

1 A bill to be entitled
2 An act relating to health care; directing the
3 Agency for Health Care Administration to seek a
4 federal waiver for the Healthy Start Program;
5 amending s. 391.011, F.S.; providing a short
6 title; amending s. 391.016, F.S.; providing
7 legislative intent relating to the Children's
8 Medical Services program; amending s. 391.021,
9 F.S.; providing definitions; creating s.
10 391.025, F.S.; providing for applicability and
11 scope; amending s. 391.026, F.S.; providing
12 powers and duties of the Department of Health;
13 creating s. 391.028, F.S., and renumbering and
14 amending s. 391.051, F.S.; providing for
15 administration of the program; creating s.
16 391.029, F.S., and renumbering and amending ss.
17 391.046 and 391.07, F.S.; providing program
18 eligibility; creating s. 391.031, F.S.;
19 establishing benefits; creating s. 391.035,
20 F.S., and renumbering and amending ss. 391.036
21 and 391.041, F.S.; establishing provider
22 qualifications; creating s. 391.045, F.S.;
23 providing for provider reimbursement; creating
24 s. 391.047, F.S.; establishing responsibility
25 for payments on behalf of program participants
26 when other parties are liable; creating s.
27 391.055, F.S.; establishing service delivery
28 systems; creating s. 391.065, F.S.; providing
29 for health care provider agreements; creating
30 s. 391.071, F.S.; providing for quality of care
31 requirements; creating s. 391.081, F.S.;

1 establishing grievance reporting and resolution
 2 requirements; creating s. 391.095, F.S.;
 3 providing for program integrity; renumbering
 4 and amending s. 391.061, F.S.; providing for
 5 research and evaluation; renumbering ss.
 6 391.201-391.217, F.S., relating to prescribed
 7 pediatric extended care centers; designating
 8 said sections as pt. IX of ch. 400, F.S.;
 9 amending ss. 391.206 and 391.217, F.S.;
 10 conforming cross-references; designating ss.
 11 391.221, 391.222, and 391.223, F.S., as pt. II
 12 of ch. 391, F.S., entitled "Children's Medical
 13 Services Councils and Panels"; creating s.
 14 391.221, F.S.; establishing the Statewide
 15 Children's Medical Services Network Advisory
 16 Council; renumbering and amending s. 391.091,
 17 F.S., relating to the Cardiac Advisory Council;
 18 deleting meeting and reporting requirements;
 19 creating s. 391.223, F.S.; providing for
 20 technical advisory panels; amending ss.
 21 391.301, 391.303, 391.304, 391.305, and
 22 391.307, F.S.; revising provisions relating to
 23 developmental evaluation and intervention
 24 programs; amending s. 408.701, F.S.; conforming
 25 cross-references; creating s. 409.810, F.S.;
 26 providing a short title; creating s. 409.811,
 27 F.S.; providing definitions; creating s.
 28 409.812, F.S.; creating and establishing the
 29 purpose of the Florida Kidcare program;
 30 creating s. 409.813, F.S.; specifying program
 31 components; specifying that certain program

1 components are not an entitlement; creating s.
2 409.8132, F.S.; creating and establishing the
3 purpose of the Medikids program component;
4 providing for administration by the Agency for
5 Health Care Administration; exempting Medikids
6 from licensure under the Florida Insurance
7 Code; providing applicability of certain
8 Medicaid requirements; establishing benefit
9 requirements; providing for eligibility;
10 providing enrollment requirements; authorizing
11 penalties for nonpayment of premiums; creating
12 s. 409.8134, F.S.; providing for program
13 enrollment and expenditure ceilings; creating
14 s. 409.8135, F.S., providing behavior health
15 benefits to non-Medicaid-eligible children with
16 serious emotional needs; creating s. 409.814,
17 F.S.; providing eligibility requirements;
18 creating s. 409.815, F.S.; establishing
19 requirements for health benefits coverage under
20 the Florida Kidcare program; creating s.
21 409.816, F.S.; providing for limitations on
22 premiums and cost-sharing; creating s. 409.817,
23 F.S.; providing for approval of health benefits
24 coverage as a condition of financial
25 assistance; creating s. 409.8175, F.S.;
26 authorizing health maintenance organizations
27 and health insurers to reimburse providers in
28 rural counties according to the Medicaid fee
29 schedule; creating 409.8177, F.S.; providing
30 for program evaluation; requiring annual
31 reports; creating s. 409.818, F.S.; providing

1 for program administration; specifying duties
2 of the Department of Children and Family
3 Services, the Department of Health, the Agency
4 for Health Care Administration, the Department
5 of Insurance, and the Florida Healthy Kids
6 Corporation; authorizing certain program
7 modifications related to federal approval;
8 renumbering and amending s. 154.508, F.S.,
9 relating to outreach activities to identify
10 low-income, uninsured children; creating s.
11 409.820, F.S.; requiring the Department of
12 Health to develop standards for quality
13 assurance and program access; establishing
14 performance measures and standards for the
15 Florida Kidcare program; directing the Agency
16 for Health Care Administration to conduct a
17 study of Medicaid presumptive eligibility and
18 report its findings to the Legislature;
19 providing an enrollment ceiling; amending s.
20 409.904, F.S.; expanding Medicaid optional
21 eligibility to certain children and providing
22 for continuous eligibility; amending s.
23 409.906, F.S.; authorizing the Agency for
24 Health Care Administration to pay for certain
25 services for the Healthy Start program pursuant
26 to a federal waiver; providing for limitations;
27 amending s. 409.9126, F.S., relating to the
28 provision of Children's Medical Services
29 network services for children with special
30 health care needs; deleting definitions;
31 deleting standards for referral of certain

1 children to the network; providing for certain
 2 provider reimbursement; amending s. 624.91,
 3 F.S., relating to the Florida Healthy Kids
 4 Corporation; providing legislative intent;
 5 specifying that the program is not an
 6 entitlement; revising standards; providing for
 7 competitive bids for health plans; providing
 8 additional duties; repealing ss. 391.031 and
 9 391.056, F.S., relating to patient care centers
 10 and district children's medical program
 11 supervisors; repealing s. 624.92, F.S.,
 12 relating to application for a Medicaid waiver
 13 for funds to expand the Florida Healthy Kids
 14 Corporation; providing that the provisions of
 15 this act do not apply to certain existing
 16 contracts; providing for future repeal and
 17 review of ss. 409.810-409.820, F.S., relating
 18 to the "Florida Kidcare Act," based on
 19 specified changes in federal policy; providing
 20 an effective date.

21
 22 Be It Enacted by the Legislature of the State of Florida:

23
 24 Section 1. The Agency for Health Care Administration,
 25 working jointly with the Department of Health and the Florida
 26 Association of Healthy Start Coalitions, is directed to seek a
 27 federal waiver to secure matching funds under Title XIX of the
 28 Social Security Act for the Healthy Start program. The federal
 29 waiver application must seek Medicaid matching funds utilizing
 30 appropriated general revenue and local contributions.

1 Section 2. Section 391.011, Florida Statutes, is
2 amended to read:

3 391.011 Short title.--The provisions of this chapter
4 ~~This act shall be known and~~ may be cited as the "Children's
5 Medical Services Act."

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

8 391.016 Legislative intent.--The Legislature intends
9 that the Children's Medical Services program:

10 (1) Provide to children with special health care needs
11 a family-centered, comprehensive, and coordinated statewide
12 managed system of care that links community-based health care
13 with multidisciplinary, regional, and tertiary pediatric
14 specialty care. The program may provide for the coordination
15 and maintenance of consistency of the medical home for
16 children in families with a Children's Medical Services
17 program participant, in order to achieve family-centered care
18 ~~finds and declares that there is a need to provide medical~~
19 ~~services for needy children, particularly those with chronic,~~
20 ~~crippling or potentially crippling and physically handicapping~~
21 ~~diseases or conditions, and to provide leadership and~~
22 ~~direction in promoting, planning, and coordinating children's~~
23 ~~medical care programs so that the full development of each~~
24 ~~child's potential may be realized.~~

25 (2) Provide essential preventive, evaluative, and
26 early intervention services for children at risk for or having
27 special health care needs, in order to prevent or reduce long
28 term disabilities.

29 (3) Serve as a principal provider for children with
30 special health care needs under Titles XIX and XXI of the
31 Social Security Act.

1 (4) Be complementary to children's health training
2 programs essential for the maintenance of a skilled pediatric
3 health care workforce for all Floridians.

