state as an HMO. The plan shall perform its functions under the plan of operations established and approved under the provisions of this part and shall exercise its powers through a board of directors established under the provisions of this part. The plan shall come under the immediate supervision of the department and shall be subject to the applicable laws of this state, except it shall be excluded from the requirements of possessing a certificate of authority or a health care provider certificate as set forth in parts I and III of chapter 641, respectively.

History.—ss. 1, 23, ch. 88-388; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429; s. 36, ch. 95-211.

631.816 Board of directors.—(1) The board of directors of the plan shall consist of not less than five or more than nine persons serving terms as established in the plan of operation. The department shall approve and appoint to the board persons recommended by the member HMOs. In the event the department finds that any recommended person does not meet the qualifications for service on the board, the department shall request the

member HMOs to recommend another person. Each member shall serve for a 4-year term and may be reappointed, except that terms may be staggered as defined in the plan of operation. Vacancies on the board shall be filled for the remaining period of the term in the same manner as initial appointments. In determining voting rights, each HMO is entitled to vote on the basis of cumulative weighted voting based on the net written premium for non-Medicare and non-Medicaid policies.

(2) In appointing members to the board, the department shall consider, among other things, whether all member HMOs are fairly represented.

(3) Members of the board may be reimbursed from the assets of the plan for expenses incurred by them as members of the board of directors, but members of the board shall not otherwise be compensated by the plan for their services.

(4) The board of directors shall elect one of its members as chair.

(5) The board may contract with an administrator to carry out the provisions of this part; however, this shall not relieve the board of its duties and obligations under this part.

(6) The board shall collect assessments from all HMOs as set forth in this part.

History.—ss. 1, 23, ch. 88-388; ss. 104, 187, 188, ch. 91-108; s. 4, ch. 91-429; s. 415, ch. 97-102.

631.817 Eligibility.—(1) Except as provided in subsection (2), any person of this state who has lost their health care coverage provided in an HMO due to insolvency shall be eligible to obtain coverage as provided herein. Eligible persons include all persons who were eligible to receive health care services under that subscriber's contract with the HMO.

(2)(a) A person shall cease to be covered by the plan after the plan has provided \$300,000 in covered benefits for that person.

(b) A person shall cease to be covered by the plan upon failure to pay, or failure to have paid on their behalf, premiums as set by the board. Coverage shall cease following a reasonable grace period as set by the board.

(c) A person shall cease to be covered by the plan 6 months after the date of insolvency; however, if, at the time the plan's responsibility would otherwise cease under this paragraph, the person is under treatment for an injury that occurred or an illness that was diagnosed while the person was covered by the insolvent HMO or the plan, the plan shall remain responsible for treatment of such injury or illness until treatment has been completed or until the conditions specified in paragraph (a) or paragraph (b) have been met.

History.—ss. 1, 23, ch. 88-388; ss. 105, 187, 188, ch. 91-108; s. 5, ch. 91-110; s. 4, ch. 91-429.

631.818 Powers and duties of the plan.—(1) In the event that an HMO is insolvent, the plan shall:

(a) Guarantee, reinsure, assume, or provide coverage for or cause to be guaranteed, reinsured, assumed, or covered all of the subscriber contracts of the insolvent HMO subject to the terms and limitations provided in this part.

(b) Cover all services that would have been covered by the subscribers' contracts with the insolvent HMO during any period from the date of insolvency until the effective date

of the replacement coverage with another HMO or other entity that provides health care services or reimbursement or with a product determined by the plan and approved by the office.

(c) Defend any claim filed contrary to the provisions of s. 641.315 or s. 641.3154 against a subscriber of an insolvent HMO asserted by a health care provider for services covered by the HMO contract. In the event that a provider obtains a judgment despite the provisions of s. 641.315 or s. 641.3154, the plan shall pay the judgment. If a provider fails to obtain a judgment as to such claim, the plan shall be entitled to recover its reasonable costs and attorney's fees incurred in defending the claim.

(d) Levy and collect assessments from HMOs pursuant to s. 631.819.

(2) The plan may appoint one or more HMOs in the same geographical area as defined in s. 641.19 to provide health care services, subject to all of the following conditions:

(a) The plan must pay for the cost of all medical services provided by an HMO involuntarily appointed to provide services that exceed the amount of premium or contribution paid by the subscribers. Medical services cost may include a reasonable amount for administrative and other services as determined by the board.

(b) Once enrolled, an eligible subscriber may not be terminated from coverage by the HMO for a period of 6 months following the date of insolvency except for one of the following reasons:

1. Nonpayment of premiums.
2. Attainment of Medicare or Medicaid eligibility.
3. Nonresidency in the service area.
4. Abusive and disruptive behavior.
5. Fraud.
6. Termination of eligibility.

(c) The plan shall consider the premium, services, benefits, and exclusions to be provided to each eligible person in designating the contract of the appointed HMO to be used to provide services.

(d) Such coverage shall not exclude a preexisting condition not excluded by the policy of the insolvent HMO.

(3) If the plan fails to act within a reasonable period of time as provided in this section, the department shall have the powers and duties of the plan under this part.

(4) The plan may render assistance and advice to the department, at the department's request, concerning rehabilitation, payment of claims, continuance of coverage, or the performance of other contractual obligations of any HMO subject to a delinquency proceeding or a proceeding under 1s. 624.90.

(5) The plan shall have standing to appear before any court in this state which has jurisdiction over an insolvent HMO to which the plan is or may become obligated under this part. Such standing shall extend to all matters germane to the powers and duties of the plan, including, but not limited to, proposals for reinsuring or guaranteeing the covered policies of the insolvent HMO and the determination of the covered policies and contractual obligations.

(6) The plan may:

(a) Enter into such contracts or perform such other actions as are necessary or proper to carry out the provisions and purposes of this part.

(b) Sue or be sued, including the taking of any legal actions necessary or proper for the recovery of any unpaid assessments under this part.

(c) Borrow money to effect the purposes of this part. Any notes or other evidence of indebtedness of the plan not in default shall be legal investments for domestic insurers or HMOs and may be carried as admitted assets.

