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By the Committee on Health Care Services and Representative Albright

A bill to be entitled An act relating to children's health; amending s. 383.011, F.S.; directing the Agency for Health Care Administration to seek a federal waiver for the Healthy Start program; amending s. 391.011, F.S.; providing a short title; amending s. 391.016, F.S.; providing legislative intent relating to the Children's Medical Services program; amending s. 391.021, F.S.; providing definitions; creating s. 391.025, F.S.; providing for applicability and scope; amending s. 391.026, F.S.; providing powers and duties of the Department of Health; creating s. 391.028, F.S., and renumbering and amending s. 391.051, F.S.; providing for administration of the program; creating s. 391.029, F.S., and renumbering and amending ss. 391.046 and 391.07, F.S.; providing program eligibility; creating s. 391.031, F.S.; establishing benefits; creating s. 391.035, F.S., and renumbering and amending ss. 391.036 and 391.041, F.S.; establishing provider qualifications; creating s. 391.045, F.S.; providing for provider reimbursement; creating s. 391.047, F.S.; establishing responsibility for payments on behalf of program participants when other parties are liable; creating s. 391.055, F.S.; establishing service delivery systems; creating s. 391.065, F.S.; providing for health care provider agreements; creating s. 391.071, F.S.; providing for quality of care

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requirements; creating s. 391.081, F.S.; establishing grievance reporting and resolution requirements; creating s. 391.095, F.S.; providing for program integrity; renumbering and amending s. 391.061, F.S.; providing for research and evaluation; renumbering ss. 391.201-391.217, F.S., relating to prescribed pediatric extended care centers; designating said sections as pt. IX of ch. 400, F.S.; amending ss. 391.206 and 391.217, F.S.; conforming cross references; designating ss. 391.221, 391.222, and 391.223, F.S., as pt. II of ch. 391, F.S., entitled "Children's Medical Services Councils and Panels"; creating s. 391.221, F.S.; establishing the Statewide Children's Medical Services Network Advisory Council; creating s. 391.222, F.S.; establishing the Cardiac Advisory Council; creating s. 391.223, F.S.; providing for technical advisory panels; amending ss. 391.301, 391.303, 391.304, 391.305, and 391.307, F.S.; revising provisions relating to developmental evaluation and intervention programs; amending s. 408.701, F.S.; conforming cross references; creating s. 409.810, F.S.; providing a short title; creating s. 409.811, F.S.; providing definitions; creating s. 409.812, F.S.; creating the Florida Children's Healthy Bodies program; providing legislative findings and intent; providing guiding principles; creating s. 409.813, F.S.;

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specifying program components; specifying that certain program components are not an entitlement; establishing an enrollment ceiling; creating s. 409.8131, F.S.; creating the Medikids program; providing legislative findings and intent; providing that the program is not an entitlement; providing for a marketing plan; providing for application to Medikids of specified sections of ch. 409, F.S., relating to Medicaid; providing for benefits; providing eligibility standards; providing for enrollment; creating s. 409.8134, F.S.; providing for delivery of services and reimbursement of providers in a rural county; creating s. 409.8135, F.S.; providing behavioral health benefits to non-Medicaid-eligible children with serious emotional needs; creating s. 409.814, F.S.; providing eligibility requirements; creating s. 409.815, F.S.; establishing health benefits coverage requirements for the program; creating s. 409.816, F.S.; providing for limitations on premiums and cost-sharing; creating s. 409.817, F.S.; providing for a health insurance pilot project; requiring approval of health benefits coverage as a condition of financial assistance; creating s. 409.8175, F.S.; directing the Agency for Health Care Administration to seek federal approval to establish a family coverage program; providing conditions; creating s. 409.8177, F.S.;

1 providing for program evaluation; requiring 2 annual reports; creating s. 409.818, F.S.; 3 providing for program administration; providing responsibilities for the Department of Children 4 5 and Family Services, the Department of Health, the Department of Insurance, the Agency for 6 7 Health Care Administration, and the Florida 8 Healthy Kids Corporation; authorizing program modifications to obtain federal approval of the 9 state's child health insurance plan; 10 11 renumbering and amending s. 154.508, F.S., 12 relating to outreach activities; creating s. 13 409.8195, F.S.; requiring the development of quality assurance and access standards; 14 15 creating s. 409.821, F.S.; establishing 16 performance measures and standards; providing an enrollment ceiling; amending s. 409.904, 17 F.S.; expanding Medicaid optional eligibility 18 to certain children and providing for 19 continuous eligibility; amending s. 409.9126, 20 F.S.; relating to the provision of Children's 21 Medical Services network services for children 22 with special health care needs; deleting 23 24 definitions; deleting standards for referral of certain children to the network; providing for 25 26 certain provider reimbursement; amending s. 27 624.91, F.S., relating to the Florida Healthy 28 Kids Corporation; providing legislative intent; 29 specifying that the program is not an entitlement; revising standards; providing 30 31 additional duties; repealing ss. 391.031,

391.056, and 391.091, F.S., relating to patient 1 2 care centers, district children's medical 3 program supervisors, and the Cardiac Advisory 4 Council which was advisory to the Children's 5 Medical Services Program Office; repealing s. 624.92, F.S., relating to application for a 6 7 Medicaid waiver for funds to expand the Florida 8 Health Kids Corporation; providing for future 9 repeal and review of s. 409.814(3), F.S., and ss. 409.810-409.821, F.S., relating to the 10 11 "Florida Children's Healthy Bodies Act," on 12 specified dates; providing an effective date. 13 14 Be It Enacted by the Legislature of the State of Florida: 15 16 Section 1. Subsection (3) is added to section 383.011, Florida Statutes, to read: 17 383.011 Administration of maternal and child health 18 19 programs. --20 (3) The Agency for Health Care Administration, working jointly with the Department of Health and the Florida 21 22 Association of Healthy Start Coalitions, is directed to seek a federal waiver to secure matching funds under Title XIX of the 23 Social Security Act for the Healthy Start program. 24 federal waiver application shall seek Medicaid matching funds 25 26 utilizing existing appropriated general revenue and any local 27 contributions. 28 Section 2. Section 391.011, Florida Statutes, is

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30 31 amended to read:

391.011 Short title.--<u>The provisions of this chapter</u>

This act shall be known and may be cited as the "Children's Medical Services Act."

Section 3. Section 391.016, Florida Statutes, is amended to read:

391.016 Legislative intent.--The Legislature <u>intends</u> that the Children's Medical Services program:

- (1) Provide to children with special health care needs a family-centered, comprehensive, and coordinated statewide managed system of care that links community-based health care with multidisciplinary, regional, and tertiary pediatric specialty care finds and declares that there is a need to provide medical services for needy children, particularly those with chronic, crippling or potentially crippling and physically handicapping diseases or conditions, and to provide leadership and direction in promoting, planning, and coordinating children's medical care programs so that the full development of each child's potential may be realized.
- (2) Provide essential preventive, evaluative, and early intervention services for children at risk for or having special health care needs, in order to prevent or reduce long term disabilities.
- (3) Serve as a principal provider for children with special health care needs under Titles XIX and XXI of the Social Security Act.
- (4) Be complementary to children's health training programs essential for the maintenance of a skilled pediatric health care workforce for all Floridians.

Section 4. Section 391.021, Florida Statutes, is amended to read:

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391.021 Definitions.--When used in this act, unless the context clearly indicates otherwise:

- (1) "Children's Medical Services network" or "network" means a statewide managed care service system that includes health care providers, as defined in this section.
- (2) "Children with special health care needs" means those children under age 21 years whose serious or chronic physical or developmental conditions require extensive preventive and maintenance care beyond that required by typically healthy children. Health care utilization by these children exceeds the statistically expected usage of the normal child adjusted for chronological age. These children often need complex care requiring multiple providers, rehabilitation services, and specialized equipment in a number of different settings.

(3) "Department" means the Department of Health.

(4)(2) "Eligible individual" means a child with a special health care need or a female of any age with a high-risk pregnancy, or an individual below the age of 21 years who has an organic disease, defect, or condition which may hinder the achievement of his or her normal growth and development, and who meets the financial and medical eligibility standards established in s. 391.029. by the department. In addition, where specific legislative appropriation exists, individuals with long-term chronic diseases, such as cystic fibrosis, which originated during childhood and who received services under this act before the age of 21 years shall continue to be eligible beyond that age.

(5) "Health care provider" means a health care
professional, health care facility, or entity licensed or

1	certified to provide health services in this state that meets
2	the criteria as established by the department.
3	(6) (3) "Health Medical services" includes the
4	prevention, diagnosis, and treatment of human disease, pain,
5	injury, deformity, or disabling physical conditions.
6	(7) "Participant" means an eligible individual who is
7	enrolled in the Children's Medical Services program.
8	(8) "Program" means the Children's Medical Services
9	program established in the Division of Children's Medical
10	Services of the department.
11	Section 5. Section 391.025, Florida Statutes, is
12	created to read:
13	391.025 Applicability and scope
14	(1) This act applies to health services provided to
15	eligible individuals who are:
16	(a) Enrolled in the Medicaid program;
17	(b) Enrolled in the Florida Children's Healthy Bodies
18	program; and
19	(c) Uninsured or underinsured, provided that they meet
20	the financial eligibility requirements established in this
21	act, and to the extent that resources are appropriated for
22	their care.
23	(2) The Children's Medical Services program consists
24	of the following components:
25	(a) The infant metabolic screening program established
26	<u>in s. 383.14.</u>
27	(b) The regional perinatal intensive care centers
28	program established in ss. 383.15-383.21.
29	(c) A federal or state program authorized by the
3.0	Legislature

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- The developmental evaluation and intervention (d) program.
 - (e) The Children's Medical Services network.
- (3) The Children's Medical Services program shall not be deemed an insurer and is not subject to the licensing requirements of the Florida Insurance Code or the rules of the Department of Insurance, when providing services to children who receive Medicaid benefits, other Medicaid-eligible children with special health care needs, and children participating in the Florida Children's Healthy Bodies program. This exemption shall not extend to contractors.
- Section 6. Section 391.026, Florida Statutes, is amended to read:
- 391.026 Powers and duties of the department.--To administer its programs of children's medical services, The department shall have the following powers, duties, and responsibilities:
- (1) To provide or contract for the provision of health medical services to eligible individuals.
- (2) To determine the medical and financial eligibility standards for the program and to determine the medical and financial eligibility of individuals seeking health medical services from the program.
- (3) To recommend priorities for the implementation of comprehensive plans and budgets.
- (4) To coordinate a comprehensive delivery system for eligible individuals to take maximum advantage of all available federal funds.
- (5) To promote, establish, and coordinate programs relating to children's medical services in cooperation with 31 other public and private agencies and to coordinate funding of

health care programs with state or local indigent health care funding mechanisms.