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

6 391.021 Definitions.--When used in this act, unless
7 the context clearly indicates otherwise:

8 (1) "Children's Medical Services network" or "network"
9 means a statewide managed care service system that includes
10 health care providers, as defined in this section.

11 (2) "Children with special health care needs" means
12 those children under age 21 years whose serious or chronic
13 physical or developmental conditions require extensive
14 preventive and maintenance care beyond that required by
15 typically healthy children. Health care utilization by these
16 children exceeds the statistically expected usage of the
17 normal child adjusted for chronological age. These children
18 often need complex care requiring multiple providers,
19 rehabilitation services, and specialized equipment in a number
20 of different settings.

21 (3)(1) "Department" means the Department of Health.

22 (4)(2) "Eligible individual" means a child with a
23 special health care need or a female of any age with a
24 high-risk pregnancy, or an individual below the age of 21
25 years who has an organic disease, defect, or condition which
26 may hinder the achievement of his or her normal growth and
27 development, and who meets the financial and medical
28 eligibility standards established in s. 391.029 by the
29 department. In addition, where specific legislative
30 appropriation exists, individuals with long-term chronic
31 diseases, such as cystic fibrosis, which originated during

1 ~~childhood and who received services under this act before the~~
2 ~~age of 21 years shall continue to be eligible beyond that age.~~

3 (5) "Health care provider" means a health care
4 professional, health care facility, or entity licensed or
5 certified to provide health services in this state that meets
6 the criteria as established by the department.

7 (6)~~(3)~~ "Health ~~Medical~~ services" includes the
8 prevention, diagnosis, and treatment of human disease, pain,
9 injury, deformity, or disabling ~~physical~~ conditions.

10 (7) "Participant" means an eligible individual who is
11 enrolled in the Children's Medical Services program.

12 (8) "Program" means the Children's Medical Services
13 program established in the Division of Children's Medical
14 Services of the department.

15 Section 5. Section 391.025, Florida Statutes, is
16 created to read:

17 391.025 Applicability and scope.--

18 (1) This act applies to health services provided to
19 eligible individuals who are:

20 (a) Enrolled in the Medicaid program;

21 (b) Enrolled in the Florida Kidcare program; and

22 (c) Uninsured or underinsured, provided that they meet
23 the financial eligibility requirements established in this
24 act, and to the extent that resources are appropriated for
25 their care.

26 (2) The Children's Medical Services program consists
27 of the following components:

28 (a) The infant metabolic screening program established
29 in s. 383.14.

30 (b) The regional perinatal intensive care centers
31 program established in ss. 383.15-383.21.

1 (c) A federal or state program authorized by the
2 Legislature.

3 (d) The developmental evaluation and intervention
4 program.

5 (e) The Children's Medical Services network.

6 (3) The Children's Medical Services program shall not
7 be deemed an insurer and is not subject to the licensing
8 requirements of the Florida Insurance Code or the rules of the
9 Department of Insurance, when providing services to children
10 who receive Medicaid benefits, other Medicaid-eligible
11 children with special health care needs, and children
12 participating in the Florida Kidcare program. This exemption
13 shall not extend to contractors.

14 Section 6. Section 391.026, Florida Statutes, is
15 amended to read:

16 391.026 Powers and duties of the department.--~~To~~
17 ~~administer its programs of children's medical services,~~The
18 department shall have the following powers, duties, and
19 responsibilities:

20 (1) To provide or contract for the provision of health
21 ~~medical~~ services to eligible individuals.

22 (2) To determine the medical and financial eligibility
23 standards for the program and to determine the medical and
24 financial eligibility of individuals seeking health ~~medical~~
25 services from the program.

26 (3) To recommend priorities for the implementation of
27 comprehensive plans and budgets.

28 (4) To coordinate a comprehensive delivery system for
29 eligible individuals to take maximum advantage of all
30 available ~~federal~~ funds.

31

1 (5) To promote, establish, and coordinate programs
2 relating to children's medical services in cooperation with
3 other public and private agencies and to coordinate funding of
4 health care programs with federal, state, or local indigent
5 health care funding mechanisms.

6 (6) To initiate, coordinate, and request review of
7 applications to federal and state agencies for funds,
8 services, or commodities relating to children's medical
9 programs.

10 (7) To sponsor or promote grants for projects,
11 programs, education, or research in the field of medical needs
12 of children, with an emphasis on early diagnosis and
13 treatment.

14 (8) To oversee and operate the Children's Medical
15 Services network contract or be contracted with.

16 (9) To establish reimbursement mechanisms for the
17 Children's Medical Services network standards of eligibility
18 for patients of children's medical services programs.

19 (10) To establish Children's Medical Services network
20 standards and credentialing requirements for health care
21 providers and health care services coordinate funding of
22 medical care programs with state or local indigent health care
23 funding mechanisms.

24 (11) To serve as a provider and principal case manager
25 for children with special health care needs under Titles XIX
26 and XXI of the Social Security Act establish standards for
27 patient care and facilities.

28 (12) To monitor the provision of health services in
29 the program, including the utilization and quality of health
30 services.

31

1 (13) To administer the Children with Special Health
2 Care Needs program in accordance with Title V of the Social
3 Security Act.

4 (14) To establish and operate a grievance resolution
5 process for participants and health care providers.

6 (15) To maintain program integrity in the Children's
7 Medical Services program.

8 (16) To receive and manage health care premiums,
9 capitation payments, and funds from federal, state, local, and
10 private entities for the program.

11 (17) To appoint health care consultants for the
12 purpose of providing peer review and making recommendations to
13 enhance the delivery and quality of services in the Children's
14 Medical Services program.

15 (18)~~(12)~~ To make rules to carry out the provisions of
16 this act.

17 Section 7. Section 391.028, Florida Statutes, is
18 created, and section 391.051, Florida Statutes, is renumbered
19 as subsection (1) of said section and amended, to read:

20 391.028 Administration.--The Children's Medical
21 Services program shall have a central office and area offices.

22 ~~(1)391.051 Qualifications of director.--~~The Director
23 of the Division of ~~for~~ Children's Medical Services must be a
24 physician licensed under chapter 458 or chapter 459 who has
25 specialized training and experience in the provision of health
26 ~~medical~~ care to children and who has recognized skills in
27 leadership and the promotion of children's health programs.
28 The division ~~director for Children's Medical Services~~ shall be
29 the deputy secretary and the Deputy State Health Officer for
30 Children's Medical Services and is appointed by and reports to
31 the secretary.

1 (2) The division director shall designate Children's
2 Medical Services area offices to perform operational
3 activities, including, but not limited to:

4 (a) Providing case management services for the
5 network.

6 (b) Providing local oversight of the program.

7 (c) Determining an individual's medical and financial
8 eligibility for the program.

9 (d) Participating in the determination of a level of
10 care and medical complexity for long-term care services.

11 (e) Authorizing services in the program and developing
12 spending plans.

13 (f) Participating in the development of treatment
14 plans.

15 (g) Taking part in the resolution of complaints and
16 grievances from participants and health care providers.

17 (3) Each Children's Medical Services area office shall
18 be directed by a physician licensed under chapter 458 or
19 chapter 459 who has specialized training and experience in the
20 provision of health care to children. The director of a
21 Children's Medical Services area office shall be appointed by
22 the division director from the active panel of Children's
23 Medical Services physician consultants.

24 Section 8. Section 391.029, Florida Statutes, is
25 created, section 391.046, Florida Statutes, is renumbered as
26 subsection (3) of said section and amended, and section
27 391.07, Florida Statutes, is renumbered as subsection (4) of
28 said section and amended, to read:

29 391.029 Program eligibility.--
30
31

1 (1) The department shall establish the medical
2 criteria to determine if an applicant for the Children's
3 Medical Services program is an eligible individual.

4 (2) The following individuals are financially eligible
5 for the program:

6 (a) A high-risk pregnant female who is eligible for
7 Medicaid.

8 (b) A child with special health care needs from birth
9 to age 21 years who is eligible for Medicaid.

10 (c) A child with special health care needs from birth
11 to age 19 years who is eligible for a program under Title XXI
12 of the Social Security Act.

13 (d) A child with special health care needs from birth
14 to age 21 years whose projected annual cost of care adjusts
15 the family income to Medicaid financial criteria. In cases
16 where the family income is adjusted based on a projected
17 annual cost of care, the family shall participate financially
18 in the cost of care based on criteria established by the
19 department.

20 (e) A child with special health care needs as defined
21 in Title V of the Social Security Act relating to children
22 with special health care needs.

23
24 The department may continue to serve certain children with
25 special health care needs who are 21 years of age or older and
26 who were receiving services from the program prior to April 1,
27 1998. Such children may be served by the department until
28 July 1, 2000.