(d) Employ or retain such persons as are necessary to handle the financial transactions of the plan and to perform such other functions as become necessary or proper under this part.

(e) Negotiate and contract with any liquidator, rehabilitator, conservator, or ancillary receiver to carry out the powers and duties of the plan.

(f) Take such legal action as may be necessary to avoid payment of improper claims.

History.—ss. 1, 23, ch. 88-388; ss. 106, 187, 188, ch. 91-108; s. 4, ch. 91-429; s. 10, ch. 2000-252; s. 1366, ch. 2003-261.

1Note.—The referenced section does not exist.

631.819 Assessments.—(1) For the purposes of providing the funds necessary to carry out the powers and duties of the plan, the board of directors shall assess the member HMOs at such time and for such amounts as the board finds necessary. Assessments shall be due not less than 30 days after written notice to the member insurers.

(2) Assessments for funds to meet the requirements of the plan with respect to an insolvent HMO shall not be made until necessary to implement the purposes of this part. In order to carry out its duties and powers under this part, upon the insolvency of an HMO, the plan shall levy and collect assessments as follows:

(a) Each HMO, prior to receiving a certificate of authority after July 1, 1989, shall pay an assessment of \$25,000 to the plan.

(b) If the funds provided under paragraph (a) are insufficient to carry out the powers and duties of the plan, the plan shall levy an assessment directly against all HMOs.

(3) All assessments against HMOs shall be levied as a percentage of annual earned premium revenue for non-Medicare and non-Medicaid contracts. In no event may the plan assess in any calendar year more than 0.5 percent of each HMO's annual earned premium revenue for non-Medicare and non-Medicaid contracts.

(4) The plan may temporarily defer, in whole or in part, the assessment of a member HMO, if, in the opinion of the board, payment of the assessment would endanger the ability of the HMO to fulfill its contractual obligations.

(5) It shall be proper for any member HMO, in determining its premium rates, to consider the amount reasonably necessary to meet its assessment obligations under this part.

History.—ss. 1, 23, ch. 88-388; ss. 107, 187, 188, ch. 91-108; s. 4, ch. 91-429.

631.820 Plan of operation.—(1) The plan shall submit to the office a proposed plan of operation and any amendments thereto necessary or suitable to assure the fair, reasonable, and equitable administration of the plan. The proposed plan of operation and any amendments thereto shall become effective upon approval in writing by the office.

(2) All member HMOs shall comply with the approved plan of operation.

- (3) The plan of operation shall, in addition to requirements enumerated elsewhere in this part:
- (a) Establish procedures for handling the assets of the plan.
 - (b) Establish the amount and method of reimbursing members of the board of directors.
 - (c) Establish regular places and times for meetings of the board of directors.
 - (d) Establish procedures for keeping records of all financial transactions of the plan, its agents, and the board of directors.
 - (e) Establish procedures whereby selections for the board of directors shall be made and submitted to the department.
 - (f) Establish any additional procedures for assessments under this part.
 - (g) Contain additional provisions necessary or proper for the execution of the powers and duties of the plan.
- (4)(a) The plan of operation may provide that any or all powers and duties of the plan, except those under ss. 631.818(6)(b) and (c) and 631.819, are delegated to an administrator which may be a corporation, association, or other organization which performs or will perform functions similar to those of this plan, or its equivalent.
- (b) The board may select an administrator through a competitive bidding process to administer the plan. The board shall evaluate bids submitted under this subsection based on criteria established by the board, which criteria shall include:
- 1. The administrator's proven ability to manage large group health insurance plans and HMOs.
 - 2. The efficiency of the administrator's claims-paying procedures.
 - 3. An estimate of total charges for administering the plan.
 - 4. Any other reasonable factors as set by the board.
- (c) The administrator shall be reimbursed for any payments made on behalf of the plan and shall be paid for its performance of any function of the plan.
- (d) A delegation under this subsection shall take effect only with the approval of both the board of directors and the office and may be made only to an administrator which extends protection not substantially less favorable and effective than that provided by this part.
- History.—ss. 1, 23, ch. 88-388; ss. 108, 187, 188, ch. 91-108; s. 4, ch. 91-429; s. 1367, ch. 2003-261.

631.821 Powers and duties of the department.—(1) The office may suspend or revoke, after notice and hearing, the certificate of authority of a member HMO that fails to pay an assessment when due, fails to comply with the approved plan of operation of the plan, or fails either to timely comply with or to timely appeal pursuant to subsection (2) its appointment.

(2) Any action of the board of directors of the plan may be appealed to the office by any member HMO if such appeal is taken within 21 days of the action being appealed; however, the HMO must comply with such action pending exhaustion of appeal under 1s. 631.818(2). Any appeal shall be promptly determined by the office, and final action or order of the office shall be subject to judicial review in a court of competent jurisdiction.

(3) The department may require that the plan notify the subscriber of the insolvent HMO and any other interested parties of the determination of insolvency and of their

rights under this part. Such notification shall be by mail at their last known addresses, when available, but if sufficient information for notification by mail is not available, notice by publication in a newspaper of general circulation shall be sufficient.

(4) The office may revoke the designation of any servicing facility or administrator if it finds claims are being handled unsatisfactorily.

History.—ss. 1, 23, ch. 88-388; ss. 109, 187, 188, ch. 91-108; s. 4, ch. 91-429; s. 6, ch. 95-213; s. 1368, ch. 2003-261.

1Note.—Section 631.818(2) does not relate to appeals.

631.822 Records of plan.—Records shall be kept of all meetings of the board and transactions under which the plan or its representatives carry out the plan's powers and duties. Records of such meetings or transactions shall be made public upon the termination of a liquidation, rehabilitation, or revocation proceeding involving the insolvent HMO.

History.—ss. 1, 23, ch. 88-388; ss. 110, 187, 188, ch. 91-108; s. 4, ch. 91-429.

631.823 Examination of the plan; annual report.—The plan shall be subject to examination and regulation by the office. The board of directors shall submit to the office and the department, not later than May 1 of each year, a financial report for the preceding calendar year in a form approved by the commission and a report of its activities during the preceding calendar year.