- (6) To initiate, coordinate, and request review of applications to federal and state agencies for funds, services, or commodities relating to children's medical programs.
- (7) To sponsor or promote grants for projects, programs, education, or research in the field of medical needs of children, with an emphasis on early diagnosis and treatment.
- (8) To oversee and operate the Children's Medical Services network contract or be contracted with.
- (9) To establish <u>reimbursement mechanisms for the</u>

 <u>Children's Medical Services network</u> <u>standards of eligibility</u>

 <u>for patients of children's medical services programs</u>.
- (10) To <u>establish Children's Medical Services network</u>

 <u>standards and credentialing requirements for health care</u>

 <u>providers and health care services</u> coordinate funding of

 <u>medical care programs with state or local indigent health care</u>

 <u>funding mechanisms</u>.
- (11) To serve as a provider and principal case manager for children with special health care needs under Titles XIX and XXI of the Social Security Act establish standards for patient care and facilities.
- (12) To monitor the provision of health services in the program, including the utilization and quality of health services.
- (13) To administer the Children with Special Health
 Care Needs program in accordance with Title V of the Social
 Security Act.

2	process for participants and health care providers.
3	(15) To maintain program integrity in the Children's
4	Medical Services program.
5	(16) To receive and manage health care premiums,
6	capitation payments, and funds from federal, state, local, and
7	private entities for the program.
8	(17) To appoint health care consultants for the
9	purpose of providing peer review and making recommendations to
10	enhance the delivery and quality of services in the Children's
11	Medical Services program.
12	(18) (12) To make rules to carry out the provisions of
13	this act.
14	Section 7. Section 391.028, Florida Statutes, is
15	created, and section 391.051, Florida Statutes, is renumbered
16	as subsection (1) of said section and amended, to read:
17	391.028 AdministrationThe Children's Medical
18	Services program shall have a central office and area offices.
19	(1)391.051 Qualifications of directorThe Director
20	of the Division of for Children's Medical Services must be a
21	physician licensed under chapter 458 or chapter 459 who has
22	specialized training and experience in the provision of $\underline{\text{health}}$
23	medical care to children and who has recognized skills in
24	leadership and the promotion of children's health programs.
25	The <u>division</u> director for Children's Medical Services shall be
26	the deputy secretary and the Deputy State Health Officer for
27	Children's Medical Services and is appointed by and reports to
28	the secretary.
29	(2) The division director shall designate Children's
30	Medical Services area offices to perform operational
31	activities including but not limited to:

1 (14) To establish and operate a grievance resolution

1	(a) Providing case management services for the
2	network.
3	(b) Providing local oversight of the program.
4	(c) Determining medical and financial eligibility for
5	the program.
6	(d) Participating in the determination of a level of
7	care and medical complexity for long-term care services.
8	(e) Authorizing services in the program and developing
9	spending plans.
10	(f) Participating in the development of treatment
11	plans.
12	(g) Taking part in the resolution of complaints and
13	grievances from participants and health care providers.
14	(3) Each Children's Medical Services area office shall
15	be directed by a physician licensed under chapter 458 or
16	chapter 459 who has specialized training and experience in the
17	provision of health care to children. The director of a
18	Children's Medical Services area office shall be appointed by
19	the division director from the active panel of Children's
20	Medical Services physician consultants.
21	Section 8. Section 391.029, Florida Statutes, is
22	created, section 391.046, Florida Statutes, is renumbered as
23	subsection (3) of said section and amended, and section
24	391.07, Florida Statutes, is renumbered as subsection (4) of
25	said section and amended, to read:
26	391.029 Program eligibility
27	(1) The department shall establish the medical
28	criteria to determine if an applicant for the Children's
29	Medical Services program is an eligible individual.
30	(2) The following individuals are financially eligible
31	for the program:

- (a) A high-risk pregnant female who is eligible for Medicaid.
- (b) A child with special health care needs from birth to age 21 years who is eligible for Medicaid.
- (c) A child with special health care needs from birth to age 19 years who is eligible for a program under Title XXI of the Social Security Act.
- (d) A child with special health care needs from birth to age 21 years whose projected annual cost of care adjusts the family income to Medicaid financial criteria. In cases where the family income is adjusted based on a projected annual cost of care, the family shall participate financially in the cost of care based on criteria established by the department.

The department may continue to serve certain children with special health care needs who are 21 years of age or older and who were receiving services from the program prior to April 1, 1998. Such children may be served by the department until July 1, 2000.

(3)391.046 Financial determination.—The department shall determine the financial and medical eligibility of children for the program. The department shall also determine ability of individuals seeking medical services, or the financial ability of the parents, or persons or other agencies having legal custody over such individuals, to pay the costs of health such medical services under the program. The department may pay reasonable travel expenses related to the determination of eligibility for or the provision of health medical services.

(4)391.07 Indigent and semi-indigent cases.—Any child who has been provided with surgical or medical care or treatment under this act prior to being adopted shall continue to be eligible to be provided with such care or treatment after his or her adoption, regardless of the financial ability of the persons adopting the child.

Section 9. Section 391.031, Florida Statutes, is created to read:

391.031 Benefits.--Benefits provided under the program shall be the same benefits provided to children as specified in ss. 409.905 and 409.906. The department may offer additional benefits for early intervention services, respite services, genetic testing, genetic and nutritional counseling, and parent support services, if such services are determined to be medically necessary. No child or person determined eligible for the program who is eligible under Title XIX or Title XXI of the Social Security Act shall receive any service other than an initial health care screening or treatment of an emergency medical condition as defined in s. 395.002, until such child or person is enrolled in Medicaid or a Title XXI program.

Section 10. Section 391.035, Florida Statutes, is created, section 391.036, Florida Statutes, is renumbered as subsection (2) of said section and amended, and section 391.041, Florida Statutes, is renumbered as subsection (3) of said section and amended, to read:

391.035 Provider qualifications.--

(1) The department shall establish the criteria to designate health care providers to participate in the Children's Medical Services network. The department shall follow, whenever available, national guidelines for selecting

 $\underline{\text{health care providers to serve children with special health}}$ care needs.

(2)391.036 Medical services providers; qualifications.—The department shall require that all health care providers under contract with the program of medical services under this act be duly licensed in the state, if such licensure is available, and meet such criteria as may be established by the department.

(3)391.041 Services to other state or local programs or institutions.—The department may initiate agreements with other state or local governmental programs or institutions for the coordination of health medical care to eligible individuals receiving services from such programs or institutions.

Section 11. Section 391.045, Florida Statutes, is created to read:

391.045 Reimbursement.--

- (1) The department shall reimburse health care providers for services rendered through the Children's Medical Services network using cost-effective methods, including, but not limited to, capitation, discounted fee-for-service, unit costs, and cost reimbursement. Medicaid reimbursement rates shall be utilized to the maximum extent possible, where applicable.
- (2) Reimbursement to the Children's Medical Services
 program for services provided to children with special health
 care needs who participate in the Florida Children's Healthy
 Bodies program and who are not Medicaid recipients shall be on
 a capitated basis.

30 Section 12. Section 391.047, Florida Statutes, is 31 created to read:

391.047 Responsibility for payments on behalf of
Children's Medical Services program participants when other
parties are liable.--The Children's Medical Services program
shall comply with s. 402.24, concerning third-party
liabilities and recovery of third-party payments for health
services.

Section 13. Section 391.055, Florida Statutes, is created to read:

391.055 Service delivery systems.--

- (1) The program shall apply managed care methods to ensure the efficient operation of the Children's Medical Services network. Such methods include, but are not limited to, capitation payments, utilization management and review, prior authorization, and case management.
 - (2) The components of the network are:
- (a) Qualified primary care physicians who shall serve as the gatekeepers and who shall be responsible for the provision or authorization of health services to an eligible individual who is enrolled in the Children's Medical Services network.
- (b) Comprehensive specialty care arrangements that meet the requirements of s. 391.035 to provide acute care, specialty care, long-term care, and chronic disease management for eligible individuals.
 - (c) Case management services.
- (3) The Children's Medical Services network may contract with school districts participating in the certified school match program pursuant to ss. 236.0812 and 409.908(21) for the provision of school-based services, as provided for in s. 409.9071, for Medicaid-eligible children who are enrolled in the Children's Medical Services network.

1 Section 14. Section 391.065, Florida Statutes, is 2 created to read: 3 391.065 Health care provider agreements.--The 4 department is authorized to establish health care provider agreements for participation in the Children's Medical 5 6 Services network. 7 Section 15. Section 391.071, Florida Statutes, is 8 created to read: 9 391.071 Quality of care requirements.--The Children's Medical Services program shall develop quality of care and 10 11 service integration standards and reporting requirements for 12 health care providers that participate in the Children's 13 Medical Services network. The program shall ensure that these 14 standards are not duplicative of other standards and 15 requirements for health care providers. 16 Section 16. Section 391.081, Florida Statutes, is 17 created to read: 391.081 Grievance reporting and resolution 18 19 requirements. -- The department shall adopt and implement a 20 system to provide assistance to eligible individuals and health care providers to resolve complaints and grievances. 21 22 To the greatest extent possible, the department shall use existing grievance reporting and resolution processes. The 23 department shall ensure that the system developed for the 24 25 Children's Medical Services program does not duplicate 26 existing grievance reporting and resolution processes. 27 Section 17. Section 391.095, Florida Statutes, is 28 created to read: 29 391.095 Program integrity.--The department shall 30 operate a system to oversee the activities of Children's Medical Services network participants, health care providers,

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and their representatives to prevent fraudulent and abusive behavior, overutilization and duplicative utilization, and neglect of participants and to recover overpayments as appropriate. For the purposes of this section, the terms abuse" and "fraud" have the meanings provided in s. 409.913. The department shall refer incidents of suspected fraud and abuse, and overutilization and duplicative utilization, to the appropriate regulatory agency.

Section 18. Section 391.061, Florida Statutes, is renumbered as section 391.097, Florida Statutes, and is amended to read:

391.097 391.061 Research and evaluation.--

- (1) The department may initiate, fund, and conduct research and evaluation projects to improve the delivery of children's medical services. The department may cooperate with public and private agencies engaged in work of a similar nature.
- (2) The Children's Medical Services network shall be included in any evaluation conducted in accordance with the provisions of Title XXI of the Social Security Act as enacted by the Legislature.

Section 19. Sections 391.201 through 391.217, Florida Statutes, are renumbered as sections 400.901 through 400.917, Florida Statutes, and designated as part IX of chapter 400, Florida Statutes.

Section 20. Section 391.206, Florida Statutes, is renumbered as section 400.906, Florida Statutes, and subsection (1) of said section is amended to read:

400.906 391.206 Initial application for license.--

(1) Application for a license shall be made to the 31 agency on forms furnished by it and shall be accompanied by

the appropriate license fee unless the applicant is exempt from payment of the fee as provided in s. 400.905 391.205. 3 Section 21. Section 391.217, Florida Statutes, is renumbered as section 400.917, Florida Statutes, and amended 4 5 to read: 6 400.917 391.217 Disposition of moneys from fines and 7 fees.--All moneys received from administrative fines pursuant 8 to s. $400.908 \frac{391.208}{}$ and all moneys received from fees collected pursuant to s. 400.905 391.205 shall be deposited in the Health Care Trust Fund created in s. 408.16 455.2205. 10 11 Section 22. Sections 391.221, 391.222, and 391.223, 12 Florida Statutes, as created by this act, are designated as 13 part II of chapter 391, Florida Statutes, entitled "Children's 14 Medical Services Councils and Panels." 15 Section 23. Section 391.221, Florida Statutes, is 16 created to read: 391.221 Statewide Children's Medical Services Network 17 Advisory Council.--18 19 The secretary of the department may appoint a 20 Statewide Children's Medical Services Network Advisory Council for the purpose of acting as an advisory body to the 21 22 department. Specifically, the duties of the council shall include, but not be limited to: 23 24 (a) Recommending standards and credentialing 25 requirements for health care providers rendering health 26 services to Children's Medical Services network participants. 27 (b) Making recommendations to the Director of the 28 Division of Children's Medical Services concerning the

selection of health care providers for the Children's Medical

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30 31 Services network.