29 (3) ~~391.046 Financial determination.~~ The department
30 shall determine the financial and medical eligibility of
31 children for the program. The department shall also determine

1 ~~ability of individuals seeking medical services, or the~~
2 financial ability of the parents, or persons or other agencies
3 having legal custody over such individuals, to pay the costs
4 of health ~~such medical~~ services under the program. The
5 department may pay reasonable travel expenses related to the
6 determination of eligibility for or the provision of health
7 ~~medical~~ services.

8 ~~(4)391.07 Indigent and semi-indigent cases.--~~Any
9 child who has been provided with surgical or medical care or
10 treatment under this act prior to being adopted shall continue
11 to be eligible to be provided with such care or treatment
12 after his or her adoption, regardless of the financial ability
13 of the persons adopting the child.

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

16 391.031 Benefits.--Benefits provided under the program
17 shall be the same benefits provided to children as specified
18 in ss. 409.905 and 409.906. The department may offer
19 additional benefits for early intervention services, respite
20 services, genetic testing, genetic and nutritional counseling,
21 and parent support services, if such services are determined
22 to be medically necessary. No child or person determined
23 eligible for the program who is eligible under Title XIX or
24 Title XXI of the Social Security Act shall receive any service
25 other than an initial health care screening or treatment of an
26 emergency medical condition as defined in s. 395.002, until
27 such child or person is enrolled in Medicaid or a Title XXI
28 program.

29 Section 10. Section 391.035, Florida Statutes, is
30 created, section 391.036, Florida Statutes, is renumbered as
31 subsection (2) of said section and amended, and section

1 391.041, Florida Statutes, is renumbered as subsection (3) of
2 said section and amended, to read:

3 391.035 Provider qualifications.--

4 (1) The department shall establish the criteria to
5 designate health care providers to participate in the
6 Children's Medical Services network. The department shall
7 follow, whenever available, national guidelines for selecting
8 health care providers to serve children with special health
9 care needs.

10 ~~(2)391.036 Medical services providers~~
11 ~~qualifications.--~~The department shall require that all health
12 care providers under contract with the program of medical
13 ~~services under this act~~ be duly licensed in the state, if such
14 licensure is available, and meet such criteria as may be
15 established by the department.

16 ~~(3)391.041 Services to other state or local programs~~
17 ~~or institutions.--~~The department may initiate agreements with
18 other state or local governmental programs or institutions for
19 the coordination of health medical care to eligible
20 individuals receiving services from such programs or
21 institutions.

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

24 391.045 Reimbursement.--

25 (1) The department shall reimburse health care
26 providers for services rendered through the Children's Medical
27 Services network using cost-effective methods, including, but
28 not limited to, capitation, discounted fee-for-service, unit
29 costs, and cost reimbursement. Medicaid reimbursement rates
30 shall be utilized to the maximum extent possible, where
31 applicable.

1 (2) Reimbursement to the Children's Medical Services
2 program for services provided to children with special health
3 care needs who participate in the Florida Kidcare program and
4 who are not Medicaid recipients shall be on a capitated basis.

5 Section 12. Section 391.047, Florida Statutes, is
6 created to read:

7 391.047 Responsibility for payments on behalf of
8 Children's Medical Services program participants when other
9 parties are liable.--The Children's Medical Services program
10 shall comply with s. 402.24, concerning third-party
11 liabilities and recovery of third-party payments for health
12 services.

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

15 391.055 Service delivery systems.--

16 (1) The program shall apply managed care methods to
17 ensure the efficient operation of the Children's Medical
18 Services network. Such methods include, but are not limited
19 to, capitation payments, utilization management and review,
20 prior authorization, and case management.

21 (2) The components of the network are:

22 (a) Qualified primary care physicians who shall serve
23 as the gatekeepers and who shall be responsible for the
24 provision or authorization of health services to an eligible
25 individual who is enrolled in the Children's Medical Services
26 network.

27 (b) Comprehensive specialty care arrangements that
28 meet the requirements of s. 391.035 to provide acute care,
29 specialty care, long-term care, and chronic disease management
30 for eligible individuals.

31 (c) Case management services.

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

7 Section 14. Section 391.065, Florida Statutes, is
8 created to read:

9 391.065 Health care provider agreements.--The
10 department is authorized to establish health care provider
11 agreements for participation in the Children's Medical
12 Services program.

13 Section 15. Section 391.071, Florida Statutes, is
14 created to read:

15 391.071 Quality of care requirements.--The Children's
16 Medical Services program shall develop quality of care and
17 service integration standards and reporting requirements for
18 health care providers that participate in the Children's
19 Medical Services program. The program shall ensure that these
20 standards are not duplicative of other standards and
21 requirements for health care providers.

22 Section 16. Section 391.081, Florida Statutes, is
23 created to read:

24 391.081 Grievance reporting and resolution
25 requirements.--The department shall adopt and implement a
26 system to provide assistance to eligible individuals and
27 health care providers to resolve complaints and grievances.
28 To the greatest extent possible, the department shall use
29 existing grievance reporting and resolution processes. The
30 department shall ensure that the system developed for the
31

1 Children's Medical Services program does not duplicate
2 existing grievance reporting and resolution processes.

3 Section 17. Section 391.095, Florida Statutes, is
4 created to read:

5 391.095 Program integrity.--The department shall
6 operate a system to oversee the activities of Children's
7 Medical Services program participants, and health care
8 providers and their representatives, to prevent fraudulent and
9 abusive behavior, overutilization and duplicative utilization,
10 and neglect of participants and to recover overpayments as
11 appropriate. For the purposes of this section, the terms
12 "abuse" and "fraud" have the meanings provided in s. 409.913.
13 The department shall refer incidents of suspected fraud and
14 abuse, and overutilization and duplicative utilization, to the
15 appropriate regulatory agency.

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

19 391.097 ~~391.061~~ Research and evaluation.--

20 (1) The department may initiate, fund, and conduct
21 research and evaluation projects to improve the delivery of
22 children's medical services. The department may cooperate with
23 public and private agencies engaged in work of a similar
24 nature.

25 (2) The Children's Medical Services network shall be
26 included in any evaluation conducted in accordance with the
27 provisions of Title XXI of the Social Security Act as enacted
28 by the Legislature.

29 Section 19. Sections 391.201 through 391.217, Florida
30 Statutes, are renumbered as sections 400.901 through 400.917,
31

1 Florida Statutes, and designated as part IX of chapter 400,
2 Florida Statutes.

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

6 400.906 ~~391.206~~ Initial application for license.--

7 (1) Application for a license shall be made to the
8 agency on forms furnished by it and shall be accompanied by
9 the appropriate license fee unless the applicant is exempt
10 from payment of the fee as provided in s. 400.905 ~~391.205~~.

11 Section 21. Section 391.217, Florida Statutes, is
12 renumbered as section 400.917, Florida Statutes, and amended
13 to read:

14 400.917 ~~391.217~~ Disposition of moneys from fines and
15 fees.--All moneys received from administrative fines pursuant
16 to s. 400.908 ~~391.208~~ and all moneys received from fees
17 collected pursuant to s. 400.905 ~~391.205~~ shall be deposited in
18 the Health Care Trust Fund created in s. 408.16 ~~455.2205~~.

19 Section 22. Sections 391.221, 391.222, and 391.223,
20 Florida Statutes, as created by this act, are designated as
21 part II of chapter 391, Florida Statutes, entitled "Children's
22 Medical Services Councils and Panels."

23 Section 23. Section 391.221, Florida Statutes, is
24 created to read:

25 391.221 Statewide Children's Medical Services Network
26 Advisory Council.--

27 (1) The secretary of the department may appoint a
28 Statewide Children's Medical Services Network Advisory Council
29 for the purpose of acting as an advisory body to the
30 department. Specifically, the duties of the council shall
31 include, but not be limited to:

1 (a) Recommending standards and credentialing
2 requirements for health care providers rendering health
3 services to Children's Medical Services network participants.

4 (b) Making recommendations to the Director of the
5 Division of Children's Medical Services concerning the
6 selection of health care providers for the Children's Medical
7 Services network.

8 (c) Reviewing and making recommendations concerning
9 network health care provider or participant disputes that are
10 brought to the attention of the advisory council.

11 (d) Providing input to the Children's Medical Services
12 program on the policies governing the Children's Medical
13 Services network.

14 (e) Reviewing the financial reports and financial
15 status of the network and making recommendations concerning
16 the methods of payment and cost controls for the network.

17 (f) Reviewing and recommending the scope of benefits
18 for the network.