History.—ss. 1, 23, ch. 88-388; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429; s. 1369, ch. 2003-261.

631.824 Tax exemptions.—The plan shall be exempt from payment of all fees and all taxes levied by this state or any of its subdivisions, except taxes levied on real property.

History.—ss. 1, 23, ch. 88-388; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429.

631.825 Immunity.—There shall be no liability on the part of, and no cause of action of any nature shall arise against, any member HMO or its agents or employees, the plan or its agents or employees, members of the board of directors, the Chief Financial Officer, or the department or office or their representatives for any action taken by them in the performance of their powers and duties under this part.

History.—ss. 1, 23, ch. 88-388; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429; s. 1370, ch. 2003-261.

631.826 Extent of liability of plan.—For the purpose of carrying out its obligations under this part, the plan shall be deemed to be a priority creditor of the insolvent HMO. Assets of the insolvent HMO shall be used to continue all covered policies of the insolvent HMO as permitted by this part, to the extent such assets are available. If an HMO is rehabilitated, the HMO shall repay to the plan such funds expended by the association for or on behalf of that HMO, together with interest at 12 percent per year. Such repayment terms shall be as reasonably set by the board.

History.—ss. 1, 23, ch. 88-388; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429.

631.827 Prohibited advertisement.—No person, including an HMO, agent, or affiliate of an HMO shall make, publish, disseminate, circulate, or place before the public, or cause, directly or indirectly, to be made, published, disseminated, circulated, or placed before the public, in any newspaper, magazine, or other publication, or in the form of a notice, circular, pamphlet, letter, or poster, or over any radio station or television station, or in any other way, any advertisement, announcement, or statement which uses the existence of the Health Maintenance Organization Consumer Assistance Plan of this state for the purpose of solicitation of subscribers in health maintenance organizations; provided, however, that this section shall not apply to the Florida Health Maintenance Organization Consumer Assistance Plan.

History.—ss. 1, 23, ch. 88-388; ss. 187, 188, ch. 91-108; s. 4, ch. 91-429.

631.828 Assessments against member HMOs; income tax credit for assessments paid.—Any provisions of the law to the contrary notwithstanding, a member HMO may offset against its corporate income tax liability or other liabilities, on an individual or consolidated basis, as applicable, any assessment described in s. 631.819 to the extent of 20 percent of the amount of such assessment for each of the 5 calendar years following the year in which such assessment was paid.

History.—ss. 1, 23, ch. 88-388; ss. 184, 187, 188, ch. 91-108; s. 4, ch. 91-429.

APPENDIX E

**FLORIDA HEALTH MAINTENANCE ORGANIZATION
CONSUMER ASSISTANCE PLAN**

**PLAN OF OPERATION
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**FLORIDA HEALTH MAINTENANCE ORGANIZATION
CONSUMER ASSISTANCE PLAN**

PLAN OF OPERATION

AS RESTATED ON September 26, 2011

ARTICLE I.

Purpose

The Florida Health Maintenance Organization Consumer Assistance Plan, ("HMOCAP" or "Plan") was established in accordance with the provisions of Part IV of Section 631, Florida Statutes, to protect the subscribers of HMOs, subject to certain limitations, against the failure of the HMO to perform its contractual obligations due to its insolvency.

This Plan of Operation is adopted to set forth to establish the structure, function, procedures and authority of the Plan). This Plan of Operation, and any amendments thereto, shall become effective upon written approval of the Florida Office of Insurance Regulation, hereinafter referred to as the "Office", as provided in Section 631.820(1), Florida Statutes, or in this Article.

ARTICLE II.

Definitions

As used in this Plan of Operation, unless context clearly requires otherwise, terms shall have the meaning ascribed to them in Section 631.814, Florida Statutes; and,

"Department" means Department of Financial Services.

"Member" means an HMO possessing a valid certificate of authority.

"Meeting" means either the Annual meeting or any other regular, emergency, or telephonic meeting of the Board of Directors conducted pursuant to proper notice as required under Article V.

"Office" means Florida Office of Insurance Regulation.

**ARTICLE III.
Membership**

Every HMO with a Certificate of Authority in Florida shall automatically be a member of the HMOCAP. An HMO that no longer holds a Certificate of Authority shall automatically cease to be a member of the HMOCAP effective as of the date it ceases to maintain a certificate of authority to do business as an HMO in this state. However, the HMO shall remain liable for any past, present or future assessments by the HMOCAP with respect to the years during which the HMO reports earned premium revenue.

**ARTICLE IV.
Board of Directors**

Section 1. Directors and Their Term of Office: The business of the Florida Health Maintenance Organization Consumer Assistance Plan, hereinafter referred to as the "Plan", shall be managed by a Board of Directors, which shall be established in accordance with the provisions of Section 631.816, Florida Statutes. The Board of Directors of the Plan shall consist of not less than five (5) or more than nine (9) persons. Each person appointed to the Board shall serve a 4-year term that shall expire as soon after the appropriate annual meeting as newly recommended members may be appointed by the Department. Board terms shall be staggered so that, if possible, an equal number of Board members are reappointed each year over a four-year period. Any Board member shall be eligible for reappointment.

Section 2. Appointment of Directors: At the annual meeting the Board shall conduct the election of Directors to fill any existing vacancies. Nominations shall be as provided in Sections 5 and 7, below. Voting shall be as provided in Section 6, below. The Plan Manager shall provide the nominations to the Department for review. The Member HMOs, through the Plan Manager, shall recommend the persons elected to serve on the Board of Directors to the Department. The Department shall approve and appoint to the Board persons recommended by such member HMOs, unless the Department finds that a recommended person does not meet the qualifications specified by statute for service on the Board. In such event, the Department shall request the member HMOs to recommend another person. In appointing members to the Board, the Department shall consider, among other things, whether all member HMOs are fairly represented. Member HMOs belonging to affiliated groups or under common ownership or control shall not hold more than one membership on the Board of Directors.

Section 3. Removal of Directors: The failure of any Board member to satisfactorily perform the duties set forth in Section 631, Part IV, Florida Statutes, may result in his or her removal by the Department, whenever, in its judgment, such action would serve the best interests of the Plan. Removal of any Board member may also be recommended by a

majority of the remaining Board members and submitted to the Department for final approval.