- (c) Reviewing and making recommendations concerning network health care provider or participant disputes that are brought to the attention of the advisory council.
- (d) Providing input to the Children's Medical Services program on the policies governing the Children's Medical Services network.
- (e) Reviewing the financial reports and financial status of the network and making recommendations concerning the methods of payment and cost controls for the network.
- (f) Reviewing and recommending the scope of benefits for the network.
- (g) Reviewing network performance measures and outcomes and making recommendations for improvements to the network and its maintenance and collection of data and information.
- representing the private health care provider sector, families with children who have special health care needs, the Agency for Health Care Administration, the Department of Insurance, the Florida Chapter of the American Academy of Pediatrics, an academic health center pediatric program, and the health insurance industry. Members shall be appointed for 4-year, staggered terms. In no case shall an employee of the Department of Health serve as a member or as an ex officio member of the advisory council. A vacancy shall be filled for the remainder of the unexpired term in the same manner as the original appointment. A member may not be appointed to more than two consecutive terms. However, a member may be reappointed after being off the council for at least 2 years.

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(3) Members shall receive no compensation, but shall be reimbursed for per diem and travel expenses in accordance with the provisions of s. 112.061. Section 24. Section 391.222, Florida Statutes, is created to read:

391.222 Cardiac Advisory Council.--

- (1) The secretary of the department may appoint a Cardiac Advisory Council for the purpose of acting as the advisory body to the Division of Children's Medical Services in the delivery of cardiac services to children. Specifically, the duties of the council shall include, but not be limited to:
- (a) Recommending standards for personnel and facilities rendering cardiac services for the Division of Children's Medical Services.
- (b) Receiving reports of the periodic review of cardiac personnel and facilities to determine if established standards for Children's Medical Services cardiac services are met.
- (c) Making recommendations to the division director as to the approval or disapproval of reviewed personnel and facilities.
- (d) Making recommendations as to the intervals for reinspection of approved personnel and facilities.
- (e) Providing input to the Division of Children's Medical Services on all aspects of Children's Medical Services cardiac programs, including the rulemaking process.
- (2) The council shall be composed of eight members with technical expertise in cardiac medicine. Members shall 29 be appointed for 4-year, staggered terms. In no case shall an 30 employee of the Department of Health serve as a member or as

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an ex officio member of the advisory council. A vacancy shall be filled for the remainder of the unexpired term in the same manner as the original appointment. A member may not be appointed to more than two consecutive terms. However, a member may be reappointed after being off the council for at least 2 years.

(3) Members shall receive no compensation, but shall be reimbursed for per diem and travel expenses in accordance with the provisions of s. 112.061.

Section 25. Section 391.223, Florida Statutes, is created to read:

391.223 Technical advisory panels.--The secretary of the department may establish technical advisory panels to assist the Division of Children's Medical Services in developing specific policies and procedures for the Children's Medical Services program.

Section 26. Section 391.301, Florida Statutes, is amended to read:

391.301 Developmental evaluation and intervention programs; legislative findings and intent. --

(1) The Legislature finds that the high-risk and disabled newborn infants in this state need in-hospital and outpatient developmental evaluation and intervention and that their families need training and support services. The Legislature further finds that there is an identifiable and increasing number of infants who need developmental evaluation and intervention and family support due to the fact that increased numbers of low-birthweight and sick full-term newborn infants are now surviving because of due to the advances in neonatal intensive care medicine; increased 31 | numbers of medically involved infants are remaining

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inappropriately in hospitals because their parents lack the confidence or skills to care for these infants without support; and increased numbers of infants are at risk due to parent risk factors, such as substance abuse, teenage pregnancy, and other high-risk conditions.

- (2) It is the intent of the Legislature to establish developmental evaluation and intervention services programs at all hospitals providing Level II or Level III neonatal intensive care services, in order that families with high-risk or disabled infants may gain the services and skills they need to support their infants.
- (3) It is the intent of the Legislature to provide a statewide coordinated program to screen, diagnose, and manage high-risk infants identified as hearing-impaired. The program shall develop criteria to identify infants who are at risk of having hearing impairments, and shall ensure that all parents or guardians of newborn infants are provided with materials regarding hearing impairments prior to discharge of the newborn infants from the hospital.
- (4) It is the intent of the Legislature that a methodology be developed to integrate information on infants with potentially disabling conditions with other early intervention programs, including Part C of Pub. L. No. 105-17 and the reporting system to be established under the Healthy Start program.

Section 27. Section 391.303, Florida Statutes, is amended to read:

391.303 Program requirements.--

(1) ★ Developmental evaluation and intervention services program shall be established at each hospital that 31 provides Level II or Level III neonatal intensive care

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services. Program services shall be made available to an infant or toddler identified as being at risk for developmental disabilities, or identified as medically involved, who, along with his or her family, would benefit from program services. Program services shall be made available to infants or toddlers in a Level II or Level III neonatal intensive care unit or in a pediatric intensive care unit, infants who are identified as being at high risk for hearing impairment or who are hearing-impaired, or infants who have a metabolic or genetic disorder. The developmental evaluation and intervention programs are subject to the availability of moneys and the limitations established by the General Appropriations Act or chapter 216. Hearing screening, evaluation and referral services, and initial developmental assessments services shall be provided to each infant or toddler. Other program services may be provided to an infant or toddler, and the family of the infant or toddler, who do not meet the financial eligibility criteria for the Children's Medical Services program based on the availability of funding, including insurance and fees.

- (2) Each <u>developmental evaluation and intervention</u> program shall have a program director, a medical director, and necessary staff to carry out the program. The program director shall establish and coordinate the developmental evaluation and intervention program. The program shall include, but is not limited to:
- (a) In-hospital evaluation and intervention services, parent support and training, and family support planning and case management.
- (b) Screening and evaluation services to identify each infant at risk of hearing impairment, and a medical and

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educational followup and care management program for an infant who is identified as hearing-impaired, with management beginning as soon after birth as practicable. The medical management program must include the genetic evaluation of an infant suspected to have genetically determined deafness and an evaluation of the relative risk.

- (c) Regularly held multidisciplinary team meetings to develop and update the family support plan. In addition to the family, a multidisciplinary team may include a physician, physician assistant, psychologist, psychotherapist, educator, social worker, nurse, physical or occupational therapist, speech pathologist, developmental evaluation and intervention program director, case manager, and others who are involved with the in-hospital and posthospital discharge care plan, and anyone the family wishes to include as a member of the team. The family support plan is a written plan that describes the infant or toddler, and the therapies and services the infant or toddler and his or her family need, and the intended outcomes of the services.
- (d) Discharge planning by the multidisciplinary team, including referral and followup to primary medical care and modification of the family support plan.
- (e) Education and training for neonatal and pediatric intensive care services staff, volunteers, and others, as needed, in order to expand the services provided to high-risk, developmentally disabled, medically involved, or hearing-impaired infants and toddlers and their families.
- (f) Followup intervention services after hospital discharge, to aid the family and the high-risk, developmentally disabled, medically involved, or 31 | hearing-impaired infant's or toddler's transition into the

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community. These services shall include, but are not limited to, home intervention services and other intervention services, both contractual and voluntary. Support services shall be coordinated at the request of the family and within the context of the family support plan.

- (g) Referral to and coordination of services with community providers.
- (h) Educational materials about infant care, infant growth and development, community resources, medical conditions and treatments, and family advocacy. Materials regarding hearing impairments shall be provided to each parent or guardian of a hearing-impaired infant or toddler.
- (i) Involvement of the parents and guardians of each identified high-risk, developmentally disabled, medically involved, or hearing-impaired infant or toddler.

Section 28. Paragraph (a) of subsection (1) of section 391.304, Florida Statutes, is amended to read:

391.304 Program coordination.--

- (1) The Department of Health shall:
- (a) Coordinate with the Department of Education, the Offices of Prevention, Early Assistance, and Child Development, the Florida Interagency Coordinating Council for Infants and Toddlers, and the State Coordinating Council for Early Childhood Services in planning and administering ss. 391.301-391.307. This coordination shall be in accordance with s. 411.222.

Section 29. Subsection (1) of section 391.305, Florida Statutes, is amended to read:

391.305 Program standards; rules. -- The Department of Health shall adopt rules for the administration of the 31 developmental evaluation and intervention program. The rules

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shall specify standards for the development and operation of the program, including, but not limited to:

(1) Standards governing the eligibility need for program services and the requirements of the population to be served.

Section 30. Subsection (1) of section 391.307, Florida Statutes, is amended to read:

391.307 Program review.--

(1) At least annually during the contract period, the Department of Health shall evaluate each developmental evaluation and intervention program. The department shall develop criteria to evaluate child and family patient outcome, program participation, service coordination case management, and program effectiveness.

Section 31. Subsection (13) of section 408.701, Florida Statutes, is amended to read:

408.701 Community health purchasing; definitions.--As used in ss. 408.70-408.706, the term:

(13) "Health care provider" or "provider" means a state-licensed or state-authorized facility, a facility principally supported by a local government or by funds from a charitable organization that holds a current exemption from federal income tax under s. 501(c)(3) of the Internal Revenue Code, a licensed practitioner, a county health department established under part I of chapter 154, a patient care center described in s. 391.031, a prescribed pediatric extended care center defined in s. 400.902 391.202, a federally supported primary care program such as a migrant health center or a community health center authorized under s. 329 or s. 330 of the United States Public Health Services Act that delivers 31 health care services to individuals, or a community facility

that receives funds from the state under the Community 1 2 Alcohol, Drug Abuse, and Mental Health Services Act and 3 provides mental health services to individuals. Section 32. Section 409.810, Florida Statutes, is 4 5 created to read: 6 409.810 Short title.--Sections 409.810-409.821 may be 7 cited as the "Florida Children's Healthy Bodies Act." 8 Section 33. Section 409.811, Florida Statutes, is 9 created to read: 409.811 Definitions.--10 11 (1) "Agency" means the Agency for Health Care 12 Administration. 13 (2) "Applicant" means a parent or guardian of a child 14 or, in the case of a child whose disability of nonage has been removed under chapter 743, a child who applies for 15 16 determination of eligibility under Title XXI of the Social 17 Security Act for health benefits coverage under this act. (3) "Benchmark benefit plan" means the form and level 18 19 of health benefits coverage established in s. 409.815. 20 (4) "Child" means an individual under the age of 19 21 years. 22 (5) "Child with special health care needs" means the 23 term as defined in chapter 391. 24 (6) "Children's Medical Services network" means the 25 term as defined in chapter 391. 26 (7) "Department" means the Department of Health. 27 (8) "Community rate" means a method used to develop 28 premiums for a health insurance plan which spreads risk across 29 a large population. 30

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- "Enrollee" means a child who has been determined eligible for and is receiving health benefits coverage under this act.
- (10) "Enrollment ceiling" means the maximum number of non-Medicaid children eligible for premium assistance payments who may be enrolled at any time in the Florida Children's Healthy Bodies program. The maximum number shall be established annually in the General Appropriations Act or in provisions of general law.
- (11) "Family" means the group or the individuals whose income is considered in determining eligibility for the Florida Children's Healthy Bodies program. The family includes a child with a custodial parent or caretaker relative who resides in the same house or living unit, or in the case of a child whose disability of nonage has been removed under chapter 743, the child. The family may also include individuals who are not eligible for medical assistance under Title XXI of the Social Security Act, but whose income and resources are considered in whole or in part in determining eligibility of the child.
- (12) "Florida Children's Healthy Bodies program" means the medical assistance program authorized by Title XXI of the Social Security Act as part of the federal Balanced Budget Act of 1997.
- (13) "Family coverage" means purchase of health benefits coverage that is cost-effective as authorized under s. 2105(c)(3) of Title XXI of the Social Security Act, subject to federal approval of a waiver request.
- (14) "Family income" means cash received at periodic intervals from any source, such as wages, benefits, 30 contributions, and rental property. Income also may include

any money which would have been counted as income under the Aid to Families with Dependent Children state plan in effect prior to August 22, 1996.