19 (g) Reviewing network performance measures and
20 outcomes and making recommendations for improvements to the
21 network and its maintenance and collection of data and
22 information.

23 (2) The council shall be composed of 12 members
24 representing the private health care provider sector, families
25 with children who have special health care needs, the Agency
26 for Health Care Administration, the Department of Insurance,
27 the Florida Chapter of the American Academy of Pediatrics, an
28 academic health center pediatric program, and the health
29 insurance industry. Members shall be appointed for 4-year,
30 staggered terms. In no case shall an employee of the
31 Department of Health serve as a member or as an ex officio

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

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

9 Section 24. Section 391.091, Florida Statutes, is
10 renumbered as section 391.222, Florida Statutes, and amended
11 to read:

12 391.222 ~~391.091~~ Cardiac Advisory Council.--

13 (1)~~(a)~~ The secretary of the department may appoint a
14 Cardiac Advisory Council for the purpose of acting as the
15 advisory body to the Division of Children's Medical Services
16 ~~Program Office~~ in the delivery of cardiac services to
17 children. Specifically, the duties of the council shall
18 include, but not be limited to:

19 (a)1. Recommending standards for personnel and
20 facilities rendering cardiac services for the Division of
21 Children's Medical Services;

22 (b)2. Receiving reports of the periodic review of
23 cardiac personnel and facilities to determine if established
24 standards for the Division of Children's Medical Services
25 cardiac services are met;

26 (c)3. Making recommendations to the division
27 ~~Children's Medical Services~~ staff director as to the approval
28 or disapproval of reviewed personnel and facilities;

29 (d)4. Making recommendations as to the intervals for
30 reinspection of approved personnel and facilities; and

31

1 (e)5. Providing input to the Division of Children's
2 Medical Services on all aspects of Children's Medical Services
3 cardiac programs, including the rulemaking process.

4 (2) The council shall be composed of eight members
5 with technical expertise in cardiac medicine. Members shall
6 be appointed for 4-year, staggered terms. In no case shall an
7 employee of the Department of Health serve as a member or as
8 an ex officio member of the advisory council. A vacancy shall
9 be filled for the remainder of the unexpired term in the same
10 manner as the original appointment. A member may not be
11 appointed to more than two consecutive terms. However, a
12 member may be reappointed after being off the council for at
13 least 2 years.

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

17 ~~(2) The Cardiac Advisory Council shall meet at the~~
18 ~~call of the chair, at the request of a majority of its~~
19 ~~membership, or at the call of the staff director of the~~
20 ~~Children's Medical Services Program Office, but no more~~
21 ~~frequently than quarterly. Minutes shall be recorded for all~~
22 ~~meetings of such council and shall be kept on file in the~~
23 ~~Children's Medical Services Program Office.~~

24 ~~(3) No later than December 1 of each year preceding a~~
25 ~~legislative session in which a biennial budget will be~~
26 ~~adopted, the department shall present a summary report to the~~
27 ~~President of the Senate and the Speaker of the House of~~
28 ~~Representatives documenting compliance with this act and the~~
29 ~~accomplishments and expenditures of the Cardiac Advisory~~
30 ~~Council.~~

31

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

3 391.223 Technical advisory panels.--The secretary of
4 the department may establish technical advisory panels to
5 assist the Division of Children's Medical Services in
6 developing specific policies and procedures for the Children's
7 Medical Services program.

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

10 391.301 Developmental evaluation and intervention
11 programs; legislative findings and intent.--

12 (1) The Legislature finds that the high-risk and
13 disabled newborn infants in this state need in-hospital and
14 outpatient developmental evaluation and intervention and that
15 their families need training and support services. The
16 Legislature further finds that there is an identifiable and
17 increasing number of infants who need developmental evaluation
18 and intervention and family support due to the fact that
19 increased numbers of low-birthweight and sick full-term
20 newborn infants are now surviving because of ~~due to~~ the
21 advances in neonatal intensive care medicine; increased
22 numbers of medically involved infants are remaining
23 inappropriately in hospitals because their parents lack the
24 confidence or skills to care for these infants without
25 support; and increased numbers of infants are at risk due to
26 parent risk factors, such as substance abuse, teenage
27 pregnancy, and other high-risk conditions.

28 (2) It is the intent of the Legislature to establish
29 developmental evaluation and intervention services ~~programs~~ at
30 all hospitals providing Level II or Level III neonatal
31 intensive care services, in order that families with high-risk

1 or disabled infants may gain the services and skills they need
2 to support their infants.

3 (3) It is the intent of the Legislature to provide a
4 statewide coordinated program to screen, diagnose, and manage
5 high-risk infants identified as hearing-impaired. The program
6 shall develop criteria to identify infants who are at risk of
7 having hearing impairments, and shall ensure that all parents
8 or guardians of newborn infants are provided with materials
9 regarding hearing impairments prior to discharge of the
10 newborn infants from the hospital.

11 (4) It is the intent of the Legislature that a
12 methodology be developed to integrate information on infants
13 with potentially disabling conditions with other early
14 intervention programs, including Part C of Pub. L. No. 105-17
15 and the reporting system to be established under the Healthy
16 Start program.

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

19 391.303 Program requirements.--

20 (1) ~~A~~ Developmental evaluation and intervention
21 services program shall be established at each hospital that
22 provides Level II or Level III neonatal intensive care
23 services. Program services shall be made available to an
24 infant or toddler identified as being at risk for
25 developmental disabilities, or identified as medically
26 involved, who, along with his or her family, would benefit
27 from program services. Program services shall be made
28 available to infants or toddlers in a Level II or Level III
29 neonatal intensive care unit or in a pediatric intensive care
30 unit, infants who are identified as being at high risk for
31 hearing impairment or who are hearing-impaired, or infants who

1 have a metabolic or genetic disorder. The developmental
2 evaluation and intervention programs are subject to the
3 availability of moneys and the limitations established by the
4 General Appropriations Act or chapter 216. Hearing screening,
5 evaluation and referral services, and initial developmental
6 assessments services shall be provided to each infant or
7 toddler. Other program services may be provided to an infant
8 or toddler, and the family of the infant or toddler, who do
9 not meet the financial eligibility criteria for the Children's
10 Medical Services program based on the availability of funding,
11 including insurance and fees.

12 (2) Each developmental evaluation and intervention
13 program shall have a program director, a medical director, and
14 necessary staff to carry out the program. The program director
15 shall establish and coordinate the developmental evaluation
16 and intervention program. The program shall include, but is
17 not limited to:

18 (a) In-hospital evaluation and intervention services,
19 parent support and training, and family support planning and
20 case management.

21 (b) Screening and evaluation services to identify each
22 infant at risk of hearing impairment, and a medical and
23 educational followup and care management program for an infant
24 who is identified as hearing-impaired, with management
25 beginning as soon after birth as practicable. The medical
26 management program must include the genetic evaluation of an
27 infant suspected to have genetically determined deafness and
28 an evaluation of the relative risk.

29 (c) Regularly held multidisciplinary team meetings to
30 develop and update the family support plan. In addition to the
31 family, a multidisciplinary team may include a physician,

1 physician assistant, psychologist, psychotherapist, educator,
2 social worker, nurse, physical or occupational therapist,
3 speech pathologist, developmental evaluation and intervention
4 program director, case manager, ~~and~~ others who are involved
5 with the in-hospital and posthospital discharge care plan, and
6 anyone the family wishes to include as a member of the team.

7 The family support plan is a written plan that describes the
8 infant or toddler, ~~and~~ the therapies and services the infant
9 or toddler and his or her family need, and the intended
10 outcomes of the services.

11 (d) Discharge planning by the multidisciplinary team,
12 including referral and followup to primary medical care and
13 modification of the family support plan.

14 (e) Education and training for neonatal and pediatric
15 intensive care services staff, volunteers, and others, as
16 needed, in order to expand the services provided to high-risk,
17 developmentally disabled, medically involved, or
18 hearing-impaired infants and toddlers and their families.

19 (f) Followup intervention services after hospital
20 discharge, to aid the family and the high-risk,
21 developmentally disabled, medically involved, or
22 hearing-impaired infant's or toddler's transition into the
23 community. ~~These services shall include, but are not limited~~
24 ~~to, home intervention services and other intervention~~
25 ~~services, both contractual and voluntary.~~ Support services
26 shall be coordinated at the request of the family and within
27 the context of the family support plan.

28 (g) Referral to and coordination of services with
29 community providers.

