By Senator Peaden

2-1444-06 See HB

1 A bill to be entitled 2 An act relating to the Florida Healthy Kids 3 Corporation Act; amending s. 624.91, F.S.; 4 removing a limitation on eligibility for 5 state-funded assistance in paying Florida 6 Healthy Kids premiums; revising the date by 7 which the corporation must provide certain notification of the local match amount to be 8 9 remitted for the following year; revising basis 10 for calculation of a county's local match contribution; amending s. 409.814, F.S.; 11 12 conforming a cross-reference; providing an 13 effective date. 14 Be It Enacted by the Legislature of the State of Florida: 15 16 17 Section 1. Subsections (5) through (8) of section 624.91, Florida Statutes, are renumbered as subsections (4) 18 through (7), respectively, and present subsections (3) and (5) 19 of that section are amended to read: 2.0 21 624.91 The Florida Healthy Kids Corporation Act. --22 (3) ELIGIBILITY FOR STATE FUNDED ASSISTANCE. Only the 23 following individuals are eligible for state funded assistance in paying Florida Healthy Kids premiums: 2.4 (a) Residents of this state who are eligible for the 25 26 Florida KidCare program pursuant to s. 409.814. 27 (b) Notwithstanding s. 409.814, legal aliens who are 2.8 enrolled in the Florida Healthy Kids program as of January 31, 2004, who do not qualify for Title XXI federal funds because 29 30 they are not qualified aliens as defined in s. 409.811. 31

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(c) Notwithstanding s. 409.814, individuals who have attained the age of 19 as of March 31, 2004, who were receiving Florida Healthy Kids benefits prior to the enactment of the Florida KidCare program. This paragraph shall be repealed March 31, 2005.

(d) Notwithstanding s. 409.814, state employee dependents who were enrolled in the Florida Healthy Kids program as of January 31, 2004. Such individuals shall remain eligible until January 1, 2005.

(4)(5) CORPORATION AUTHORIZATION, DUTIES, POWERS.--

- (b) The Florida Healthy Kids Corporation shall:
- 1. Arrange for the collection of any family, local contributions, or employer payment or premium, in an amount to be determined by the board of directors, to provide for payment of premiums for comprehensive insurance coverage and for the actual or estimated administrative expenses.
- 2. Arrange for the collection of any voluntary contributions to provide for payment of premiums for children who are not eligible for medical assistance under Title XXI of the Social Security Act. Each fiscal year, the corporation shall establish a local match policy for the enrollment of non Title XXI eligible children in the Healthy Kids program. By June May 1 of each year, the corporation shall provide written notification of the local match amount to be remitted to the corporation for the following fiscal year under that policy. Local match sources may include, but are not limited to, funds provided by municipalities, counties, school boards, hospitals, health care providers, charitable organizations, special taxing districts, and private organizations. The minimum local match cash contributions required each fiscal year and local match credits shall be determined by the

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General Appropriations Act. The corporation shall calculate a 2 county's local match rate based upon that county's enrollment of non-Title-XXI-eligible children as of March 1, 2004. The local match contribution for any county shall not exceed 30 percent of the monthly premium after the family premium is deducted, and 70 percent of the remaining premium is taken from the General Appropriations Act. If local match amounts collected exceed expenditures during any fiscal year, the corporation shall apply any year-end surpluses as a credit to the contributing entity's local match obligation for the subsequent fiscal year percentage of the state's total 12 non Title XXI expenditures as reported in the corporation's most recently audited financial statement. In awarding the local match credits, the corporation may consider factors including, but not limited to, population density, per capita income, and existing child health related expenditures and services.

- 3. Subject to the provisions of s. 409.8134, accept voluntary supplemental local match contributions that comply with the requirements of Title XXI of the Social Security Act for the purpose of providing additional coverage in contributing counties under Title XXI.
- 4. Establish the administrative and accounting procedures for the operation of the corporation.
- 5. Establish, with consultation from appropriate professional organizations, standards for preventive health services and providers and comprehensive insurance benefits appropriate to children, provided that such standards for rural areas shall not limit primary care providers to board-certified pediatricians.

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- 6. Determine eligibility for children seeking to
 participate in the Title XXI-funded components of the Florida
 KidCare program consistent with the requirements specified in
 s. 409.814, as well as the non Title XXI eligible children as
 provided in subsection (3).
 - 7. Establish procedures under which providers of local match to, applicants to and participants in the program may have grievances reviewed by an impartial body and reported to the board of directors of the corporation.
 - 8. Establish participation criteria and, if appropriate, contract with an authorized insurer, health maintenance organization, or third-party administrator to provide administrative services to the corporation.
 - 9. Establish enrollment criteria which shall include penalties or waiting periods of not fewer than 60 days for reinstatement of coverage upon voluntary cancellation for nonpayment of family premiums.
 - of health care services, meeting standards established by the corporation, for the provision of comprehensive insurance coverage to participants. Such standards shall include criteria under which the corporation may contract with more than one provider of health care services in program sites. Health plans shall be selected through a competitive bid process. The Florida Healthy Kids Corporation shall purchase goods and services in the most cost-effective manner consistent with the delivery of quality medical care. The maximum administrative cost for a Florida Healthy Kids Corporation contract shall be 15 percent. For health care contracts, the minimum medical loss ratio for a Florida Healthy Kids Corporation contract shall be 85 percent. For

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dental contracts, the remaining compensation to be paid to the authorized insurer or provider under a Florida Healthy Kids Corporation contract shall be no less than an amount which is 85 percent of premium; to the extent any contract provision does not provide for this minimum compensation, this section shall prevail. The health plan selection criteria and scoring system, and the scoring results, shall be available upon request for inspection after the bids have been awarded.

- 11. Establish disenrollment criteria in the event local matching funds are insufficient to cover enrollments.
- 12. Develop and implement a plan to publicize the Florida Healthy Kids Corporation, the eligibility requirements of the program, and the procedures for enrollment in the program and to maintain public awareness of the corporation and the program.
- 13. Secure staff necessary to properly administer the corporation. Staff costs shall be funded from state and local matching funds and such other private or public funds as become available. The board of directors shall determine the number of staff members necessary to administer the corporation.
- 14. Provide a report annually to the Governor, Chief Financial Officer, Commissioner of Education, Senate President, Speaker of the House of Representatives, and Minority Leaders of the Senate and the House of Representatives.
- 27 15. Establish benefit packages which conform to the 28 provisions of the Florida KidCare program, as created in ss. 29 409.810-409.820.
- Section 2. Subsection (9) of section 409.814, Florida
 31 Statutes, is amended to read:

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409.814 Eligibility.—A child who has not reached 19 years of age whose family income is equal to or below 200 percent of the federal poverty level is eligible for the Florida KidCare program as provided in this section. For enrollment in the Children's Medical Services Network, a complete application includes the medical or behavioral health screening. If, subsequently, an individual is determined to be ineligible for coverage, he or she must immediately be disenrolled from the respective Florida KidCare program component.

(9) Subject to paragraph (4)(b) and s. 624.91(3), the Florida KidCare program shall withhold benefits from an enrollee if the program obtains evidence that the enrollee is no longer eligible, submitted incorrect or fraudulent information in order to establish eligibility, or failed to provide verification of eligibility. The applicant or enrollee shall be notified that because of such evidence program benefits will be withheld unless the applicant or enrollee contacts a designated representative of the program by a specified date, which must be within 10 days after the date of notice, to discuss and resolve the matter. The program shall make every effort to resolve the matter within a timeframe that will not cause benefits to be withheld from an eligible enrollee.

Section 3. This act shall take effect July 1, 2006.

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