- (15) "Guarantee issue" means that health benefits coverage must be offered to an individual regardless of the individual's health status, preexisting conditions, or claims history.
- (16) "Health benefits coverage" means covered health care services that are provided to enrollees by a health insurance plan.
- (17) "Health insurance plan" means health benefits coverage under the following:
- (a) A health plan offered by any certified health maintenance organization, except plans that are limited to the following: a limited benefit, specified disease, or specified accident; hospital indemnity; accident only; limited benefit convalescent care; Medicare supplement; credit disability; dental; vision; long-term care; disability income; coverage issued as a supplement to another health plan; workers' compensation liability or similar insurance; or automobile medical-payment insurance;
 - (b) A health insurer licensed under chapter 624;
- (c) An employee welfare benefit plan that includes health benefits established under the Employee Retirement Income Security Act of 1974, as amended; or
 - (d) The Children's Medical Services network.
- (18) "Medicaid" means the medical assistance program authorized by Title XIX of the Social Security Act, and regulations thereunder, and ss. 409.901-409.920, as administered in the state by the agency.

1	(19) "Medically necessary" means the use of any
2	medical treatment, service, equipment, or supply necessary to
3	palliate the effects of a terminal condition, or to prevent,
4	diagnose, correct, cure, alleviate, or preclude deterioration
5	of a condition that threatens life, causes pain or suffering,
6	or results in illness or infirmity and which is:
7	(a) Consistent with the symptom, diagnosis, and
8	treatment of the enrollee's condition.
9	(b) Provided in accordance with generally accepted
10	standards of medical practice.
11	(c) Not primarily intended for the convenience of the
12	enrollee's family or the health care provider.
13	(d) The most appropriate level of supply or service
14	for the diagnosis and treatment of the enrollee's condition.
15	(e) Approved by the appropriate medical body or health
16	care specialty involved as effective, appropriate, and
17	essential for the care and treatment of the enrollee's
18	condition.
19	(20) "Medikids" means a component of the Florida
20	Children's Healthy Bodies program of medical assistance
21	authorized by Title XXI of the Social Security Act, and
22	regulations thereunder, and s. 409.8131, as administered in
23	the state by the agency.
24	(21) "Preexisting condition exclusion" means, with
25	respect to coverage, a limitation or exclusion of benefits
26	relating to a condition based on the fact that the condition
27	was present before the date of enrollment for such coverage,
28	whether or not any medical advice, diagnosis, care, or
29	treatment was recommended or received before such date.
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1	(22) "Premium" means the entire cost of a health
2	insurance plan, including the administration fee or the risk
3	assumption charge.
4	(23) "Premium assistance payment" means the monthly
5	consideration paid by the agency per enrollee in the Florida
6	Children's Healthy Bodies program towards health insurance
7	premiums.
8	(24) "Program" means the Florida Children's Healthy
9	Bodies program.
10	(25) "Qualified alien" means an alien as defined in s.
11	431 of the Personal Responsibility and Work Opportunity
12	Reconciliation Act of 1996, as amended, Pub. L. No. 104-193.
13	(26) "Resident" means a United States citizen or
14	qualified alien who is domiciled in Florida.
15	(27) "Rural county" means either a county with a
16	population density of less than 100 persons per square mile or
17	a county defined by the most recent United States census as
18	rural, and where there is no prepaid health plan participating
19	in the Medicaid program as of July 1, 1998.
20	(28) "Space" means an allocation of a Florida
21	Children's Healthy Bodies program enrollee opening, subject to
22	the enrollment ceiling established in general law or the
23	General Appropriations Act each year.
24	Section 34. Section 409.812, Florida Statutes, is
25	created to read:
26	409.812 Florida Children's Healthy Bodies program
27	(1) LEGISLATIVE FINDINGS AND INTENT The Legislature
28	finds that a significant number of Florida children are
29	uninsured at any one time and these children do not receive
30	necessary health care services. Further, the Legislature finds
31	that the lack of access to a regular and ongoing source of

medical care causes families to use health care resources inappropriately. The Legislature hereby creates the Florida Children's Healthy Bodies program to provide a defined set of health benefits to low-income children through the establishment of a variety of affordable health benefits coverage options from which families may select coverage and through which families may contribute financially to the health care of their children.

- (2) GUIDING PRINCIPLES.--In creating the Florida
 Children's Healthy Bodies program, the Legislature establishes
 the following guiding principles:
- (a) No new entitlements to government services shall be created. The Legislature reserves the right to discontinue the program any time revenue shortfalls occur in program funding or any time the Legislature determines the program is no longer meeting the needs it was designed to fulfill.
- (b) Individual choice of plans, physicians, and other health care providers must be emphasized.
- (c) Interference in the private insurance market must be minimized, and "crowd-out," that is, moving children from the private insurance market into a government-subsidized market, must be avoided.
- (d) Children in families with incomes above eligibility levels for the program may be permitted to participate in the program through the payment of premiums and other coinsurance payments that cover the policy's full costs.
- (e) Quality assurance mechanisms must be included as an integral component of the program.
- (f) Special emphasis must be placed on ensuring participation in the program by members of the minority community.

1 Section 35. Section 409.813, Florida Statutes, is 2 created to read: 3 409.813 Components; nonentitlement; enrollment 4 ceilings.--5 (1) The Florida Children's Healthy Bodies program 6 includes health benefits coverage provided to children 7 through: 8 (a) The Medicaid program as established under s. 9 409.904(6); 10 (b) The Medikids program established under s. 11 409.8131; 12 (c) The Florida Healthy Kids program as created in s. 13 624.91; 14 (d) Health insurance plans certified and approved to 15 participate in the health insurance pilot project established 16 pursuant to s. 409.817; (e) The Children's Medical Services network; and 17 (f) Family coverage authorized under s. 409.8175. 18 19 20 Except for coverage under the Medicaid program, nothing in this act provides an individual with an entitlement to 21 22 government-sponsored health care services. No cause of action shall arise against the state, the department, or the agency 23 for failure to make health services available to any person 24 under this act. 25 26 (2) Except for the Medicaid program, a ceiling shall 27 be placed on annual federal and state expenditures and 28 enrollment in the Florida Children's Healthy Bodies program 29 based on the General Appropriations Act each year, or as specified in general law. The agency, in consultation with the 30

department, may propose to increase the enrollment ceiling in accordance with the provisions of chapter 216.

- (3) Except for the Medicaid program, whenever the
 Social Services Estimating Conference determines that there is
 presently, or will be by the end of the current fiscal year,
 insufficient funds to finance the current or projected
 enrollment in the program, all additional enrollment must
 cease and additional enrollment may not resume until
 sufficient funds are available to finance such enrollment.
- (4) The agency shall collect and analyze the data needed to project the Florida Children's Healthy Bodies program enrollment, including participation rates, caseloads and expenditures. The agency shall report the caseload and expenditure trends to the Social Services Estimating Conference in accordance with the provisions of chapter 216.

Section 36. Section 409.8131, Florida Statutes, is created to read:

409.8131 Medikids program.--

of the Legislature through the creation of the Medikids
program to provide health services to eligible children
utilizing the administrative structure and provider network of
the Medicaid program while avoiding the creation of an
entitlement program. The Legislature intends that children
participating in the Medikids program be provided health
benefits in the same manner as children participating in the
Medicaid program, including the benefit package, except as
otherwise specified in this act. Differences between Medikids
and Medicaid include, but are not limited to, the use of
periodic open enrollment periods for Medikids beneficiaries,
and the fact that Medikids is not an entitlement program and

may be discontinued any time the Legislature determines the program is no longer needed, or through the provisions of chapter 216 during the occurrence of a funding shortfall.

(2) PROGRAM CREATION. --

- (a) There is hereby created the Medikids program to be administered by the agency. The Medikids program shall not be subject to the requirements of the Department of Insurance or chapter 627. The director of the agency shall appoint an administrator of the Medikids program, which shall be located in the Division of State Health Purchasing.
- (b) The agency is designated as the state agency authorized to make payments for medical assistance and related services for the Medikids program under Title XXI of the Social Security Act. These payments shall be made, subject to any limitations or directions provided for in the General Appropriations Act, only for services included in the program, shall be made only on behalf of eligible individuals, and shall be made only to qualified providers in accordance with federal requirements for Title XXI of the Social Security Act and the provisions of state law.
- (3) NONENTITLEMENT.--Nothing in this section shall be construed as providing an individual with an entitlement to health care services. No cause of action shall arise against the state or the agency for failure to make health services available under this section.
- (4) MARKETING.--The agency, in consultation with the Department of Health, shall develop and implement a plan to publicize the Medikids program, the eligibility requirements for the program, and the procedures for enrolling in the program, and to maintain public awareness of the program.

- (5) APPLICABILITY.--The provisions of ss. 409.902, 409.905, 409.906, 409.907, 409.908, 409.910, 409.912, 409.9121, 409.9122, 409.9123, 409.9124, 409.9127, 409.9128, 409.913, 409.916, 409.919, 409.920, and 409.9205, apply to the Medikids program to the same extent such sections apply to the Medicaid program; except the applicability of the provisions of s. 409.9122 to the Medikids program shall be subject to the provisions of subsection (7).
- (6) BENEFITS.--Benefits provided under the Medikids program shall be the same benefits provided to children as specified in ss. 409.905 and 409.906.
 - (7) ELIGIBILITY.--

- (a) A child who is under the age of 6 years is eligible to participate in the Medikids program if the child is a member of a family that has a family income which exceeds the Medicaid applicable income level as specified in s.

 409.903, but which is equal to or below 200 percent of the federal poverty level. No assets test shall be required.
- (b) The provisions of s. 409.814(3), (4), and (5) shall be applicable to the Medikids program.
- (8) ENROLLMENT.--Enrollment in the Medikids program may only occur during periodic open enrollment periods as specified by the agency. During the first 12 months of the program, there shall be at least one, but no more than three, open enrollment periods. The initial open enrollment period shall be for 60 days, and subsequent open enrollment periods during the first year of the program shall be for 30 days.