Section 4. Resignation of Directors: Any member of the Board of Directors shall be considered as having resigned from the Board should the individual no longer represent the member HMO by whom the Board member was employed at the time of appointment. A Board member shall also be considered as having resigned from the Board when the Department petitions for the appointment of a receiver of the member HMO by whom the Board member was employed at the time of appointment. A Board member shall be considered as suspended, or excluded from participating for purposes of a quorum, if the member HMO by whom the Board member is employed, is under an Order of Administrative Supervision by the Department. Resignations for other reasons should be submitted to the Board of Directors no later than ten (10) days prior to the effective date of such resignations.

Section 5. Expired Term Vacancies: The Board shall provide a written notice to all member HMOs, and the Department, of the pending expiration of any Board member's term of office at least sixty (60) days prior to the expiration of the term of office. Member HMOs shall submit the name and resume of any person they would recommend for service on the Board to the Plan Manager within fourteen (14) days of receipt of the written notice. The Plan Manager shall forward immediately the names and resumes to the Department, which shall review those persons submitted to determine qualification for service and develop a slate of nominees. The slate, when considered with those directors continuing to serve unexpired terms, shall fairly represent all member HMOs. Once such a slate is developed, the Plan Manager shall forward the slate and ballots to each Member HMO no later than seven (7) days before the Annual Meeting. Each Member HMO shall be entitled to vote, as set out in Section 6., and shall forward its ballot to the Plan Manager before the Annual Meeting. The Plan Manager and the Board shall provide the results of the voting and the ballots to the Department for review. The Department shall then approve and appoint to the Board a person recommended by member HMOs as provided by Section 631. 816, Florida Statutes, to fill the expired term vacancy.

Section 6. Voting Rights: As provided by Section 631.816 (1), Florida Statutes, in determining the voting rights, each member HMO is entitled to vote on the basis of cumulative weighted voting based on the net written premium for non-Medicare and non-Medicaid policies, as evidenced by the most recent annual filing with the Office.

Section 7. Mid-Term Vacancies: In the event of a vacancy occurring on the Board of Directors, the remaining Directors, shall provide a written notice to all member HMOs, and the Department, of the vacancy, within fourteen (14) days of the occurrence of the vacancy. Member HMOs shall submit the names and resumes of any persons they would recommend for service on the Board, to the Plan Manager within fourteen (14) days of receipt of the notice of vacancy. The Plan Manager shall forward immediately the names and resumes to the Department, which shall develop a slate of nominees. The slate, when considered with those directors continuing to serve unexpired terms, shall fairly represent all member HMOs. Once such a slate is developed, the Plan Manager shall forward the slate and ballots to each Member HMO. Voting shall be as set out in Section 6. All ballots must be

returned to the Plan Manager within fourteen (14) days of receipt. The Plan Manager shall compile and provide the results of the voting and the ballots to the Department for review. The Member HMOs, through the Plan Manager, shall recommend the persons so elected to serve on the Board of Directors to the Department. The Department shall approve and appoint to the Board such persons recommended by member HMOs as provided by Section 631. 816, Florida Statutes, to fill the expired term vacancies.

Section 8. Compensation: Members of the Board of Directors may be reimbursed from the assets of the Plan for expenses incurred by them in carrying out the purposes of the Plan, but shall not otherwise be compensated by the Plan for their services. Such reimbursement shall be limited to the amount of actual expenses reasonably and necessarily incurred by Board members to perform their duties as Directors, subject to guidelines as to reasonableness and necessity, which may be promulgated by the Board.

ARTICLE V. Meetings

Section 1. Annual Meeting of the Directors: An annual meeting of the Board shall be held at such time and place established by the Board on the second Wednesday in May of each calendar year, or on such other date as the Board designates upon thirty (30) days notice to the members. At each annual meeting, or at such other time as established by the Board at the annual meeting, the Board shall:

- (i) Review the Plan of Operation and submit proposed amendments, if any, to the Office for approval.
- (ii) Review each existing contract or agreement, if any, and make necessary or desirable corrections, improvements or additions.
- (iii) Review the Investment Policy and make necessary amendments, if deemed necessary.
- (iv) Review, consider and act on any other matters deemed by it to be necessary and proper for the administration of the Plan.

Section 2. Meetings of Directors: Regular meetings of Directors of the Board may be called by the Chairman and shall be called upon request of any three (3) Board members. Not less than five (5) days notice shall be given to each Board member and the Department and the Office of the time, place and purpose or purposes of any such regular meeting. If the Chairman or three (3) Board members determine that an emergency meeting is advisable, an emergency meeting may be held upon less than five (5) days notice, so long as each Board member and the Department and the Office are given notice as early as is reasonably possible and no Board member, nor the Department or the Office, objects to such meeting. The notice must include a copy of the agenda and copies of all materials to be discussed. Any action

approved by the required number of Board members at such regular meeting shall be as valid a Board action as though authorized at an annual meeting of the Board.

Section 3. Quorum: At any meeting of the Board of Directors, each member of the Board shall have one vote. A majority of the Board, not including any vacancies, shall constitute a quorum for the transaction of business and the acts of the majority of the Board members present and voting at a meeting at which a quorum is present shall be the acts of the Board; except that an affirmative vote of a majority of the full Board is required to:

- (i) Levy an assessment or provide for a deferment or assessment adjustment; or
- (ii) Borrow money; or
- (iii) Approve reinsurance contracts; or
- (v) Designate a Plan administrator as provided for in Section 631.820(4)(a), Florida Statutes.
- (vi) Recommend proposed amendments to this Plan of Operation.

Section 4. Participation of Directors by Means of Communications Equipment: Members of the Board of Directors or a Committee thereof may participate in a meeting of the Board or Committee by means of a conference telephone or similar communications equipment by which all persons participating in the meeting can hear each other at the same time. Participation by such means shall constitute presence in person at any such meeting. Notice of the time and manner of such a meeting may be given orally, in writing (including e-mail), or by telephone to the office, residence, or normal place of work of each Director, committee member, the Department, the Office or other person at least five (5) days prior to the time of such telephonic meeting, and such notice shall be sufficient for all purposes.