30 (h) Educational materials about infant care, infant
31 growth and development, community resources, medical

1 conditions and treatments, and family advocacy. Materials
2 regarding hearing impairments shall be provided to each parent
3 or guardian of a hearing-impaired infant or toddler.

4 (i) Involvement of the parents and guardians of each
5 identified high-risk, developmentally disabled, medically
6 involved, or hearing-impaired infant or toddler.

7 Section 28. Paragraph (a) of subsection (1) of section
8 391.304, Florida Statutes, is amended to read:

9 391.304 Program coordination.--

10 (1) The Department of Health shall:

11 (a) Coordinate with the Department of Education, ~~the~~
12 ~~Offices of Prevention, Early Assistance, and Child~~

13 ~~Development~~, the Florida Interagency Coordinating Council for
14 Infants and Toddlers, and the State Coordinating Council for
15 Early Childhood Services in planning and administering ss.

16 391.301-391.307. This coordination shall be in accordance with
17 s. 411.222.

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

20 391.305 Program standards; rules.--The Department of
21 Health shall adopt rules for the administration of the
22 developmental evaluation and intervention program. The rules
23 shall specify standards for the development and operation of
24 the program, including, but not limited to:

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

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

30 391.307 Program review.--

31

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

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

9 408.701 Community health purchasing; definitions.--As
10 used in ss. 408.70-408.706, the term:

11 (13) "Health care provider" or "provider" means a
12 state-licensed or state-authorized facility, a facility
13 principally supported by a local government or by funds from a
14 charitable organization that holds a current exemption from
15 federal income tax under s. 501(c)(3) of the Internal Revenue
16 Code, a licensed practitioner, a county health department
17 established under part I of chapter 154, ~~a patient care center~~
18 ~~described in s. 391.031~~, a prescribed pediatric extended care
19 center defined in s. 400.902 ~~391.202~~, a federally supported
20 primary care program such as a migrant health center or a
21 community health center authorized under s. 329 or s. 330 of
22 the United States Public Health Services Act that delivers
23 health care services to individuals, or a community facility
24 that receives funds from the state under the Community
25 Alcohol, Drug Abuse, and Mental Health Services Act and
26 provides mental health services to individuals.

27 Section 32. Section 409.810, Florida Statutes, is
28 created to read:

29 409.810 Short title.--Sections 409.810-409.820 may be
30 cited as the "Florida Kidcare Act."

31

1 Section 33. Section 409.811, Florida Statutes, is
2 created to read:

3 409.811 Definitions.--As used in ss. 409.810-409.820,
4 the term:

5 (1) "Actuarially equivalent" means that:

6 (a) The aggregate value of the benefits included in
7 health benefits coverage is equal to the value of the benefits
8 in the benchmark benefit plan; and

9 (b) The benefits included in health benefits coverage
10 are substantially similar to the benefits included in the
11 benchmark benefit plan, except that preventive health services
12 must be the same as in the benchmark benefit plan.

13 (2) "Agency" means the Agency for Health Care
14 Administration.

15 (3) "Applicant" means a parent or guardian of a child
16 or a child whose disability of nonage has been removed under
17 chapter 743, who applies for determination of eligibility for
18 health benefits coverage under ss. 409.810-409.820.

19 (4) "Benchmark benefit plan" means the form and level
20 of health benefits coverage established in s. 409.815.

21 (5) "Child" means any person under 19 years of age.

22 (6) "Child with special health care needs" means a
23 child whose serious or chronic physical or developmental
24 condition requires extensive preventive and maintenance care
25 beyond that required by typically healthy children. Health
26 care utilization by such a child exceeds the statistically
27 expected usage of the normal child adjusted for chronological
28 age, and such a child often needs complex care requiring
29 multiple providers, rehabilitation services, and specialized
30 equipment in a number of different settings.

31

1 (7) "Children's Medical Services network" or "network"
2 means a statewide managed care service system as defined in s.
3 391.021(1).

4 (8) "Community rate" means a method used to develop
5 premiums for a health insurance plan that spreads financial
6 risk across a large population and allows adjustments only for
7 age, gender, family composition, and geographic area.

8 (9) "Department" means the Department of Health.

9 (10) "Enrollee" means a child who has been determined
10 eligible for and is receiving coverage under ss.
11 409.810-409.820.

12 (11) "Enrollment ceiling" means the maximum number of
13 children receiving premium assistance payments, excluding
14 children enrolled in Medicaid, that may be enrolled at any
15 time in the Florida Kidcare program. The maximum number shall
16 be established annually in the General Appropriations Act or
17 by general law.

18 (12) "Family" means the group or the individuals whose
19 income is considered in determining eligibility for the
20 Florida Kidcare program. The family includes a child with a
21 custodial parent or caretaker relative who resides in the same
22 house or living unit or, in the case of a child whose
23 disability of nonage has been removed under chapter 743, the
24 child. The family may also include other individuals whose
25 income and resources are considered in whole or in part in
26 determining eligibility of the child.

27 (13) "Family income" means cash received at periodic
28 intervals from any source, such as wages, benefits,
29 contributions, or rental property. Income also may include any
30 money that would have been counted as income under the Aid to
31

1 Families with Dependent Children (AFDC) state plan in effect
2 prior to August 22, 1996.

3 (14) "Guarantee issue" means that health benefits
4 coverage must be offered to an individual regardless of the
5 individual's health status, preexisting condition, or claims
6 history.

7 (15) "Health benefits coverage" means protection that
8 provides payment of benefits for covered health care services
9 or that otherwise provides, either directly or through
10 arrangements with other persons, covered health care services
11 on a prepaid per capita basis or on a prepaid aggregate
12 fixed-sum basis.

13 (16) "Health insurance plan" means health benefits
14 coverage under the following:

15 (a) A health plan offered by any certified health
16 maintenance organization or authorized health insurer, except
17 a plan that is limited to the following: a limited benefit,
18 specified disease, or specified accident; hospital indemnity;
19 accident only; limited benefit convalescent care; Medicare
20 supplement; credit disability; dental; vision; long-term care;
21 disability income; coverage issued as a supplement to another
22 health plan; workers' compensation liability or other
23 insurance; or motor vehicle medical payment only; or

24 (b) An employee welfare benefit plan that includes
25 health benefits established under the Employee Retirement
26 Income Security Act of 1974, as amended.

27 (17) "Medicaid" means the medical assistance program
28 authorized by Title XIX of the Social Security Act, and
29 regulations thereunder, and ss. 409.901-409.920, as
30 administered in this state by the agency.

31

1 (18) "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, the 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 and

16 (e) Approved by the appropriate medical body or health
17 care specialty involved as effective, appropriate, and
18 essential for the care and treatment of the enrollee's
19 condition.

20 (19) "Medikids" means a component of the Florida
21 Kidcare program of medical assistance authorized by Title XXI
22 of the Social Security Act, and regulations thereunder, and s.
23 409.8132, as administered in the state by the agency.

24 (20) "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.

30
31

1 (21) "Premium" means the entire cost of a health
2 insurance plan, including the administration fee or the risk
3 assumption charge.

4 (22) "Premium assistance payment" means the monthly
5 consideration paid by the agency per enrollee in the Florida
6 Kidcare program towards health insurance premiums.

7 (23) "Program" means the Florida Kidcare program, the
8 medical assistance program authorized by Title XXI of the
9 Social Security Act as part of the federal Balanced Budget Act
10 of 1997.

11 (24) "Qualified alien" means an alien as defined in s.
12 431 of the Personal Responsibility and Work Opportunity
13 Reconciliation Act of 1996, as amended, Pub. L. No. 104-193.

14 (25) "Resident" means a United States citizen, or
15 qualified alien, who is domiciled in this state.

16 (26) "Rural county" means a county having a population
17 density of less than 100 persons per square mile, or a county
18 defined by the most recent United States Census as rural, in
19 which there is no prepaid health plan participating in the
20 Medicaid program as of July 1, 1998.

21 (27) "Substantially similar" means that, with respect
22 to additional services as defined in s. 2103(c)(2) of Title
23 XXI of the Social Security Act, these services must have an
24 actuarial value equal to at least 75 percent of the actuarial
25 value of the coverage for that service in the benchmark
26 benefit plan and, with respect to the basic services as
27 defined in s. 2103(c)(1) of Title XXI of the Social Security
28 Act, these services must be the same as the services in the
29 benchmark benefit plan.

30 Section 34. Section 409.812, Florida Statutes, is
31 created to read:

1 409.812 Program created; purpose.--The Florida Kidcare
2 program is created to provide a defined set of health benefits
3 to previously uninsured, low-income children through the
4 establishment of a variety of affordable health benefits
5 coverage options from which families may select coverage and
6 through which families may contribute financially to the
7 health care of their children.