 After the first year of the program, the agency shall determine the frequency and duration of open enrollment periods. A child may apply for participation in the Medikids program and proceed through the eligibility determination

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process at any time throughout the year. In addition, once determined eligible, a child may receive choice counseling and select a managed care plan or MediPass. However, enrollment in Medikids shall not begin until the next open enrollment period; nor shall a child be eligible for services under the Medikids program until the child is enrolled in a managed care plan or MediPass. Enrollment in MediPass shall be an option for a child participating in the Medikids program only in counties which have fewer than two managed care plans available to serve Medicaid recipients. Participants shall not have the option of enrolling in MediPass if the federal Health Care Financing Administration determines that MediPass does 13 not constitute "health insurance coverage" as defined in Title XXI of the Social Security Act.

- (9) SPECIAL ENROLLMENT PERIODS. -- The agency shall establish a special enrollment period of 30 days' duration for any child who is enrolled in Medicaid if such child loses Medicaid eligibility and becomes eligible for Medikids, for any newborn child who is eligible for Medikids, or for any child who is enrolled in Medikids if such child moves to another county which is not within the coverage area of the child's Medikids managed care plan or MediPass provider. The provisions of this subsection shall apply only if a space is available within the Medikids program.
- (10) PENALTIES FOR VOLUNTARY CANCELLATION. -- The agency shall 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 premiums.

Section 37. Section 409.8134, Florida Statutes, is 30 31 | created to read:

409.8134 Delivery of services in rural counties.--In a 1 2 rural county, the Florida Healthy Kids Corporation may offer 3 Healthy Kids coverage through a health insurer licensed under 4 chapter 624. The indemnity or preferred provider organization 5 product offered by the health insurer must use the Medicaid 6 fee schedule to reimburse providers. 7 Section 38. Section 409.8135, Florida Statutes, is 8 created to read: 9 409.8135 Behavioral health services.--In order to ensure a high level of integration of physical and behavioral 10 health care and to meet the more intensive treatment needs of 11 12 enrollees with the most serious emotional disturbances or 13 substance abuse problems, the Department of Health shall 14 contract with the Department of Children and Family Services 15 to provide behavioral health services to non-Medicaid-eligible 16 children with special health care needs. The Department of Children and Family Services, in consultation with the 17 Department of Health and the agency, is authorized to 18 19 establish the following: 20 (1) The scope of behavioral health services, including 21 duration and frequency. 22 (2) Clinical guidelines for referral to behavioral 23 health services. 24 (3) Behavioral health services standards. 25 (4) Performance-based measures and outcomes for 26 behavioral health services. (5) Practice guidelines for behavioral health services 27 28 to ensure cost-effective treatment and to prevent unnecessary 29 expenditures. (6) Rules to implement this subsection. 30

Section 39. Section 409.814, Florida Statutes, is created to read:

409.814 Eligibility.--Except for the Medicaid program, a child whose family income is at or below 200 percent of the federal poverty level is eligible for financial assistance under the Florida Children's Healthy Bodies program as provided in this section. In determining the eligibility of such a child, an assets test is not required.

- (1) A child who is eligible for Medicaid coverage under s. 409.903 or s. 409.904, is not eligible to receive health benefits under any other health benefits coverage authorized under this act.
- (2) A child who is not eligible for Medicaid, but who is eligible for the program, may obtain coverage under any of the other types of health benefits coverage authorized in this act, if such health benefits coverage is approved and space is available in the county in which the child resides. However, a child who is eligible for Medikids may participate in the Florida Healthy Kids program only if the child has a sibling participating in the Florida Healthy Kids program and the child's county of residence permits such enrollment.
- (3) A child who is eligible for the program and who is a child with special health care needs, as determined through a risk screening instrument, is eligible for health benefits coverage from and may be referred to the Children's Medical Services network established in chapter 391.
- (4) The following children are not eligible to receive financial assistance for health benefits coverage under this act, except under Medicaid if the child would have been eligible for Medicaid services under s. 409.903 or s. 409.904 as of June 1, 1997:

- (a) A child who is eligible for coverage under a state health benefits plan on the basis of a family member's employment with a public agency in the state;
- (b) A child who is covered under a group health benefit plan or under other health insurance coverage, excluding coverage provided under the Florida Healthy Kids Corporation as established under s. 624.91;
- (c) A child who is an alien, but who does not meet the definition of qualified alien, in the United States; or
- (d) A child who is an inmate of a public institution or a patient in an institution for mental diseases.
- (5) A child whose family income is above 200 percent of the federal poverty level may participate in the program, excluding the Medicaid program; but is subject to the following provisions:
- (a) The family is not eligible for premium assistance payments and must pay the full cost of the premium, including any administrative costs. Children described in this subsection are not counted in the annual enrollment ceiling for the Florida Children's Healthy Bodies program.
- (b) The agency is authorized to place limits on enrollment in Medikids by these children in order to avoid adverse selection. The number of children participating in Medikids whose family income exceeds 200 percent of the federal poverty level must not exceed 10 percent of total enrollees in the Medikids program.
- (c) The board of directors of the Florida Healthy Kids
 Corporation is authorized to place limits on enrollment of
 these children in order to avoid adverse selection. In
 addition, the board is authorized to offer a reduced benefit
 package to these children in order to limit program costs for

such families. The number of children participating in Healthy 1 2 Kids whose family income exceeds 200 percent of the federal 3 poverty level must not exceed 10 percent of total enrollees in 4 the Healthy Kids program. 5 Section 40. Section 409.815, Florida Statutes, is 6 created to read: 7 409.815 Health benefits coverage; limitations .--8 (1) For purposes of the Florida Children's Healthy 9 Bodies program, benefits available under the Medicaid program and the Medikids program include those goods and services 10 provided under the medical assistance program authorized by 11 12 Title XIX of the Social Security Act, and regulations 13 thereunder, as administered in this state by the agency. This includes those mandatory Medicaid services authorized under s. 14 409.905 and optional services authorized under s. 409.906, 15 16 rendered on behalf of eligible individuals and qualified providers, and subject to any limitations or directions 17 provided for in the General Appropriations Act or chapter 216 18 19 and according to methodologies and limitations set forth in 20 agency rules and policy manuals and handbooks incorporated by 21 reference thereto. 22 (2) Except for coverage under the Medicaid program and the Medikids program, health benefits coverage must include 23 24 the following minimum benefits of the benchmark benefit plan as determined medically necessary when provided by a 25

(a) Behavioral health services.--

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plan.

- 1. Mental health benefits include:
- a. Inpatient services, limited each contract year to
 no more than 30 inpatient days for psychiatric admissions or

participating provider in the enrollee's health insurance

30 days of residential services in lieu of inpatient psychiatric admission; and

- b. Outpatient services, including outpatient visits for psychological or psychiatric evaluation, diagnosis, and treatment by a licensed mental health professional, limited to a maximum of 40 outpatient visits each contract year.
 - 2. Substance abuse services include:
- a. Inpatient services, limited each contract year to no more than 7 inpatient days for medical detoxification only and 30 days of residential services; and
- b. Outpatient services, including evaluation, diagnosis, and treatment by a licensed practitioner, limited to a maximum of 40 outpatient visits each contract year.
- (b) Durable medical equipment.--Covered services include equipment and devices that are medically indicated to assist in the treatment of a medical condition and specifically prescribed as medically necessary with the following limitations:
 - 1. Low-vision and telescopic aides are not included.
- 2. Corrective lenses and frames may be limited to one pair every year, unless the prescription or head size of the enrollee changes.
- 3. Hearing aids shall be covered only when medically indicated to assist in the treatment of a medical condition.
- <u>4. Covered prosthetic devices include only artificial</u> eyes and limbs; braces; and other artificial aids.
- (c) Emergency services.--Covered services include visits to an emergency room or other licensed facility where needed immediately due to an injury or illness where delay means risk of permanent damage to the participant's health, in accordance with the provisions of s. 641.513.

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(d) Health practitioner services Covered services
include services and procedures rendered to an enrollee when
performed to diagnose and treat diseases, injuries, or other
conditions, including care rendered by health practitioners
acting within the scope of their practice, with the following
exceptions:
1. Chiropractic services, which shall be provided in

- the same manner as in the state Medicaid program.
- 2. Podiatric services, which may be limited to one visit per day totaling two visits per month for specific foot disorders.
- (e) Home health services. -- Covered services include prescribed home visits by both registered and licensed practical nurses to provide skilled nursing services on a part-time, intermittent basis, with the following limitations:
- 1. Coverage may be limited to include skilled nursing services only.
- 2. Meals, housekeeping, and personal comfort items may be excluded.
- 3. Private duty nursing is limited to circumstances where such care is medically necessary.
- (f) Hospice services.--Covered services include reasonable and necessary services for palliation or management of an enrollee's terminal illness, with the following exceptions:
- 1. Once a family elects to receive hospice care for an enrollee, other services that treat the terminal condition shall not be covered.
- 2. Services required for conditions totally unrelated to the terminal condition are covered to the extent that the services are included in this section.

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- 1. All admissions must be authorized by the enrollee's health insurance plan.
- 2. The length of the patient stay shall be determined based on the medical condition of the enrollee in relation to the necessary and appropriate level of care.
- 3. Room and board may be limited to semiprivate accommodations, unless a private room is considered medically necessary or semiprivate accommodations are not available.
- 4. Admissions for rehabilitation and physical therapy are limited to 15 days per contract year.
- (h) Hospital outpatient and ambulatory surgical services.—Covered services include preventive, diagnostic, therapeutic, palliative care, and other services provided to an enrollee in the outpatient portion of a health facility licensed under chapter 395, except for the following limitations:
- $\underline{\text{1. Services must be authorized by the enrollee's}} \\ \text{health insurance plan.}$
- $\underline{\text{2. Treatment for Temporomandibular Joint disease (TMJ)}}\\ \underline{\text{is specifically excluded.}}$
- (i) Laboratory and X-ray services.--Covered services include diagnostic testing, including clinical radiologic, laboratory, and other diagnostic tests.
- (j) Maternity services.--Covered services include maternity and newborn care, including prenatal and postnatal care, with the following limitations:
 - 1. Coverage may be limited to vaginal deliveries.

- 2. Initial inpatient care for newborn infants of enrolled adolescents shall be covered, including normal newborn care, nursery charges, and the initial pediatric or neonatal examination, and the infant may be covered for up to 3 days following birth.
- (k) Nursing facility services.--Covered services include regular nursing services, rehabilitation services, drugs and biologicals, medical supplies, and the use of appliances and equipment furnished by the facility, with the following limitations:
- 1. All admissions must be authorized by the health insurance plan.
- 2. The length of stay may be limited to 100 days per contract year and shall be determined based on the medical condition of the enrollee in relation to the necessary and appropriate level of care.
- 3. Room and board may be limited to semiprivate accommodations, unless a private room is considered medically necessary or semiprivate accommodations are not available.
- 4. Admissions for rehabilitation and physical therapy are limited to 15 days per contract year.
- <u>5. Specialized treatment centers and independent kidney disease treatment centers are excluded.</u>
- (1) Organ transplantation services.--Covered services include pretransplant services for donor and recipient, transplant and postdischarge services and treatment of complications after transplantation for transplants deemed necessary and appropriate within the guidelines set by the Organ Transplant Advisory Council under s. 381.0602 or the Bone Marrow Transplant Advisory Panel under s. 627.4236.
 - (m) Prescribed drugs.--

1	1. Coverage shall include prescribed drugs prescribed
2	for the medically indicated treatment of illness or injury
3	when prescribed by a licensed health practitioner acting
4	within the scope of his or her practice.
5	2. Prescribed drugs may be limited to generics where
6	available and brand name products where a generic substitution
7	is not available, unless the prescribing licensed health
8	practitioner indicates that a brand name is medically
9	necessary.
10	3. Prescribed drugs covered under this section shall
11	include all prescribed drugs covered under the Florida
12	Medicaid program.
13	(n) Preventive health services Covered services
14	include:
15	1. Well-child care, including services recommended in
16	the Guidelines for Health Supervision of Children and Youth as
17	developed by the American Academy of Pediatrics.
18	2. Immunizations and injections.
19	3. Health education counseling and clinical services.
20	4. Vision screening.
21	5. Hearing screening.
22	(o) Therapy servicesCovered services include
23	rehabilitative services, including occupational, physical,
24	respiratory, and speech therapies, with the following
25	<u>limitations:</u>
26	1. Services must be for short-term rehabilitation
27	where significant improvement in the enrollee will result.
28	2. Services shall be no more than 24 treatment

sessions within a 60-day period per episode or injury, with

the 60-day period beginning with the first treatment.