ARTICLE VI. Officers

Section 1. Officers Enumerated: The Board of Directors shall elect a Chairman, Vice Chairman, and Secretary/Treasurer to serve as Officers of the Plan. The Officers shall perform the duties prescribed by the Board of Directors.

Section 2. Other Officers: The Board may appoint such other officers as it shall determine, who shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors.

Section 3. Term of Office: The Board members elected to office shall serve two (2) year terms. Board members shall hold office until their successors are elected or appointed, and have qualified. Any officer may be removed with or without cause at any time by the

affirmative vote of a majority of the Board of Directors at any duly called regular meeting of the Board of Directors, unless contrary to any other provision of this Plan.

Section 4. The Chairman: The Chairman shall be the chief executive officer of the Plan. The Chairman shall preside at all meetings of the Board of Directors and of the Executive Committee, except where otherwise provided by law or this Plan of Operation. The Chairman shall have the general powers and duties of supervision and management of the Plan, which usually pertain to that office and shall perform all such other duties as are properly required of the Chairman by the Board of Directors.

Section 5. The Vice Chairman: The Vice Chairman shall have such powers and perform such duties as usually pertain to such office or as are properly required of the Vice Chairman by the Board of Directors. In the absence or disability of the Chairman, the Vice Chairman shall perform the duties and exercise the powers of the Chairman. The Vice Chairman shall in addition perform any duties that may be assigned by the Board of Directors.

Section 6. The Secretary/Treasurer: The Secretary/Treasurer shall sign such instruments as require the Secretary/Treasurer's signature, and shall perform such other duties as usually pertain to that office or as are properly required of the Secretary/Treasurer by the Board of Directors.

Section 7. Delegation of Duties: In case of the absence or inability of any officer to act in that officer's place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer or any Director.

Section 8. Vacancies: Vacancies in any office arising from any cause may be filled by the Board of Directors at any annual or regular meeting.

ARTICLE VII. Committees

Section 1. Committees and Appointments: The Chairman of the Board may appoint such Committees as he deems appropriate for the purpose of preparing advice or recommendations to him or to the Board. The Board may also appoint such Committees from its membership as it deems appropriate. The Board may delegate to such Committees such powers as it deems appropriate where not in conflict with this Plan of Operation or law, to take actions on behalf of the Board, to make recommendations to the Board, or to take actions which are conditioned upon giving notice to the Board and allowing any Board member to request that such action be deferred to the entire Board.

Section 2. Executive Committee: The Executive Committee of the Board of Directors shall consist of the Chairman, Vice Chairman, and the Secretary/Treasurer. The Chairman of the Plan shall preside at meetings of the Executive Committee. The Executive Committee shall have power to conduct the business and affairs of the Plan between

meetings of the Board of Directors, provided, however, that an accurate report of all its actions be properly recorded and reported to the Board of Directors at the next meeting thereof.

Section 3. Investment Advisory Committee: There shall be a standing Investment Advisory Committee, which shall consist of the Chairman, Vice Chairman and Secretary/Treasurer of the Board of Directors, and the Plan Manager. The Investment Committee shall develop investment guidelines for the Plan, which shall be submitted to the Board of Directors for approval, and to the Office for final approval. The Investment Committee shall oversee the Plan's implementation and operation of the investment guidelines. Such Committee shall periodically review the Plan's financial statements and consider investment opportunities available to the Plan for the purpose of recommending investment actions to the Board of Directors. Meetings of the Investment Advisory Committee may be held in conjunction with any annual or regular meeting of the Board of Directors. A majority of the members of the Investment Advisory Committee may act for the Committee.

ARTICLE VIII. Assessments

Section 1. Levying of Assessments: The Board shall assess member HMOs pursuant to Section 631.819, Florida Statutes, at such time and for such amounts as the Board finds necessary to implement the purposes of the Plan. In no event shall assessments exceed, within a calendar year, .5% of each member HMO's annual earned premium revenue for non-Medicare and non-Medicaid contracts as determined by the most current audited annual report available to the Department. A member HMO's federal employee premiums are not subject to assessment under this section.

Section 2. Notice of Assessments: The Board of Directors shall give each member HMO written notice of the amount and due date of each assessment levied, as determined by the Board. In no event shall such assessment be due less than 30 days after such written notice is given to the member HMOs.

Section 3. Assessment Protest and Appeals: Any assessment protest must be filed with the Board within twenty one (21) days of receipt of the notice of assessment. The Board shall have thirty (30) days to review and rule on each protest. The Board of Directors shall issue a written ruling on each protest. Such ruling may be appealed to the Office by the protesting member HMO, if such appeal is taken within 21 days of the ruling being appealed; however, the HMO must pay the assessment pursuant to the Board ruling pending exhaustion of appeal. Any appeal shall be promptly determined by the Office, and final action or order of the Office shall be subject to judicial review in a court of competent jurisdiction.

Section 4. Use of Assessment Monies: The Board does not intend to accumulate funds, but rather to ensure that adequate funds are available to pay the cost of any insolvencies. If the total of amounts assessed exceeds the cost associated with a particular insolvency, such excess will remain in Fund Balance of the HMOCAP, to be used for the

cost of operations or future insolvencies, unless the Board determines that a refund of some or all of the excess is appropriate. If a refund is deemed appropriate, the Board shall use its discretion in determining how the refund shall be made. Any refund proposed by the Board shall require Office review and approval.

Section 5. Unpaid Assessments: In the event of the failure of a HMO through insolvency or otherwise to pay any assessment, the unpaid assessment shall be paid by the remaining HMOs, each contributing a proportionate share of the unpaid assessment in accordance with the provisions of this Plan

Section 6. Alternative Funding: The Board may, to the extent it deems prudent, limit the frequency of assessments related to a particular calendar year through the use of a line of credit or other borrowing to meet the cash needs of the Plan.