8 Section 35. Section 409.813, Florida Statutes, is
9 created to read:

10 409.813 Program components; entitlement and
11 nonentitlement.--The Florida Kidcare program includes health
12 benefits coverage provided to children through:

13 (1) Medicaid;

14 (2) Medikids as created in s. 409.8132;

15 (3) The Florida Healthy Kids Corporation as created in
16 s. 624.91;

17 (4) Employer-sponsored group health insurance plans
18 approved under ss. 409.810-409.820; and

19 (5) The Children's Medical Services network
20 established in chapter 391.

21
22 Except for coverage under the Medicaid program, coverage under
23 the Florida Kidcare program is not an entitlement. No cause
24 of action shall arise against the state, the department, the
25 Department of Children and Family Services, or the agency for
26 failure to make health services available to any person under
27 ss. 409.810-409.820.

28 Section 36. Section 409.8132, Florida Statutes, is
29 created to read:

30 409.8132 Medikids program component.--
31

1 (1) PROGRAM COMPONENT CREATED; PURPOSE.--The Medikids
2 program component is created in the Agency for Health Care
3 Administration to provide health care services under the
4 Florida Kidcare program to eligible children using the
5 administrative structure and provider network of the Medicaid
6 program.

7 (2) ADMINISTRATION.--The director of the agency shall
8 appoint an administrator of the Medikids program component,
9 which shall be located in the Division of State Health
10 Purchasing. The Agency for Health Care Administration is
11 designated as the state agency authorized to make payments for
12 medical assistance and related services for the Medikids
13 program component of the Florida Kidcare program. Payments
14 shall be made, subject to any limitations or directions in the
15 General Appropriations Act, only for covered services provided
16 to eligible children by qualified health care providers under
17 the Florida Kidcare program.

18 (3) INSURANCE LICENSURE NOT REQUIRED.--The Medikids
19 program component shall not be subject to the licensing
20 requirements of the Florida Insurance Code or rules of the
21 Department of Insurance.

22 (4) APPLICABILITY OF LAWS RELATING TO MEDICAID.--The
23 provisions of ss. 409.902, 409.905, 409.906, 409.907, 409.908,
24 409.910, 409.912, 409.9121, 409.9122, 409.9123, 409.9124,
25 409.9127, 409.9128, 409.913, 409.916, 409.919, 409.920, and
26 409.9205 apply to the administration of the Medikids program
27 component of the Florida Kidcare program, except that s.
28 409.9122 applies to Medikids as modified by the provisions of
29 subsection (7).

30
31

1 (5) BENEFITS.--Benefits provided under the Medikids
2 program component shall be the same benefits provided to
3 children as specified in ss. 409.905 and 409.906.

4 (6) ELIGIBILITY.--

5 (a) A child who is under the age of 5 years is
6 eligible to enroll in the Medikids program component of the
7 Florida Kidcare program, if the child is a member of a family
8 that has a family income which exceeds the Medicaid applicable
9 income level as specified in s. 409.903, but which is equal to
10 or below 200 percent of the current federal poverty level. In
11 determining the eligibility of such a child, an assets test is
12 not required. A child who is eligible for Medikids may elect
13 to enroll in Florida Healthy Kids coverage or
14 employer-sponsored group coverage. However, a child who is
15 eligible for Medikids may participate in the Florida Healthy
16 Kids program only if the child has a sibling participating in
17 the Florida Healthy Kids program and the child's county of
18 residence permits such enrollment.

19 (b) The provisions of s. 409.814(3), (4), and (5)
20 shall be applicable to the Medikids program.

21 (7) ENROLLMENT.--Enrollment in the Medikids program
22 component may only occur during periodic open enrollment
23 periods as specified by the agency. During the first 12 months
24 of the program, there shall be at least one, but no more than
25 three, open enrollment periods. The initial open enrollment
26 period shall be for 90 days, and subsequent open enrollment
27 periods during the first year of operation of the program
28 shall be for 30 days. After the first year of the program, the
29 agency shall determine the frequency and duration of open
30 enrollment periods. An applicant may apply for enrollment in
31 the Medikids program component and proceed through the

1 eligibility determination process at any time throughout the
2 year. However, enrollment in Medikids shall not begin until
3 the next open enrollment period; and a child may not receive
4 services under the Medikids program until the child is
5 enrolled in a managed care plan or MediPass. In addition, once
6 determined eligible, an applicant may receive choice
7 counseling and select a managed care plan or MediPass. An
8 applicant may select MediPass under the Medikids program
9 component only in counties that have fewer than two managed
10 care plans available to serve Medicaid recipients and only if
11 the federal Health Care Financing Administration determines
12 that MediPass constitutes "health insurance coverage" as
13 defined in Title XXI of the Social Security Act.

14 (8) SPECIAL ENROLLMENT PERIODS.--The agency shall
15 establish a special enrollment period of 30 days' duration for
16 any newborn child who is eligible for Medikids, or for any
17 child who is enrolled in Medicaid if such child loses Medicaid
18 eligibility and becomes eligible for Medikids, or for any
19 child who is enrolled in Medikids if such child moves to
20 another county that is not within the coverage area of the
21 child's Medikids managed care plan or MediPass provider.

22 (9) PENALTIES FOR VOLUNTARY CANCELLATION.--The agency
23 shall establish enrollment criteria that must include
24 penalties or waiting periods of not fewer than 60 days for
25 reinstatement of coverage upon voluntary cancellation for
26 nonpayment of premiums.

27 Section 37. Section 409.8134, Florida Statutes, is
28 created to read:

29 409.8134 Program enrollment and expenditure
30 ceilings.--

31

1 (1) Except for the Medicaid program, a ceiling shall
2 be placed on annual federal and state expenditures and on
3 enrollment in the Florida Kidcare program as provided each
4 year in the General Appropriations Act. The agency, in
5 consultation with the Department of Health, may propose to
6 increase the enrollment ceiling in accordance with chapter
7 216.

8 (2) Except for the Medicaid program, whenever the
9 Social Services Estimating Conference determines that there is
10 presently, or will be by the end of the current fiscal year,
11 insufficient funds to finance the current or projected
12 enrollment in the Florida Kidcare program, all additional
13 enrollment must cease and additional enrollment may not resume
14 until sufficient funds are available to finance such
15 enrollment.

16 (3) The agency shall collect and analyze the data
17 needed to project Florida Kidcare program enrollment,
18 including participation rates, caseloads, and expenditures.
19 The agency shall report the caseload and expenditure trends to
20 the Social Services Estimating Conference in accordance with
21 chapter 216.

22 Section 38. Section 409.8135, Florida Statutes, is
23 created to read:

24 409.8135 Behavioral health services.--In order to
25 ensure a high level of integration of physical and behavioral
26 health care and to meet the more intensive treatment needs of
27 enrollees with the most serious emotional disturbances or
28 substance abuse problems, the Department of Health shall
29 contract with the Department of Children and Family Services
30 to provide behavioral health services to non-Medicaid-eligible
31 children with special health care needs. The Department of

1 Children and Family Services, in consultation with the
2 Department of Health and the agency, is authorized to
3 establish the following:

4 (1) The scope of behavioral health services, including
5 duration and frequency.

6 (2) Clinical guidelines for referral to behavioral
7 health services.

8 (3) Behavioral health services standards.

9 (4) Performance-based measures and outcomes for
10 behavioral health services.

11 (5) Practice guidelines for behavioral health services
12 to ensure cost-effective treatment and to prevent unnecessary
13 expenditures.

14 (6) Rules to implement this section.

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

17 409.814 Eligibility.--A child whose family income is
18 equal to or below 200 percent of the federal poverty level is
19 eligible for the Florida Kidcare program as provided in this
20 section. In determining the eligibility of such a child, an
21 assets test is not required.

22 (1) A child who is eligible for Medicaid coverage
23 under s. 409.903 or s. 409.904 must be enrolled in Medicaid
24 and is not eligible to receive health benefits under any other
25 health benefits coverage authorized under ss. 409.810-409.820.

26 (2) A child who is not eligible for Medicaid, but who
27 is eligible for the Florida Kidcare program, may obtain
28 coverage under any of the other types of health benefits
29 coverage authorized in ss. 409.810-409.820 if such coverage is
30 approved and available in the county in which the child
31 resides. However, a child who is eligible for Medikids may

1 participate in the Florida Healthy Kids program only if the
2 child has a sibling participating in the Florida Healthy Kids
3 program and the child's county of residence permits such
4 enrollment.