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(p)	Transportation	n services	s	-Covered	serv	/ice	s include
emergency	transportation	required	in	response	to	an	emergency
situation.	<u>.</u>						

- (q) Lifetime maximum.--Health benefits coverage obtained under this act shall pay an enrollee's covered expenses at a lifetime maximum of \$1 million per covered child.
- $\underline{\text{(r)}}$ Cost-sharing.--Cost-sharing provisions must comply with s. 409.816.
 - (s) Exclusions.--

- 1. Abortion, unless necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest, is excluded.
- 2. Experimental or investigational procedures that have not been clinically proved by reliable evidence are excluded.
- 3. Services performed for cosmetic purposes only or for the convenience of the enrollee are excluded.
 - (t) Enhancements to minimum requirements. --
- 1. This section sets the minimum benefits that must be included in any health benefits coverage, other than Medicaid coverage, offered under this act. Health benefits coverage may include additional benefits not included under this section, but may not include benefits excluded under paragraph (s).
- 2. Health benefits coverage may exceed the service limitations established in the benchmark benefit plan described under this section. Any additional benefits, however, shall not be eligible for an increase in the premium assistance payment.
 - (u) Applicability to other state laws.--

- 1. Except as expressly provided in this section, a law requiring coverage for a specific health care service or benefit, or a law requiring reimbursement, utilization, or consideration of a specific category of licensed health practitioner in chapter 627 or chapter 641, does not apply to a health insurance plan policy or contract offered or delivered under this act, unless that law is made expressly applicable to such policies or contracts.

 2. Notwithstanding chapter 641, a health maintenance organization is authorized to issue contracts providing benefits included in the benchmark benefit plan authorized by this section.
- Section 41. Section 409.816, Florida Statutes, is created to read:
- 409.816 Limitations on premiums and cost-sharing.--The following limitations on premiums and cost-sharing are established for the Florida Children's Healthy Bodies program.
- (1) Enrollees who receive coverage under the Medicaid program shall not be required to pay:
 - (a) Enrollment fees, premiums, or similar charges; or
- (b) Copayments, deductibles, coinsurance, or similar charges.
- (2) Enrollees in the program whose family income is at or below 150 percent of the federal poverty level and who are not receiving coverage under the Medicaid program may not be required to pay:
- (a) Enrollment fees, premiums, or similar charges that exceed the maximum monthly charge permitted under s.

 1916(b)(1) of the Social Security Act; or
- 30 (b) Copayments, deductibles, coinsurance, or similar
 31 charges that exceed a nominal amount as determined consistent

with regulations referred to in s. 1916(a)(3) of the Social Security Act. However, no such charges may be imposed for preventive health services.

(3) Enrollees in the program whose family income is above 150 percent of the federal poverty level and who are not receiving coverage under the Medicaid program, or who are not enrolled pursuant to the provisions of s. 409.814(5), may be required to pay enrollment fees, premiums, copayments, deductibles, coinsurance, or similar charges on a sliding scale related to income, except that the total annual aggregate cost-sharing with respect to all children in a family may not exceed 5 percent of the family's income. However, copayments, deductibles, coinsurance, or similar charges may not be imposed for preventive health services.

Section 42. Section 409.817, Florida Statutes, is created to read:

409.817 Health insurance pilot project; approval of health benefits coverage; financial assistance.—There is created a health insurance pilot project in one urban county to be administered by the agency. The agency shall select the county for the pilot project demonstration site. Any licensed health insurer or health maintenance organization which meets the qualifications of this section may participate in the pilot project. A health plan participating in the pilot project may serve any child eligible to participate in the Florida Healthy Kids program. It is the intent of the Legislature that the Florida Healthy Kids program serve children in the pilot county to determine if these two program types are compatible.

2	purchase health benefits coverage for an eligible child under
3	this section, the health benefits coverage must:
4	(a) Be certified by the Department of Insurance under
5	s. 409.818 as meeting or exceeding the benchmark benefit plan;
6	(b) Be guarantee issued;
7	(c) Be community-rated for health insurance coverage;
8	(d) Not impose any preexisting condition exclusion for
9	covered benefits;
10	(e) Comply with the applicable limitations on premiums
11	and cost-sharing in s. 409.816; and
12	(f) Comply with the quality assurance and access
13	standards developed under s. 409.8195.
14	(2) The Florida Healthy Kids Corporation and health
15	insurance plans approved under this act shall provide to the
16	agency enrollment information and other information necessary
17	to comply with the requirements of Title XXI of the Social
18	Security Act and related federal regulations.
19	(3) This section is repealed effective October 1,
20	2001.
21	Section 43. Section 409.8175, Florida Statutes, is
22	created to read:
23	409.8175 Family coverage The agency is directed to
24	seek federal approval to establish a program for the purchase
25	of family coverage consistent with the requirements of s.
26	2105(b)(3) of Title XXI of the Social Security Act. In
27	providing reimbursement for such coverage, the agency shall
28	ensure that the following conditions are met:
29	(1) The child must not have had workplace coverage
30	within the previous 6 months.
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(1) For families to receive financial assistance to

1	(2) The monthly premium for family coverage must be no
2	more than the cumulative cost of serving all children in a
3	family eligible for Medikids, the Florida Healthy Kids
4	program, or the health insurance pilot project.
5	(3) The agency must monitor the program to avoid
6	substitution effects.
7	Section 44. Section 409.8177, Florida Statutes, is
8	created to read:
9	409.8177 Program evaluation The agency, in
10	consultation with the Department of Health, the Department of
11	Children and Family Services, and the Florida Healthy Kids
12	Corporation, shall by January 1 of each year submit to the
13	Governor and the Legislature an evaluation of the Florida
14	Children's Healthy Bodies program. For the first 5 years of
15	the program, the agency shall contract with the Institute for
16	Child Health Policy to prepare annual reports and the
17	evaluation in accordance with the provisions of s. 2108 of the
18	Social Security Act. In conducting the evaluation, the
19	contractor shall create an evaluation team which includes
20	individuals with expertise in child health from outside the
21	institute. The evaluation report shall be prepared by the
22	contractor and shall be submitted as prepared, except for
23	written comments, if any, by the consulting agencies. In
24	addition to the items specified under s. 2108 of the Social
25	Security Act, the evaluation shall include an assessment of
26	<pre>crowd-out and access to health care, as well as the following:</pre>
27	(1) An assessment of the operation of the program,
28	including the progress made in reducing the number of
29	uncovered low-income children.
30	(2) An assessment of the effectiveness in increasing
31	the number of children with creditable health coverage.

1	(3) The characteristics of the children and families
2	assisted under the program, including ages of the children,
3	family income, and access to or coverage by other health
4	insurance prior to the program and after disenrollment from
5	the program.
6	(4) The quality of health coverage provided, including
7	the types of benefits provided.
8	(5) The amount and level, including payment of part or
9	all of any premium, of assistance provided.
10	(6) The average length of coverage of a child under
11	the program.
12	(7) The program's choice of health benefits coverage
13	and other methods used for providing child health assistance.
14	(8) The sources of nonfederal funding used in the
15	program.
16	(9) An assessment of the effectiveness of Medikids,
17	Children's Medical Services network, and other public and
18	private programs in the state in increasing the availability
19	of affordable quality health insurance and health care for
20	children.
21	(10) A review and assessment of state activities to
22	coordinate the program with other public and private programs.
23	(11) An analysis of changes and trends in the state
24	that affect the provision of health insurance and health care
25	to children.
26	(12) A description of any plans the state has for
27	improving the availability of health insurance and health care
28	for children.
29	(13) Recommendations for improving the program.
30	(14) Other studies as necessary.
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Section 45. Section 409.818, Florida Statutes, is created to read:

409.818 Administration.--

- (1) In order to implement the provisions of the Florida Children's Healthy Bodies Act, the following agencies shall have the following specified duties:
- (a) The Department of Children and Family Services is responsible for developing, in consultation with the agency, the Department of Health, and the Florida Healthy Kids

 Corporation, a simplified eligibility application form to be used for determining the eligibility of children for coverage under the program. The simplified eligibility application form may include an item that provides an opportunity for the applicant to indicate whether coverage is being sought for a child with special health care needs. In addition, the department is responsible for establishing and maintaining the eligibility determination process for the Medikids program.
 - (b) The Department of Health is responsible for:
- 1. Designing and implementing program outreach activities under s. 409.819.
- $\underline{\text{2. Adopting rules necessary for implementing outreach}}$ activities.
- 3. In consultation with the Florida Healthy Kids
 Corporation and the Department of Children and Family
 Services, establishing a toll-free telephone line to assist families with questions about the program.
- 4. Chairing a state-level coordinating council for the program, to review and make recommendations concerning the implementation and operation of the program. The coordinating council shall include representatives from the department, the Department of Children and Family Services, the agency, the

Children's Healthy Bodies program.

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health care providers, health insurers, health maintenance 2 organizations, representatives of local government, and 3 4 representatives of associations advocating the interests of 5 participants in the Florida Children's Healthy Bodies program. 6 (c) The agency, under the authority granted in s. 7 409.914(1), is responsible for: 8 1. Calculating the premium assistance payment necessary to comply with the premium and cost-sharing 9 limitations specified in subparagraph 8. and s. 409.816. In 10 11 calculating the premium assistance payment levels for children 12 with family coverage, the agency shall set the premium 13 assistance payment levels for each child proportionately to 14 the total cost of family coverage. The agency, in consultation with the department, shall establish an enhanced benchmark 15 16 premium for services provided by the Children's Medical Services network to non-Medicaid-eligible children with 17 special health care needs who participate in the Florida 18

Florida Healthy Kids Corporation, the Department of Insurance,

- 2. Annually calculating the program enrollment ceiling based on estimated per-child premium assistance payments and the estimated appropriation available for the program.
- 3. Making premium assistance payments to health insurance plans under ss. 409.817 and 409.8175 and Medikids providers, on a periodic basis. The agency may use its Medicaid fiscal agent or a contracted third-party administrator in making these payments. The agency may require health insurance plans that participate in the Medikids program, the health insurance pilot project, or the family coverage program to collect premium payments from an enrollee's family. Participating health insurance plans shall

report premium payments collected on behalf of enrollees in the program to the agency in accordance with a schedule established by the agency.