Section 7. Deferment of Assessments: The Plan may temporarily defer, in whole or in part, the assessment of a member HMO, if, in the opinion of the Board, payment of the assessment would endanger the ability of the HMO to fulfill its contractual obligations.

ARTICLE IX. Powers and Duties of the HMOCAP

In the event that an HMO is insolvent, the Board of Directors shall implement the powers and perform the necessary duties specified in Section 631.818, Florida Statutes.

Section 1. Mandatory Powers and Duties: The Board of Directors shall:

- (i) Levy and collect assessments from all HMOs, as set forth in Article VII herein and Section 631.819, Florida Statutes.
- (ii) Have standing to appear before any court in the State of Florida which has jurisdiction over an insolvent HMO to which the Plan is or may become obligated. Such standing shall extend to all matters germane to the powers and duties of the Plan, including, but not limited to, proposals for reinsuring or guaranteeing the covered policies and contractual obligations.
- (iii) Guarantee, reinsure, assume, or provide coverage for or cause to be guaranteed, reinsured, assumed, or covered all of the subscriber contracts of the insolvent HMO subject to the terms and limitations provided in Chapter 631, Part IV, Florida Statutes.
- (iv) So long as a subscriber remains eligible, pursuant to Section 631.817, Florida Statutes, cover all services that would have been covered by the subscribers' contracts with the insolvent HMO during any period from the date of insolvency until the effective date of the replacement

coverage with another HMO or other entity that provides health care services or reimbursement or with a product determined by the Plan and approved by the Office. In the event that the Plan provides any of the coverages mentioned in this subsection (iv) to a subscriber, such coverages shall be provided pursuant to the terms provided in the HMO Assumption Plan (Article X).

- (v) Defend any claim filed contrary to the provisions of Section 641.315 against a subscriber of an insolvent HMO asserted by a health care provider for services covered by the HMO contract. In the event that a provider obtains a judgment despite the provisions of Section 641.315, the Plan shall pay the judgment. If a provider fails to obtain a judgment as to such claim, the Plan shall be entitled to recover its reasonable costs and attorney's fees incurred in defending the claim.
- (vi) Review the revenues and operating expenses of the Plan for the prior period and approve a prospective budget for the next calendar year.
- (vii) Promulgate Policy and Procedure guidelines for the HMOCAP Board and Staff. Said guidelines shall include a record retention policy.

Section 2. Permissive Powers and Duties: Pursuant to the HMO Assumption Plan (Article X), the Plan may:

- (i) Appoint one or more HMOs in the same geographical area as defined in Section 641.19 to provide health care services to eligible subscribers, as defined in Section 631.817, provided that:
 - (a) The Plan pays for the aggregate cost of all medical services provided by an HMO involuntarily appointed to provide services that exceed the aggregate amount of premium or contribution paid by the subscribers. Medical services cost may include a reasonable amount for administrative and other services as determined by the Board.
 - (b) Once enrolled, an eligible subscriber may not be terminated from coverage by the HMO for a period of 6 months following the date of insolvency except for one of the following reasons:
 1. Nonpayment of premiums.
 2. Attainment of Medicare or Medicaid eligibility.
 3. Non-residency in the service area.

4. Abusive and disruptive behavior.

5. Fraud.

6. Termination of eligibility.

- (c) The Plan may ensure that the premium, services, benefits, and exclusions provided to each eligible person are substantially similar to those provided by the contract with the insolvent carrier.
 - (d) Such coverage shall not exclude a preexisting condition not excluded by the policy of the insolvent HMO.
- (ii) Render assistance and advice to the Department, at the Department's request, concerning the rehabilitation, payment of claims, continuance of coverage, or performance of other contractual obligations of any insolvent HMO;
 - (iii) Enter into such contracts as are necessary or proper to carry out the provisions and purposes of the Plan;
 - (iv) Take legal actions necessary or proper for the recovery of any unpaid assessments under the Plan;
 - (v) Borrow money to effect the purposes of the Plan;
 - (vi) Contract with an administrator to carry out any or all powers and duties of the plan, except those under Sections 631.818(6)(b) and (c) and 631.819, Florida Statutes. Such administrator may be a corporation, association, or other organization, which performs or will perform functions similar to those of the Plan, or its equivalent. Such an agreement shall not relieve the Board of its duties and obligations under this section. Any administrator hired, must be a licensed third party administrator (TPA) or insurance company in the State of Florida and be approved by the Office.
 - (vii) Employ, retain, or contract with such persons as are necessary to implement directives of the Board made pursuant to its statutorily imposed duties. Such persons may include a Plan Manager who would have such authority as is properly delegated to him by the Board, or an independent contractor to carry out any audits or reviews of providers, the administrator, or member HMO(s) as deemed appropriate by the Board;

- (viii) Negotiate and contract with any liquidator, rehabilitator, conservator, or ancillary receiver to carry out the powers and duties of the Plan;
- (ix) Take such legal action as may be necessary to avoid payment of improper claims; and
- (x) Authorize the Plan Manager to provide the advice and recommendations, adopted by the Board, to the Department, the Office and/or the State Legislature on proposed changes to the Plan of Operation and Section 631.820, Florida Statutes, to improve the effectiveness of the Plan.

Section 3. Other Powers: In addition to the foregoing powers, the Board shall have and exercise such other powers as may be reasonably necessary to implement its powers and responsibilities under the Plan.

ARTICLE X. ASSUMPTION PLAN

Section 1. Overview: Based on the facts and circumstances of each insolvency, the HMOCAP will adopt one or more of the following plans to provide continued coverage for subscribers of the insolvent HMO who are eligible subscribers, as defined by section 631.817, Florida Statutes. These plans may be modified, with the approval of the Department and the Office, to address the specific circumstances of an insolvent HMO. The first priority of the HMOCAP is to implement a plan that will provide permanent coverage to the subscribers of the insolvent HMO, if possible.

