Florida Health Insurance Advisory Board
Board of Directors Meeting Minutes
Friday, December 19, 2025, 3:00 PM
Via Teleconference
Tallahassee, FL

Board Members Present:

Alexis Bakofsky, Chair	Nathan Landsbaum	Bill Herrle
Eric Johnson	Robert Muszynski	Vickie Whaley
Seth Phelps	Karin Bailey	
Christina Lake	Rick Wallace	

Others Present:

- Jack McDermott, FHIAB Executive Director
- Christina Jackson, Deputy Director of Legal Affairs, Life & Health Product Review, Office of Insurance Regulation (OIR/Office)

I. Call to Order

Alexis Bakofsky (Deputy Commissioner – Life & Health, Office of Insurance Regulation), as the Chair, called the meeting to order around 3:00 pm, indicating the meeting was properly noticed to the public in accordance with Florida Law, and she mentioned the meeting is being recorded.

II. Roll Call

Jack McDermott conducted a roll call of members, noting the presence of a quorum.

III. Antitrust Statement

Christina Jackson was recognized to review the antitrust statement.

IV. Approval of Minutes, November 25, 2025

The Chair presented the minutes from the Board's November 25, 2025, meeting and asked for questions or comments. The Chair accepted a motion from Seth Phelps to approve the minutes, seconded by Nathan Landsbaum. The minutes were approved without changes.

V. Executive Director's Report

The Chair recognized the Executive Director for this report.

Review of Plan of Operation

The Executive Director began by discussing the Plan of Operation approved by the Office on October 17, 2016, provided to Board members in advance of the meeting. He did not have any recommended changes at this time and asked if anyone had any questions. Hearing none, he continued with the financial update.

Financial Update

The Executive Director reviewed the financial statements as of November 30, 2025. As of this date, the Board had Total Assets of over $48,000 for the two programs on a cash accounting basis, and he asserted the Board has enough money to sustain Board operations until collection of the next assessments.

2026 Budget and Assessment

The Executive Director stated the proposed budget is similar to last year's budget including money for legal fees (even though none were incurred last year). In addition, per request of the auditor, a three-month "cushion" was built into the budget to serve as a reserve.

Given the carry-over money from the prior year's budget, the Executive Director recommended collecting the same amount of money as the prior year -- $50,000 from the small group market, and $10,000 from the individual market.

Seth Phelps thanked the Executive Director for putting together the one-page document comparing last year's actual expenses to this year's proposed budget. The Chair accepted a motion from Rick Wallace to approve the budget and assessments, seconded by Nathan Landsbaum. The 2026 Budget and Assessments were approved without changes.

VI. Approval of 2024 Financial Audits

The Chair recognized Seth Phelps, Chair of the Audit Committee, to discuss the 2024 Financial Audits on behalf of the Audit Committee. Seth stated both audits were conducted by FHIAB's independent auditor, Purvis Gray. The audit committee unanimously approved the audits by written agreement. The auditors issued an unmodified, or "clean" opinion stating the financials accurately represented the financial status of the two programs in all material respects. There were no material weaknesses. There was a recommendation that was operational in nature, specifically a modernization of the accounting and recordkeeping, and the audit committee and management is aware of that recommendation. Seth asked the Board to approve the audit.

The Chair thanked Seth and the rest of the audit committee for their work. The Chair accepted a motion by Rick Wallace to approve the audits, which was seconded by Vickie Whaley. The audits were approved without changes.

VII. State of the Market Annual Report Approval

The Executive Director discussed the State of the Market Annual Report, which followed the prior year's report format. The data was as of December 31, 2024. He stated the data still shows effects from federal action, most notably the Medicaid Redetermination process that began April 2023 in Florida and ended April 2024.

Another factor influencing the data is the enhanced premium tax credits that began in 2021 following the passage of the American Rescue Plan and were extended in 2022 due to the passage of the Inflation Reduction Act of 2022. These enhanced credits are set to expire December 31, 2025.

In 2024 the individual market enrollment continued to have strong growth of 812,000 enrollees or 22%. The small group market declined again, this time nearly 44,000 enrollees or 11%. Meanwhile the data showed the large group market decreased 57,000 enrollees or 3% during 2024. Collectively the major medical health insurance market in Florida increased by 710,000 enrollees or 12% during 2024.

Additionally, the data still shows some "grandfathered" plans that existed prior to the implementation of the ACA, but they continue to decline. The percentage growth in enrollment for these markets largely tracked the premium growth percentages, with total earned premium increasing 28.6% for the individual market, 0.6% growth for the small group market, and premiums increasing 3.6% for the large group market.