- 4. Monitoring compliance with quality assurance and access standards developed under s. 409.8195.
- 5. Establishing a mechanism for investigating and resolving complaints and grievances from program applicants, enrollees, and health benefits coverage providers, and maintaining a record of complaints and confirmed problems. In the case of a child who is enrolled in a health maintenance organization, the agency must use the provisions of s. 641.511 to address grievance reporting and resolution requirements.
- 6. Approving health benefits coverage for participation in the program.
- $\underline{7}$. Administering the Medikids program as created in s. 409.8131.
- 8. Adopting rules necessary for calculating premium assistance payment levels, calculating the program enrollment ceiling, making premium assistance payments, monitoring access and quality assurance standards, investigating and resolving complaints and grievances, approving health benefits coverage, and administering the Medikids program. The premium assistance for each enrollee in an insurance plan shall equal the premium approved by the Florida Healthy Kids Corporation and the Department of Insurance in accordance with ss. 627.410 and 641.31, less any enrollee's share of the premium established within the limitations specified in s. 409.816.
- (d) The Department of Insurance is responsible for certifying that health benefits coverage plans, except those offered through the Florida Healthy Kids Corporation, seeking to provide services under the program meet or exceed the

benchmark benefit plan, and that health insurance plans will be offered at an approved rate. The department shall adopt rules necessary for certifying health benefits coverage plans.

- (e) The Florida Healthy Kids program shall retain its functions as authorized in s. 624.91. In addition, the Florida Healthy Kids Corporation shall be responsible for:
- 1. Establishing and maintaining the eligibility determination process under the program, excluding Medicaid and Medikids eligibility determination. The Florida Healthy Kids Corporation shall directly, or through the services of a contracted third-party administrator, establish and maintain a process for determining eligibility of children for coverage under the program. The eligibility determination process must include initial determination of eligibility for any coverage offered under the program, as well as periodic redetermination or reverification of eligibility. In conducting eligibility determination, the Florida Healthy Kids Corporation shall include methods to determine if a child has special health care needs.
- 2. Informing program applicants about eligibility

 determinations and sharing eligibility information with the

 Medicaid program, the Department of Children and Family

 Services, and insurers and their agents, through a centralized coordinating office.
- (2) The agency, the Department of Health, the
 Department of Children and Family Services, the Florida
 Healthy Kids Corporation, and the Department of Insurance,
 after consultation and approval of the Speaker of the House of
 Representatives and the President of the Senate, are
 authorized to make program modifications that are necessary to
 overcome any objections of the federal Department of Health

and Human Services to obtain approval of the state's child 1 2 health insurance plan under Title XXI of the Social Security 3 Act. 4 Section 46. Section 154.508, Florida Statutes, is 5 renumbered as section 409.819, Florida Statutes, and amended 6 to read: 7 409.819 154.508 Identification of low-income, 8 uninsured children; determination of Medicaid eligibility for the Florida Children's Healthy Bodies program; alternative 9 health care information. -- The department Agency for Health 10 11 Care Administration shall develop a program, in conjunction 12 with the Department of Education, the Department of Children 13 and Family Services, the Agency for Health Care 14 Administration, the Florida Healthy Kids Corporation, Department of Health, local governments school districts, 15 16 employers, and other stakeholders to identify low-income, uninsured children and, to the extent possible and subject to 17 appropriation, refer them to the appropriate state agency or 18 19 entity for Department of Children and Family Services for a 20 Medicaid eligibility determination and provide parents with information about choices of health benefits coverage under 21 22 the Florida Children's Healthy Bodies program alternative sources of health care. Special emphasis shall be placed on 23 the identification of minority children for referral to and 24 25 participation in the Florida Children's Healthy Bodies 26 program. 27 Section 47. Section 409.8195, Florida Statutes, is 28 created to read: 29 409.8195 Quality assurance and access standards. -- Except for the Medicaid program, the department, 30 in consultation with the agency, shall develop quality

assurance and access standards for the Florida Children's

Healthy Bodies program. These standards shall comply with the

provisions of chapters 409 and 641 and Title XXI of the Social

Security Act.

Section 48. Section 409.821, Florida Statutes, is created to read:

409.821 Performance measures and standards.--The following performance measures and standards are adopted for the Florida Children's Healthy Bodies program:

- (1) The total number of previously uninsured children who receive health benefits coverage as a result of state activities under Title XXI of the Social Security Act--235,000 uninsured children expected to obtain coverage during fiscal year 1998-1999.
- (a) The number of children enrolled in the Medicaid program as a result of eligibility expansions under Title XXI of the Social Security Act--35,000 children enrolled in Medicaid under new eligibility groups during fiscal year 1998-1999.
- (b) The number of children enrolled in the Medicaid program as a result of outreach efforts under Title XXI of the Social Security Act who have been eligible for Medicaid, but who have not enrolled in the program--80,000 children previously eligible for Medicaid, but not enrolled in Medicaid, who enroll in Medicaid during fiscal year 1998-1999.
- (c) The number of uninsured children added to the Florida Healthy Kids program enrollment under Title XXI of the Social Security Act--60,000 additional children enrolled in the Florida Healthy Kids program during fiscal year 1998-1999.
- (d) The number of uninsured children enrolled in
 health insurance coverage under Title XXI of the Social

Security Act--50,000 uninsured children enrolled in health 1 2 insurance coverage during fiscal year 1998-1999. 3 (e) The number of uninsured children enrolled in 4 Medikids coverage offered under Title XXI of the Social 5 Security Act--10,000 uninsured children enrolled in Medikids 6 coverage during fiscal year 1998-1999. 7 (2) The percentage of uninsured children in Florida as 8 of July 1, 1998, who receive health benefits coverage under 9 the Florida Children's Healthy Bodies program -- 28.5 percent of uninsured children who enroll in the Florida Children's 10 11 Healthy Bodies program during fiscal year 1998-1999. 12 (3) The percentage of children enrolled in the Florida 13 Children's Healthy Bodies program with up-to-date 14 immunizations--80 percent of enrolled children with up-to-date 15 immunizations. 16 (4) The percentage of compliance with the standards established in the Guidelines for Health Supervision of 17 Children and Youth as developed by the American Academy of 18 19 Pediatrics for Florida Children's Healthy Bodies program 20 eligible children served under: 21 (a) The Medicaid program as established under s. 22 409.904(6); 23 (b) The Medikids program established under s. 24 409.8131; 25 The Florida Healthy Kids program as created in s. 26 624.91; 27 (d) Health insurance plans certified and approved to 28 participate in the health insurance pilot project established pursuant to s. 409.817; 29 The Children's Medical Services network; and 30 (e)

Family coverage authorized under s. 409.8175.

For each category of coverage, the health care provided is in compliance with the health supervision standards for 80 percent of enrolled children.

Section 49. For fiscal year 1998-1999, the enrollment ceiling for the non-Medicaid portion of the Florida Children's Healthy Bodies program is 270,000 children. Thereafter, the enrollment ceiling shall be established in the General Appropriations Act or general law.

Section 50. Subsections (6) and (7) are added to section 409.904, Florida Statutes, to read:

409.904 Optional payments for eligible persons.--The agency may make payments for medical assistance and related services on behalf of the following persons who are determined to be eligible subject to the income, assets, and categorical eligibility tests set forth in federal and state law. Payment on behalf of these Medicaid eligible persons is subject to the availability of moneys and any limitations established by the General Appropriations Act or chapter 216.

- (6) A child born before October 1, 1983, living in a family that has an income which is at or below 100 percent of the current federal poverty level, who has attained the age of 6, but has not attained the age of 19, and who would be eligible in s. 409.903(6), if the child had been born on or after such date. In determining the eligibility of such a child, an assets test is not required.
- (7) A child who has not attained the age of 19 who has been determined eligible for the Medicaid program is deemed to be eligible for a total of 6 months, regardless of changes in circumstances other than attainment of the maximum age.

1 Section 51. Section 409.9126, Florida Statutes, is 2 amended to read: 3 409.9126 Children with special health care needs.--4 (1) As used in this section: 5 (a) "Children's Medical Services network" means an 6 alternative service network that includes health care 7 providers and health care facilities specified in chapter 391 8 and ss. 383.15-383.21, 383.216, and 415.5055. (b) "Children with special health care needs" means 9 those children whose serious or chronic physical or 10 11 developmental conditions require extensive preventive and 12 maintenance care beyond that required by typically healthy 13 children. Health care utilization by these children exceeds 14 the statistically expected usage of the normal child matched for chronological age and often needs complex care requiring 15 multiple providers, rehabilitation services, and specialized 16 equipment in a number of different settings. 17 (2) The Legislature finds that Medicaid-eligible 18 19 children with special health care needs require a 20 comprehensive, continuous, and coordinated system of health care that links community-based health care with 21 22 multidisciplinary, regional, and tertiary care. The Legislature finds that Florida's Children's Medical Services 23 program provides a full continuum of coordinated, 24 comprehensive services for children with special health care 25 26 needs. 27 (1)(3) Except as provided in subsection (4) 28 subsections (8) and (9), children eligible for Children's Medical Services who receive Medicaid benefits, and other 29 Medicaid-eligible children with special health care needs, 30

31 shall be exempt from the provisions of s. 409.9122 and shall

 be served through the Children's Medical Services network established in chapter 391.

(2)(4) The Legislature directs the agency to apply to the federal Health Care Financing Administration for a waiver to assign to the Children's Medical Services network all Medicaid-eligible children who meet the criteria for participation in the Children's Medical Services program as specified in s. 391.021(2), and other Medicaid-eligible children with special health care needs.

(5) The Children's Medical Services program shall assign a qualified MediPass primary care provider from the Children's Medical Services network who shall serve as the gatekeeper and who shall be responsible for the provision or authorization of all health services to a child who has been assigned to the Children's Medical Services network by the Medicaid program.

(3)(6) Services provided through the Children's Medical Services network shall be reimbursed on a fee-for-service basis and shall utilize a primary care case management process. However, effective July 1, 1999, reimbursement to the Children's Medical Services program for services provided to Medicaid-eligible children with special health care needs through the Children's Medical Services network shall be on a capitated basis.

(7) The agency, in consultation with the Children's Medical Services program, shall develop by rule quality-of-care and service integration standards.

(8) The agency may issue a request for proposals, based on the quality-of-care and service integration standards, to allow managed care plans that have contracts

with the Medicaid program to provide services to Medicaid-eligible children with special health care needs.

(4)(9) The agency may shall approve requests to provide services to Medicaid-eligible children with special health care needs from managed care plans that meet access, quality-of-care, network, and service integration standards and are in good standing with the agency. The agency shall monitor on a quarterly basis managed care plans which have been approved to provide services to Medicaid-eligible children with special health care needs. The agency may determine the number of enrollment slots approved for a managed care plan based on the managed care plan's network capacity to serve children with special health care needs.

(5)(10) The agency, in consultation with the Department of Health and Rehabilitative Services, shall adopt rules that address Medicaid requirements for referral, enrollment, and disenrollment of children with special health care needs who are enrolled in Medicaid managed care plans and who may benefit from the Children's Medical Services network.

