

Florida website aimed at the uninsured draws little interest



Tia Mitchell, Times/Herald Tallahassee Bureau

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TALLAHASSEE — Last year, legislators allocated \$900,000 to help Floridians find affordable health care through a new state-backed website.

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At the same time, they refused to expand Medicaid or work with the federal government to offer subsidized insurance plans.

Six months after the launch of the state's effort, called Florida Health Choices (floridahealthchoices.net), just 30 people have signed up.

Another seven plans were canceled either because consumers changed their minds or didn't pay for services.

These numbers are dwarfed by the nearly 764,000 Floridians who are too poor to afford subsidized plans, yet can't qualify for Medicaid under Florida's stringent standards. They are supposed to be the target market for Health Choices.

But Health Choices doesn't sell comprehensive health insurance to protect consumers from big-ticket costs such as hospitalization. Instead, it has limited benefit options and discount plans for items

like dental visits, prescription drugs and eyeglasses.

The plan's biggest backer in the Legislature blames the lack of business on the federal Affordable Care Act, which features comprehensive plans with varying subsidies for those who qualify.

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Six months after the launch of the state's effort, called Florida Health Choices (floridahealthchoices.net), just 30 people have signed up. Another seven plans were canceled either because consumers changed their minds or didn't pay for services. [Times]

"Obviously we wanted more (business), but the competition is giving it away for free," said state Sen. Aaron Bean, R-Fernandina Beach.

Florida Health Choices administrators acknowledge they are off to a slow start. Their strategy is to seek new products and partners, and find out more about what consumers want. They're even open to selling insurance for pets if it lures customers.

"We're going to continue to grow and learn about our users and enhance the platform," said chief executive officer Rose Naff.

Naff, who earns \$126,000 a year, is one of two paid employees; the other is a \$55,000-per-year administrative manager. The Florida Health Choices website costs another \$1,500 a month to maintain. Naff said most of the legislative appropriation has not been spent. In fact, they have about \$1 million on hand, thanks in part to extra money from a settlement agreement with the firm hired to build the site.

While working for the Florida site, Xerox State Healthcare faced widespread criticism for its failed attempt to build a health exchange in Nevada. Florida canceled Xerox's Health Choices contract.

A new vendor could be named as early as September when the Florida Health Choices board meets. Though the site has functioned well, avoiding the kind of shutdowns that initially plagued the federal site, chairman Durell Peaden said the cancellation of the Xerox contract was a setback.

"We've been available, but the slowdown has been in the technical aspect," said the former state senator, a Republican from the Panhandle.

Florida Health Choices was the vision of U.S. Sen. Marco Rubio back in 2008 when he was speaker of the state House. He believed the state should operate a website that allowed residents to purchase affordable insurance.

But the idea stalled, and then President Barack Obama's health care reforms created insurance exchanges, as well as subsidies to help people afford policies.

Florida refused to participate in creating the state's exchange, requiring residents to use the federal site. Legislators also declined another key part of the Affordable Care Act, expanding Medicaid for people who can't afford even subsidized insurance. The refusal is costing the state

\$51 billion in federal funds.

In an effort to compete, last year, Florida Health Choices decided to load its website with discount programs and other bare-bones coverages to attract people in the "coverage gap."

Asked whether Florida Health Choices was fulfilling Rubio's vision, his office would only say he did not approve of the federal Affordable Care Act.

Rubio's initial plan was for a comprehensive insurance marketplace similar to the federal exchange now in operation. The Florida Health Choices board later decided to market services to small businesses before changing course late last year and targeting consumers in the "gap."

The Health Choices site went live in March. Concerns about whether the site could handle the expected traffic caused Naff to delay a February launch.

Of the 30 policies currently active, 14 are prescription drug discount cards and another 12 are a dental and vision discount plan. The rest are plans offering discounted doctor visits and online support.

Prescription drug discount plans are controversial because they sometimes charge fees for the same savings consumers could get without them. A 2012 *Consumer Reports* study said discount plans made it difficult to comparison shop and many national retail chains offer their own steep discounts on common generic drugs.

If business doesn't pick up at Florida Health Choices, its future is uncertain. Bean secured a state allocation of \$900,000 in 2013 for the site, but another infusion of state dollars is unlikely.

"It's going to be an extremely tough sell to give them more money so I'm extremely optimistic that they're going to be self-sustaining before then," he said.

Critics of the site say Florida had the wrong idea all along. Instead of offering supplemental products to the uninsured, the state should focus its time and money on expanding Medicaid so people have meaningful health coverage, said Dr. Mona Mangat, a St. Petersburg allergist who is board chairman of Doctors for America.

"We can do better in Florida," she said. "We really can. If we just accept federal funds and expand Medicaid and do the right thing, we would be spending our dollars much more wisely."

Contact Tia Mitchell at (850) 224-7263 or tmitchell@tampabay.com. Follow @tbtia.

\$900K

Allocated by the Legislature to help Floridians find affordable health care coverage.

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Number of people who signed up, though 7 policies have been canceled.

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