- i) Involuntary appointment of all HMOs that provide coverage in the market(s) and service areas of the insolvent HMO. If the Board involuntarily appoints all of the HMOs in the insolvent HMO's markets and service area, the appointed HMOs shall be required to provide permanent coverage to the assumed subscribers, and the HMOCAP would provide a loss guarantee to the appointed HMOs for the assumed subscribers for at least the first six months after the date of the insolvency, not to exceed \$300,000 in covered benefits per subscriber in accordance with section 631.817, Florida Statutes. The loss guarantee means that the HMOCAP would pay the amount of actual medical costs for the assumed subscribers during that period minus any premiums that were, or should have been, collected from or on behalf of the assumed subscribers during that period. If an HMO has notified the Office or the Agency for Health Care Administration that it is exiting a market or area, or if the Office determines that it is not in the best interests of the subscribers to be assumed by an HMO in a market or area, the HMO shall not be appointed to assume subscribers in that market or area.

- ii) Involuntary appointment of one or more HMOs that provide coverage in the market(s) and service areas of the insolvent HMO. If the Board determines that fewer than all of the eligible HMOs in an area should be appointed, then the appointed HMO(s) shall only be required to offer coverage to the appointed subscribers for the time that the HMOCAP is required to provide coverage pursuant to section 631.817, Florida Statutes. The HMOCAP shall provide a loss guarantee, as described above, to the appointed HMO(s). The HMOCAP may also pay a reasonable allocation for administrative expenses.
- iii) RFP/Negotiation to assume business. If the Board believes that it is appropriate to negotiate with one or more HMOs to assume the subscribers, or if the Board believes that the subscribers should be awarded to one or more HMOs through a bid process, the selected HMO(s) shall be required to provide permanent coverage to the assumed subscribers.
- iv) Coverage provided by HMOCAP. If the Board believes that it is appropriate to continue coverage directly to the subscribers through the use of an administrative entity such as a third party administrator, the HMOCAP will only be responsible for the period mandated by section 631.817, Florida Statutes. However, the HMOCAP will work with the Department and the Office to help the former subscribers of the insolvent HMO find permanent coverage.
- v) Any other plan, which fulfills the intent of the statute and is approved by the Department and the Office.

Section 2: Notice After a court enters a finding of insolvency; the HMOCAP will provide notice to all approved HMOs in the insolvent HMO's service area. This notice will inform the HMOs of the insolvency and request that carriers interested in providing coverage for the statutory period contact the Plan Manager immediately. Based upon the information provided by carriers wishing to voluntarily assume the membership, or portion of the membership, the Board, working with the Department and the Office, will determine which method will be used to continue coverage for the subscribers of the insolvent HMO.

Section 3: Effective Date of Coverage: If subscribers are assumed by or are assigned to another carrier, coverage with the new carrier will become effective on the first day of the month following the assignment of membership, or on another day such as the first day of a subsequent month as determined by the Board.

Section 4: Period of Coverage: The HMOCAP will provide coverage for the period from the date of insolvency until the (i) date the subscriber is moved to another carrier, (ii) the date the subscriber obtains coverage outside of the HMOCAP process, or (iii) the date the subscriber is no longer eligible for coverage pursuant to section 631.817, Florida Statutes.

Section 5: Commissions: The HMOCAP will not pay commissions

ARTICLE XI. Operations

Section 1. Official Address: The official address of the plan shall be the Florida Health Maintenance Organization Consumer Assistance Plan, c/o Bruce D. Platt, Akerman Senterfitt, 106 East College Avenue, Suite 1200, Tallahassee, FL 32301, unless otherwise designated by the Board of Directors. Notice of any change of address shall be provided to the Department and the Office not later than ten (10) days after becoming effective.

Section 2. Registered Agent: The Plan Manager, as appointed by the Board of Directors, shall be the registered agent for service of process.

Section 3. Cash and Investment Accounts: The Board may invest in such accounts and in such manner as is consistent with the investment guidelines developed and approved pursuant to Article VII, Section 3, of the Plan. Withdrawal and check writing authority as to such accounts shall be limited to persons designated by Board resolution. Such resolution shall specify the amounts, purposes, and procedures by which such designated persons may withdraw funds or issue checks.

Section 4. Accounting for Transactions: The Board will ensure that there is a proper accounting of the transactions of the HMOCAP. An audit of the books and records of the HMOCAP shall be performed annually by an independent auditor. The Board will ensure that a financial statement is filed with the Department no later than May 1, as required by Section 631.823, Florida Statutes.

Section 5. Custody of Other Assets: Other assets of the Plan shall be retained in the custody of the Board or its delegates, and shall be disposed of only in accordance with the resolution of the Board.

Article XII. Indemnification.

All persons, except the Department, the Office and their representatives, described in Section 631.825 Florida Statutes, shall be indemnified by the Plan for all expenses incurred in the defense of any action taken by him in the performance of his powers and duties under the Florida Health Maintenance Organization Consumer Assistance Plan Act, unless such person shall be finally adjudged to have committed a breach of duty involving gross negligence, bad faith, dishonesty, willful misfeasance or reckless disregard of the responsibilities of his office. In the event of adjudication, such indemnity shall be provided only if the Plan is advised by independent counsel that such person did not, in such counsel's opinion, commit such a breach of duty. The expense of such indemnification shall be assessed against member HMOs in accordance with Section 631.819, Florida Statutes. This Article is intended to operate as a supplement and additional safeguard to, and not in place of, the immunity granted by Section 631.825, Florida Statutes.

ARTICLE XIII.
Records of the Plan

Section 1. Maintenance of Records: Records shall be kept of all meetings of the Board and transactions undertaken in which the Plan or any of its representatives carry out the Plan's powers and duties. Records of meetings of the Board shall be maintained in the form of minutes which shall clearly state attendance and all actions taken by the Board and the recorded vote, abstentions or recusals of each Board member as to such actions. Such records shall also contain a summary of all matters discussed by the Board. Records of transactions and meetings as well as financial and other records of the Plan shall be maintained by the Board at its official address.

Section 2. Records Production: Pursuant to Section 631.822, Florida Statutes, records of transactions and portions of minutes of meetings pertaining to the financial status of a member HMO, or to a liquidation, rehabilitation, or revocation proceeding, shall be confidential to the Plan and to the Department and to the Office. Such records shall be made public only upon the termination of the liquidation, rehabilitation, or revocation proceeding.