(11) The Children's Medical Services network may contract with school districts participating in the certified school match program pursuant to ss. 236.0812 and 409.908(21) for the provision of school-based services, as provided for in s. 409.9071, for Medicaid-eligible children who are enrolled in the Children's Medical Services network.

(12) After 1 complete year of operation, the agency shall conduct an evaluation of the Children's Medical Services network. The evaluation shall include, but not be limited to, an assessment of whether the use of the Children's Medical Services network is less costly than the provision of the services would have been in the Medicaid fee-for-service

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30 31 program. The evaluation also shall include an assessment of patient satisfaction with the Children's Medical Services network, an assessment of the quality of care delivered through the network, and recommendations for further improving the performance of the network. The agency shall report the evaluation findings to the Governor and the chairpersons of the appropriations and health care committees of each chamber of the Legislature.

Section 52. Section 624.91, Florida Statutes, is amended to read:

624.91 The Florida Healthy Kids Corporation Act.--

- (1) SHORT TITLE.--This section may be cited as the "William G. 'Doc' Myers Healthy Kids Corporation Act."
 - (2) LEGISLATIVE INTENT.--
- (a) The Legislature finds that increased access to health care services could improve children's health and reduce the incidence and costs of childhood illness and disabilities among children in this state. Many children do not have comprehensive, affordable health care preventive services available or funded, and for those who do, lack of access is a restriction to getting service. It is the intent of the Legislature that the Florida Healthy Kids a nonprofit Corporation be organized to facilitate a program to bring preventive health care services to children, if necessary through the use of school facilities in this state when more appropriate sites are unavailable, and to provide comprehensive health insurance coverage to such children. A goal for The corporation is encouraged to cooperate with any existing health preventive service programs funded by the public or the private sector.

- (b) It is the intent of the Legislature that the Florida Healthy Kids Corporation serve as one of several providers of services to children eligible for medical assistance under Title XXI of the Social Security Act.

 Although the corporation may serve other children, the Legislature intends the primary recipients of services provided through the corporation be school-age children with a family income below 200 percent of the federal poverty level, who do not qualify for Medicaid. It is also the intent of the Legislature that state and local government Florida Healthy Kids funds, to the extent permissible under federal law, be used to obtain matching federal dollars.
- (3) NONENTITLEMENT.--Nothing in this section shall be construed as providing an individual with an entitlement to health care services. No cause of action shall arise against the state, the Florida Healthy Kids Corporation, or a unit of local government for failure to make health services available under this section.
 - (4)(3) CORPORATION AUTHORIZATION, DUTIES, POWERS.--
- (a) There is created The Legislature hereby creates the Florida Healthy Kids Corporation, a not-for-profit corporation which operates shall operate on sites to be designated by the corporation.
- (b) The Florida Healthy Kids Corporation shall phase in a program to:
- 1. Organize school children groups to facilitate the provision of preventive health care services to children and to provide comprehensive health insurance coverage to children;
- 2. Arrange for the collection of any family, local government, or employer payment or premium, in an amount to be

determined by the board of directors, from all participant families or employers to provide for payment of for preventive health care services or premiums for comprehensive insurance coverage and for the actual or estimated administrative expenses incurred during the period for which family or employer payments are made;

- 3. Establish the administrative and accounting procedures for the operation of the corporation;
- 4. 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;
- 5. Establish eligibility criteria which children must meet in order to participate in the program;
- 6. Establish procedures under which 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;
- 7. Establish participation criteria and, if appropriate, contract with an authorized insurer, health maintenance organization, or insurance administrator to provide administrative services to the corporation;
- 8. 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.
- 9. If a space is available, establish a special open enrollment period of 30 days' duration for any child who is enrolled in Medicaid or Medikids if such child loses Medicaid

or Medikids eligibility and becomes eligible for the Florida Healthy Kids program.

10.8. Contract with authorized insurers or any provider of health care services, meeting standards established by the corporation, for the provision of comprehensive insurance coverage and preventive health care services 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;

11.9. 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;

12.10. 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;

13.11. As appropriate, enter into contracts with local school boards or other agencies to provide onsite information, enrollment, and other services necessary to the operation of the corporation; and

 $\underline{14.12.}$ Provide a report on an annual basis to the Governor, Insurance Commissioner, Commissioner of Education, Senate President, Speaker of the House of Representatives, and Minority Leaders of the Senate and the House of Representatives;

15.13. Each fiscal year, establish a maximum number of participants by county, on a statewide basis, who may enroll

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in the program without the benefit of local matching funds. Thereafter, the corporation may establish local government matching requirements for supplemental participation in the program. The corporation may vary local matching requirements and enrollment by county depending on factors which may influence the local government's ability to provide local match, including, but not limited to, population density, per capita income, existing local tax effort, and other factors. The corporation also may accept in-kind match in lieu of cash for the local match requirement to the extent allowed by Title XXI of the Social Security Act; and For the 1996-1997 fiscal year only, funds may be appropriated to the Florida Healthy Kids Corporation to organize school children groups to facilitate the provision of preventive health care services to children at sites in addition to those allowed in subparagraph 1. This subparagraph is repealed on July 1, 1997.

- 15. Establish eligibility criteria, premium and cost-sharing requirements, and benefit packages which conform to the provisions of this act when serving children eligible for the Florida Children's Healthy Bodies program, as created in this act.
- (c) Contracts in existence on June 30, 1998, that comply with cost-sharing provisions approved by the federal Health Care Financing Administration as conforming with Title XXI of the Social Security Act shall be deemed to conform with the Florida Children's Healthy Bodies program until renewal of the contract but no later than 2 years after the effective date of the contract.
- (d)(c) Coverage under the corporation's program is secondary to any other available private coverage held by the 31 participant child or family member. The corporation may

 establish procedures for coordinating benefits under this program with benefits under other public and private coverage.

(e)(d) The Florida Healthy Kids Corporation shall be a private corporation not for profit, organized pursuant to chapter 617, and shall have all powers necessary to carry out the purposes of this act, including, but not limited to, the power to receive and accept grants, loans, or advances of funds from any public or private agency and to receive and accept from any source contributions of money, property, labor, or any other thing of value, to be held, used, and applied for the purposes of this act.

(5)(4) BOARD OF DIRECTORS.--

- (a) The Florida Healthy Kids Corporation shall operate subject to the supervision and approval of a board of directors chaired by the Insurance Commissioner or her or his designee, and composed of 12 other members selected for 3-year terms of office as follows:
- 1. One member appointed by the Commissioner of Education from among three persons nominated by the Florida Association of School Administrators;
- 2. One member appointed by the Commissioner of Education from among three persons nominated by the Florida Association of School Boards;
- 3. One member appointed by the Commissioner of Education from the Office of School Health Programs of the Florida Department of Education;
- 4. One member appointed by the Governor from among three members nominated by the Florida Pediatric Society;
- 5. One member, appointed by the Governor, who represents the Children's Medical Services Program;

- 6. One member appointed by the Insurance Commissioner from among three members nominated by the Florida Hospital Association;
 - 7. Two members, appointed by the Insurance Commissioner, who are representatives of authorized health care insurers or health maintenance organizations;
 - 8. One member, appointed by the Insurance Commissioner, who represents the Institute for Child Health Policy;
 - 9. One member, appointed by the Governor, from among three members nominated by the Florida Academy of Family Physicians;
 - 10. One member, appointed by the Governor, who represents the Agency for Health Care Administration; and
 - 11. The State Health Officer or her or his designee.

In order to provide for staggered terms, the initial term of the members appointed under subparagraphs 1., 4., and 6. shall be for 2 years and the initial term of the members appointed under subparagraphs 2., 5., 8., and 10. shall be for 4 years.

- (b) A member of the board of directors may be removed by the official who appointed that member. The board shall appoint an executive director, who is responsible for other staff authorized by the board.
- (c) Board members are entitled to receive, from funds of the corporation, reimbursement for per diem and travel expenses as provided by s. 112.061.
- (d) There shall be no liability on the part of, and no cause of action shall arise against, any member of the board of directors, or its employees or agents, for any action they

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take in the performance of their powers and duties under this act.

(6) (5) LICENSING NOT REQUIRED; FISCAL OPERATION. --

- (a) The corporation shall not be deemed an insurer. The officers, directors, and employees of the corporation shall not be deemed to be agents of an insurer. Neither the corporation nor any officer, director, or employee of the corporation is subject to the licensing requirements of the insurance code or the rules of the Department of Insurance. However, the Department of Insurance may require that any marketing representative utilized and compensated by the corporation must be appointed as a representative of the insurers or health services providers with which the corporation contracts.
- (b) The board has complete fiscal control over the corporation and is responsible for all corporate operations.
- The Department of Insurance shall supervise any liquidation or dissolution of the corporation and shall have, with respect to such liquidation or dissolution, all power granted to it pursuant to the insurance code.
- (7)(6) ACCESS TO RECORDS; CONFIDENTIALITY; PENALTIES .-- Notwithstanding any other laws to the contrary, the Florida Healthy Kids Corporation shall have access to the medical records of a student upon receipt of permission from a parent or guardian of the student. Such medical records may be maintained by state and local agencies. Any identifying information, including medical records and family financial information, obtained by the corporation pursuant to this subsection is confidential and is exempt from the provisions of s. 119.07(1). Neither the corporation nor the staff or 31 agents of the corporation may release, without the written

consent of the participant or the parent or guardian of the 1 participant, to any state or federal agency, to any private 3 business or person, or to any other entity, any confidential information received pursuant to this subsection. A violation 4 5 of this subsection is a misdemeanor of the second degree, 6 punishable as provided in s. 775.082 or s. 775.083. 7 Section 53. Sections 391.031, 391.056, 391.091, and 8 624.92, Florida Statutes, are hereby repealed. 9 Section 54. Subsection (3) of section 409.814, Florida 10 Statutes, as created by this act, shall stand repealed effective October 1, 2000. It is the intent of the 11 12 Legislature that these provisions be reviewed on an annual 13 basis prior to that date. 14 Section 55. Sections 409.810 through 409.821, Florida 15 Statutes, as created by this act, shall stand repealed effective October 1, 2003. It is the intent of the 16 17 Legislature that these sections be reviewed on an annual basis 18 prior to that date. 19 Section 56. This act shall take effect upon becoming a 20 law. 21 22 23 24 25 26 27 28 29 30 31

HOUSE SUMMARY Revises and expands the Children's Medical Services program to provide for medical assistance to children receiving Medicaid, children with special health care needs, and children participating in the Florida needs, and children participating in the Florida Children's Healthy Bodies program authorized by Title XXI of the Social Security Act. Establishes a Statewide Children's Medical Services Network Advisory Council and a Cardiac Advisory Council, and authorizes technical advisory panels, to advise on the delivery of medical services to children. Establishes the Florida Children's Healthy Bodies are recommended to provide the boatst benefits. services to children. Establishes the Florida Children's Healthy Bodies program to provide health benefits coverage to previously uninsured children, through Medicaid, "Medikids," which makes elements of the Medicaid program applicable to children, the Florida Healthy Kids program, an urban health insurance pilot project established in the act, the Children's Medical Services network, and certain family coverage authorized by the act. Specifies duties of the Department of Health, the Division of Children's Medical Services, the Agency for Health Care Administration, the Department of Children and Family Services, the Department of Insurance, and the Florida Healthy Kids Corporation. See bill for details.