5 (3) A child who is eligible for the Florida Kidcare
6 program who is a child with special health care needs, as
7 determined through a risk-screening instrument, is eligible
8 for health benefits coverage from and may be referred to the
9 Children's Medical Services network.

10 (4) The following children are not eligible to receive
11 premium assistance for health benefits coverage under ss.
12 409.810-409.820, except under Medicaid if the child would have
13 been eligible for Medicaid under s. 409.903 or s. 409.904 as
14 of June 1, 1997:

15 (a) A child who is eligible for coverage under a state
16 health benefit plan on the basis of a family member's
17 employment with a public agency in the state;

18 (b) A child who is covered under a group health
19 benefit plan or under other health insurance coverage,
20 excluding coverage provided under the Florida Healthy Kids
21 Corporation as established under s. 624.91;

22 (c) A child who is seeking premium assistance for
23 employer-sponsored group coverage, if the child has been
24 covered by the same employer's group coverage during the 6
25 months prior to the family's submitting an application for
26 determination of eligibility under the Florida Kidcare
27 program;

28 (d) A child who is an alien, but who does not meet the
29 definition of qualified alien, in the United States; or

30 (e) A child who is an inmate of a public institution
31 or a patient in an institution for mental diseases.

1 (5) A child whose family income is above 200 percent
2 of the federal poverty level or a child who is excluded under
3 the provisions of subsection (4) may participate in the
4 Florida Kidcare program, excluding the Medicaid program, but
5 is subject to the following provisions:

6 (a) The family is not eligible for premium assistance
7 payments and must pay the full cost of the premium, including
8 any administrative costs.

9 (b) The agency is authorized to place limits on
10 enrollment in Medikids by these children in order to avoid
11 adverse selection. The number of children participating in
12 Medikids whose family income exceeds 200 percent of the
13 federal poverty level must not exceed 10 percent of total
14 enrollees in the Medikids program.

15 (c) The board of directors of the Florida Healthy Kids
16 Corporation is authorized to place limits on enrollment of
17 these children in order to avoid adverse selection. In
18 addition, the board is authorized to offer a reduced benefit
19 package to these children in order to limit program costs for
20 such families. The number of children participating in the
21 Florida Healthy Kids program whose family income exceeds 200
22 percent of the federal poverty level must not exceed 10
23 percent of total enrollees in the Florida Healthy Kids
24 program.

25 (d) Children described in this subsection are not
26 counted in the annual enrollment ceiling for the Florida
27 Kidcare program.

28 (6) Once a child is determined eligible for the
29 Florida Kidcare program, the child is eligible for coverage
30 under the program for 6 months without a redetermination or
31 reverification of eligibility, if the family continues to pay

1 the applicable premium. Effective January 1, 1999, a child who
2 has not attained the age of 5 and who has been determined
3 eligible for the Medicaid program is eligible for coverage for
4 12 months without a redetermination or reverification of
5 eligibility.

6 Section 40. Section 409.815, Florida Statutes, is
7 created to read:

8 409.815 Health benefits coverage; limitations.--

9 (1) MEDICAID BENEFITS.--For purposes of the Florida
10 Kidcare program, benefits available under Medicaid and
11 Medikids include those goods and services provided under the
12 medical assistance program authorized by Title XIX of the
13 Social Security Act, and regulations thereunder, as
14 administered in this state by the agency. This includes those
15 mandatory Medicaid services authorized under s. 409.905 and
16 optional Medicaid services authorized under s. 409.906,
17 rendered on behalf of eligible individuals by qualified
18 providers, in accordance with federal requirements for Title
19 XIX, subject to any limitations or directions provided for in
20 the General Appropriations Act or chapter 216, and according
21 to methodologies and limitations set forth in agency rules and
22 policy manuals and handbooks incorporated by reference
23 thereto.

24 (2) BENCHMARK BENEFITS.--In order for health benefits
25 coverage to qualify for premium assistance payments for an
26 eligible child under ss. 409.810-409.820, the health benefits
27 coverage, except for coverage under Medicaid and Medikids,
28 must include the following minimum benefits, as medically
29 necessary.

30 (a) Preventive health services.--Covered services
31 include:

1 1. Well-child care, including services recommended in
2 the Guidelines for Health Supervision of Children and Youth as
3 developed by the American Academy of Pediatrics;

4 2. Immunizations and injections;

5 3. Health education counseling and clinical services;

6 4. Vision screening; and

7 5. Hearing screening.

8 (b) Inpatient hospital services.--All covered services
9 provided for the medical care and treatment of an enrollee who
10 is admitted as an inpatient to a hospital licensed under part
11 I of chapter 395, with the following exceptions:

12 1. All admissions must be authorized by the enrollee's
13 health benefits coverage provider.

14 2. The length of the patient stay shall be determined
15 based on the medical condition of the enrollee in relation to
16 the necessary and appropriate level of care.

17 3. Room and board may be limited to semiprivate
18 accommodations, unless a private room is considered medically
19 necessary or semiprivate accommodations are not available.

20 4. Admissions for rehabilitation and physical therapy
21 are limited to 15 days per contract year.

22 (c) Emergency services.--Covered services include
23 visits to an emergency room or other licensed facility if
24 needed immediately due to an injury or illness and delay means
25 risk of permanent damage to the enrollee's health. Health
26 maintenance organizations shall comply with the provisions of
27 s. 641.513.

28 (d) Maternity services.--Covered services include
29 maternity and newborn care, including prenatal and postnatal
30 care, with the following limitations:

31

1 1. Coverage may be limited to the fee for vaginal
2 deliveries; and

3 2. Initial inpatient care for newborn infants of
4 enrolled adolescents shall be covered, including normal
5 newborn care, nursery charges, and the initial pediatric or
6 neonatal examination, and the infant may be covered for up to
7 3 days following birth.

8 (e) Organ transplantation services.--Covered services
9 include pretransplant, transplant, and postdischarge services
10 and treatment of complications after transplantation for
11 transplants deemed necessary and appropriate within the
12 guidelines set by the Organ Transplant Advisory Council under
13 s. 381.0602 or the Bone Marrow Transplant Advisory Panel under
14 s. 627.4236.

15 (f) Outpatient services.--Covered services include
16 preventive, diagnostic, therapeutic, palliative care, and
17 other services provided to an enrollee in the outpatient
18 portion of a health facility licensed under chapter 395,
19 except for the following limitations:

20 1. Services must be authorized by the enrollee's
21 health benefits coverage provider; and

22 2. Treatment for temporomandibular joint disease (TMJ)
23 is specifically excluded.

24 (g) Behavioral health services.--

25 1. Mental health benefits include:

26 a. Inpatient services, limited to not more than 30
27 inpatient days per contract year for psychiatric admissions,
28 or residential services in facilities licensed under s.
29 394.875(8) or s. 395.003 in lieu of inpatient psychiatric
30 admissions; however, a minimum of 10 of the 30 days shall be
31

1 available only for inpatient psychiatric services when
2 authorized by a physician; and

3 b. Outpatient services, including outpatient visits
4 for psychological or psychiatric evaluation, diagnosis, and
5 treatment by a licensed mental health professional, limited to
6 a maximum of 40 outpatient visits each contract year.

7 2. Substance abuse services include:

8 a. Inpatient services, limited to not more than 7
9 inpatient days per contract year for medical detoxification
10 only and 30 days of residential services; and

11 b. Outpatient services, including evaluation,
12 diagnosis, and treatment by a licensed practitioner, limited
13 to a maximum of 40 outpatient visits per contract year.

14 (h) Durable medical equipment.--Covered services
15 include equipment and devices that are medically indicated to
16 assist in the treatment of a medical condition and
17 specifically prescribed as medically necessary, with the
18 following limitations:

19 1. Low-vision and telescopic aides are not included.

20 2. Corrective lenses and frames may be limited to one
21 pair every 2 years, unless the prescription or head size of
22 the enrollee changes.

23 3. Hearing aids shall be covered only when medically
24 indicated to assist in the treatment of a medical condition.

25 4. Covered prosthetic devices include artificial eyes
26 and limbs, braces, and other artificial aids.

27 (i) Health practitioner services.--Covered services
28 include services and procedures rendered to an enrollee when
29 performed to diagnose and treat diseases, injuries, or other
30 conditions, including care rendered by health practitioners
31

1 acting within the scope of their practice, with the following
2 exceptions:

3 1. Chiropractic services shall be provided in the same
4 manner as in the Florida Medicaid program.

5 2. Podiatric services may be limited to one visit per
6 day totaling two visits per month for specific foot disorders.