ARTICLE XIV.
Conflict of Interest, Ethics

To ensure that the Plan and its Board are free from potential conflict or inappropriate behavior, the following guidelines for conduct of the Board members and all contractors, agents, and employees of the Plan are hereby adopted:

- (i) Each Board member, contractor, agent or employee shall have an affirmative duty to notify the Board and the Department if the member, contractor, agent or employee, or HMO that the Board member represents, has a potential conflict of interest. Each Board member, contractor, agent or employee shall, upon appointment, contracting or hiring and annually thereafter, sign a conflict of interest statement. Such statement form shall be approved by the Board.
- (ii) No Board member, contractor, agent, or employee, shall use their position to foster or facilitate any pecuniary gain for themselves, their member HMO(s), or any other entity in which the Board member, agent or employee, or the member HMO, has a substantial financial interest.
- (iii) No Board member, contractor, agent, or employee, shall use their position to secure or promote any business relationship from which they may derive a financial gain.
- (iv) All Board members, contractors, agents, and employees shall be subject to the following restrictions regarding the receipt of gifts:

- a. In connection with the conduct of official business, Board members, contractors, agents and employees may accept meals on a single calendar day (including cocktails parties, receptions and the like) having a value of less than one hundred dollars (\$100) from a person doing business with the HMOCAP or from any political committee or committee of continuous existence as defined by section 106.011, Florida Statutes; or from a lobbyist who lobbies the HMOCAP, or any partner, firm, employee or principal of such person, committee, or lobbyist. However, all such meals, snacks, candy, gum or other food, drink or tobacco product shall be reported to the Board and the Department within five (5) days of consumption unless the consumed item had an estimated value of less than twenty-five dollars (\$25).
- b. Souvenirs or mementos having a value of less than five dollars (\$5) may be accepted but only if they are given in connection with a meeting or function relating to official duties and responsibilities.
- c. The restrictions specified above are not intended to prohibit a contractor, agent or employee from accepting compensation from a client or employer with respect to services provided which are not in any way related to the business of the HMOCAP. This provision is not intended to relieve the contractor, agent or employee of the affirmative duty of disclosure provided in (i) above.
- d. The restrictions specified above are not intended to prohibit a Board member, contractor, agent or employee from receiving any type of compensation that the Board member, contractor, agent or employee might receive from his or her employer for the performance of his or her duties.
- (v) Board members shall avoid extravagant or excessive Board expenses.
- (vi) All travel reimbursements made by the Plan, shall be made pursuant to the rates set forth in Section 112.061 Florida Statutes.
- (vii) Each contractor, agent or employee shall have an affirmative duty to notify the Board and the Department if the member, contractor, agent or employee represents, in any capacity, any Member HMO or affiliated company.
- (viii) Neither the Plan Manager nor any member of the Board shall personally represent another person or entity for compensation before the Board for a period of two years following the vacation of the position, unless employed by an agency of state government.
- (ix) All contracts entered into for services after January 1, 2006, shall be accompanied by a disclosure form requiring the vendor to disclose any relationships, financial or otherwise, with the Plan Manager or member of the Board, and placing the

vendor on notice of the conflict of interest applicable to contractors, agents or employees of the Plan, including the limitation on gifts.

- (x) Any breach of conflict of interest, post-employment restrictions, other ethics policies or suspected fraud or compromise of public trust by the Plan Manager or members of the Board shall be reported by the Plan Manager to the Chair of the Board immediately upon discovery. If such breach constitutes potential criminal activity, the full circumstances shall also be reported by the Plan Manager to the Department of Financial Services, Division of Insurance Fraud within 48 hours of discovery.

ARTICLE XV. Notices

Whenever the provisions of the laws of the State of Florida or this Plan of Operation require notice to be given to any Director or officer, such provision shall not be construed to mean personal notice; unless specifically required by statute, such notice may be given in writing by depositing the same in a post office or letter box, in a postpaid sealed envelope, addressed to such Director or officer at that Director's or officer's address as the same appears upon the books of the Plan, and the time when the same shall be mailed shall be deemed to be the time of the giving of such notice. Such notice may also be given by telephone, facsimile, overnight delivery, or e-mail. The Department and the Office shall be provided with copies of any notice issued, including copies of the agenda and any materials to be discussed at least five (5) days prior to any meeting. This notice shall be delivered to those Department and Office employees specified by the Department and the Office. This period may be shortened or waived by the Department or by the Office, if circumstances require a shorter notice period

ARTICLE XVI. Amendments

This Plan of Operation may be amended by a majority of the entire Board of Directors at any annual or regular meeting of the Board where such proposed action has been incorporated into the notice. Any amendments shall be submitted to the Office for approval and are not effective unless, or until, approved.

ARTICLE XVII. Conformity to Statute

Florida Statutes, Section 631.811 through Section 631.828, Part IV, the Health Maintenance Organization Consumer Assistance Plan, as written, and as may be amended, is incorporated as part of this Plan of Operation, and this Plan of Operation shall be construed to be in conformity to the purposes of such statute.

Florida Health Maintenance Organization
Consumer Assistance Plan

The Plan of Operation adopted May 22, 1990, the revised Plan of Operation adopted March 11, 1992, and the amendments adopted by the Board of Directors on January 21, 1994 at Article 6A., on April 29, 1994 at Article 3A.6., on May 18, 1994 at Article 5D.8., Article 3A.8., Article 3B., on May 17, 1995 at Article 6A., on May 16, 1997 at Article 6A, Article 3A, on May 20, 1998 at Article 6A, on September 14, 2000, comprehensively on October 31, 2001, on December 15, 2005 at Article XI and Article XIV, on November 15, 2006 in Articles 1, 5, 7, 8, 9, 10, 11, 12, 13, 14 and 15, and on October 20, 2008 in Articles 2, Article 4.6, Article 9.2(i) and Article 11.1, on December 18, 2009, in Article IX.1, on September 20, 2010, in Articles VIII.1, IX.1.(iv), IX.2.(i), and X, on September 26, 2011, in Article X, are maintained by the Plan Manager, and have been engrossed into the above restatement of the Plan of Operations.

Chairman

Dated: _____