The loss ratio (which is the direct losses incurred divided by the direct premium earned) increased "across-the-board" for all segments of the marketplace; the largest being for the large group market that experienced an overall loss ratio increase from 83.7% in 2023 to 88.3% in 2024. The Executive Director commented that rising loss ratios throughout the industry is generally not a good sign for the industry and could signal pressure to increase premiums if these trends continue.

The Chair accepted a motion from Nathan Landsbaum to approve the 2025 Market Report, which was seconded by Seth Phelps. The State of the Market Annual Report was approved without changes.

VIII. Discussion/Approval of Legislative Proposals for 2026

The Chair recognized Board Member Vickey Whaley to present her six legislative proposals. The Board approved three proposals.

<u>Proposal # 1: Deductible and Out-of-Pocket Carryover for Mid-Year Carrier Plan Changes</u>

Vickie stated this is similar to a proposal approved by the Board last year. However, one major change is the consumer would have to stay with the same carrier for this carryover. This change was intended to reduce or mitigate risk to the carrier. She did mention that if this were to apply to any insurance products on the federal marketplace, it would be subject to gaining approval of a federal waiver.

The Chair asked if any Board member had any questions or recommended changes. Hearing none, she asked for a motion; Vickie Whaley made the motion, Christina Lake seconded. The motion passed without objection.

<u>Proposal # 2: Expand Direct Payer Arrangements Using Technology Platforms</u>

Vickie stated these arrangements already exist today, but potentially need more clarity, definition, and oversight. This would create a statute giving the State of Florida regulatory authority to review these types of arrangements.

The Chair asked if any Board member had any questions or recommended changes. Hearing none, she asked for a motion; Vickie Whaley made the motion, Rick Wallace seconded. The motion passed without objection.

Proposal # 3: Expansion of Carrier Reporting Requirements to Improve Employer Access to Claims and Premium Data

Vickie stated she would like to "withdraw" this proposal so she could conduct further research on legal issues involving trade secret and ERISA issues with the idea of bringing it to the Board next year. She stated one issue is that employers are facing legal issues of fulfilling their fiduciary responsibilities on behalf of their employees and are having difficulty obtaining this information.

The Chair did state from an OIR perspective, the Office does have different data calls in the works to collect more information about the market and is actively looking at expanding some of the fields of data already collected. OIR does collect some of the information mentioned in the proposal currently, and OIR looks forward to sharing the Office's work in this area to see if there is any overlap with this proposal. Vickie Whaley said she would appreciate that.

Proposal # 4: Underwriting Transparency Requirements for Health Insurance Carriers

Vickie stated she would like to "withdraw" this proposal as well so she could conduct further research on legal issues involving trade secret and ERISA issues with the idea of bringing it to the Board next year. She did state this proposal is being motivated by the fiduciary responsibilities of employers to assist their employees and the need to obtain additional information about the underwriting process.

The Chair asked for any feedback at this time. Hearing none, the Chair encouraged Board members to contact the Executive Director to act as point of contact for this feedback which will be passed along to Vickie Whaley.

Proposal # 5: Expanding After-Hours Access for Medicaid Participants Through Technology-Enabled Concierge and Direct-Payer Care Models

Vickie stated this proposal is to allow AHCA (Agency for Health Care Administration) to have statutory authority to review these types of technology programs that could be introduced over the next few years. She did discuss current developments at the federal level (the ACCESS program), and in other states regarding this proposal.

The Chair asked if any Board member had any questions or recommended changes. Hearing none, she asked for a motion; Vickie Whaley made the motion, but there was no second, so this proposal did not pass as it could not move to a vote.

Proposal # 6: Expansion of Pharmacy Benefit Manager Reporting Requirements to Employer Plan Sponsors

Vickie stated this is intended to expand on the current legislation to give employers more information about the fees and costs.

The Chair asked if any Board member had any questions or recommended changes. Hearing none, she asked for a motion; Vickie Whaley made the motion, Nathan Landsbaum seconded. The motion passed without objection.

The Chair than asked the Executive Director to finalize the Board's approved Legislative recommendations, specifically proposals # 1, # 2, and # 6, and to send a letter on behalf of the Board to the Florida Insurance Commissioner, the Florida Senate President, and the Florida Speaker of the House.

IX. Other Business

The Chair asked if any Board members had other business. No Board member responded.

X. Public Comment

The Chair asked if any member of the public wanted to comment.

Elias Makere from Jacksonville, Florida, stated that he was unable to download the current agenda from the website. The Chair stated they would double-check the website, and he can reach out to the Executive Director at fhiab2022@gmail.com to get the link or a PDF copy of the agenda.

XI. Adjourn

The Chair thanked everyone who participated and wished everyone happy holidays. Having completed the agenda, the Chair adjourned the meeting.

Jack McDermott 08/25/2026

Prepared by: Jack McDermott, Executive Director Approved by Board