7 (j) Home health services.--Covered services include
8 prescribed home visits by both registered and licensed
9 practical nurses to provide skilled nursing services on a
10 part-time intermittent basis, subject to the following
11 limitations:

12 1. Coverage may be limited to include skilled nursing
13 services only;

14 2. Meals, housekeeping, and personal comfort items may
15 be excluded; and

16 3. Private duty nursing is limited to circumstances
17 where such care is medically necessary.

18 (k) Hospice services.--Covered services include
19 reasonable and necessary services for palliation or management
20 of an enrollee's terminal illness, with the following
21 exceptions:

22 1. Once a family elects to receive hospice care for an
23 enrollee, other services that treat the terminal condition
24 will not be covered; and

25 2. Services required for conditions totally unrelated
26 to the terminal condition are covered to the extent that the
27 services are included in this section.

28 (l) Laboratory and X-ray services.--Covered services
29 include diagnostic testing, including clinical radiologic,
30 laboratory, and other diagnostic tests.

31

1 (m) Nursing facility services.--Covered services
2 include regular nursing services, rehabilitation services,
3 drugs and biologicals, medical supplies, and the use of
4 appliances and equipment furnished by the facility, with the
5 following limitations:

6 1. All admissions must be authorized by the health
7 benefits coverage provider.

8 2. The length of the patient stay shall be determined
9 based on the medical condition of the enrollee in relation to
10 the necessary and appropriate level of care, but is limited to
11 not more than 100 days per contract year.

12 3. Room and board may be limited to semiprivate
13 accommodations, unless a private room is considered medically
14 necessary or semiprivate accommodations are not available.

15 4. Specialized treatment centers and independent
16 kidney disease treatment centers are excluded.

17 5. Private duty nurses, television, and custodial care
18 are excluded.

19 6. Admissions for rehabilitation and physical therapy
20 are limited to 15 days per contract year.

21 (n) Prescribed drugs.--

22 1. Coverage shall include drugs prescribed for the
23 treatment of illness or injury when prescribed by a licensed
24 health practitioner acting within the scope of his or her
25 practice.

26 2. Prescribed drugs may be limited to generics if
27 available and brand name products if a generic substitution is
28 not available, unless the prescribing licensed health
29 practitioner indicates that a brand name is medically
30 necessary.

31

1 3. Prescribed drugs covered under this section shall
2 include all prescribed drugs covered under the Florida
3 Medicaid program.

4 (o) Therapy services.--Covered services include
5 rehabilitative services, including occupational, physical,
6 respiratory, and speech therapies, with the following
7 limitations:

8 1. Services must be for short-term rehabilitation
9 where significant improvement in the enrollee's condition will
10 result; and

11 2. Services shall be limited to not more than 24
12 treatment sessions within a 60-day period per episode or
13 injury, with the 60-day period beginning with the first
14 treatment.

15 (p) Transportation services.--Covered services include
16 emergency transportation required in response to an emergency
17 situation.

18 (q) Lifetime maximum.--Health benefits coverage
19 obtained under ss. 409.810-409.820 shall pay an enrollee's
20 covered expenses at a lifetime maximum of \$1 million per
21 covered child.

22 (r) Cost-sharing.--Cost-sharing provisions must comply
23 with s. 409.816.

24 (s) Exclusions.--

25 1. Experimental or investigational procedures that
26 have not been clinically proven by reliable evidence are
27 excluded;

28 2. Services performed for cosmetic purposes only or
29 for the convenience of the enrollee are excluded; and
30
31

1 3. Abortion may be covered only if necessary to save
2 the life of the mother or if the pregnancy is the result of an
3 act of rape or incest.

4 (t) Enhancements to minimum requirements.--

5 1. This section sets the minimum benefits that must be
6 included in any health benefits coverage, other than Medicaid
7 or Medikids coverage, offered under ss. 409.810-409.820.
8 Health benefits coverage may include additional benefits not
9 included under this subsection, but may not include benefits
10 excluded under paragraph (s).

11 2. Health benefits coverage may extend any limitations
12 beyond the minimum benefits described in this section.

13
14 Except for the Children's Medical Services network, the agency
15 may not increase the premium assistance payment for either
16 additional benefits provided beyond the minimum benefits
17 described in this section or the imposition of less
18 restrictive service limitations.

19 (u) Applicability of other state laws.--Health
20 insurers, health maintenance organizations, and their agents
21 are subject to the provisions of the Florida Insurance Code,
22 except for any such provisions waived in this section.

23 1. Except as expressly provided in this section, a law
24 requiring coverage for a specific health care service or
25 benefit, or a law requiring reimbursement, utilization, or
26 consideration of a specific category of licensed health care
27 practitioner, does not apply to a health insurance plan policy
28 or contract offered or delivered under ss. 409.810-409.820
29 unless that law is made expressly applicable to such policies
30 or contracts.

31

1 2. Notwithstanding chapter 641, a health maintenance
2 organization may issue contracts providing benefits equal to,
3 exceeding, or actuarially equivalent to the benchmark benefit
4 plan authorized by this section and may pay providers located
5 in a rural county negotiated fees or Medicaid reimbursement
6 rates for services provided to enrollees who are residents of
7 the rural county.

8 Section 41. Section 409.816, Florida Statutes, is
9 created to read:

10 409.816 Limitations on premiums and cost-sharing.--The
11 following limitations on premiums and cost-sharing are
12 established for the program.

13 (1) Enrollees who receive coverage under the Medicaid
14 program may not be required to pay:

15 (a) Enrollment fees, premiums, or similar charges; or

16 (b) Copayments, deductibles, coinsurance, or similar
17 charges.

18 (2) Enrollees in families with a family income equal
19 to or below 150 percent of the federal poverty level, who are
20 not receiving coverage under the Medicaid program, may not be
21 required to pay:

22 (a) Enrollment fees, premiums, or similar charges that
23 exceed the maximum monthly charge permitted under s.

24 1916(b)(1) of the Social Security Act; or

25 (b) Copayments, deductibles, coinsurance, or similar
26 charges that exceed a nominal amount, as determined consistent
27 with regulations referred to in s. 1916(a)(3) of the Social
28 Security Act. However, such charges may not be imposed for
29 preventive services, including well-baby and well-child care,
30 age-appropriate immunizations, and routine hearing and vision
31 screenings.

1 (3) Enrollees in families with a family income above
2 150 percent of the federal poverty level, who are not
3 receiving coverage under the Medicaid program or who are not
4 eligible under s. 409.814(5), may be required to pay
5 enrollment fees, premiums, copayments, deductibles,
6 coinsurance, or similar charges on a sliding scale related to
7 income, except that the total annual aggregate cost-sharing
8 with respect to all children in a family may not exceed 5
9 percent of the family's income. However, copayments,
10 deductibles, coinsurance, or similar charges may not be
11 imposed for preventive services, including well-baby and
12 well-child care, age-appropriate immunizations, and routine
13 hearing and vision screenings.

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

16 409.817 Approval of health benefits coverage;
17 financial assistance.--In order for health insurance coverage
18 to qualify for premium assistance payments for an eligible
19 child under ss. 409.810-409.820, the health benefits coverage
20 must:

21 (1) Be certified by the Department of Insurance under
22 s. 409.818 as meeting, exceeding, or being actuarially
23 equivalent to the benchmark benefit plan;

24 (2) Be guarantee issued;

25 (3) Be community rated;

26 (4) Not impose any preexisting condition exclusion for
27 covered benefits; however, group health insurance plans may
28 permit the imposition of a preexisting condition exclusion,
29 but only insofar as it is permitted under s. 627.6561;

30 (5) Comply with the applicable limitations on premiums
31 and cost-sharing in s. 409.816;

1 (6) Comply with the quality assurance and access
2 standards developed under s. 409.820; and

3 (7) Establish periodic open enrollment periods, which
4 may not occur more frequently than quarterly.

5 Section 43. Section 409.8175, Florida Statutes, is
6 created to read:

7 409.8175 Delivery of services in rural counties.--A
8 health maintenance organization or a health insurer may
9 reimburse providers located in a rural county according to the
10 Medicaid fee schedule for services provided to enrollees in
11 rural counties if the provider agrees to accept such fee
12 schedule.

13 Section 44. Section 409.8177, Florida Statutes, is
14 created to read:

15 409.8177 Program evaluation.--The agency, in
16 consultation with the Department of Health, the Department of
17 Children and Family Services, and the Florida Healthy Kids
18 Corporation, shall by January 1 of each year submit to the
19 Governor and the Legislature a report of the Florida Kidcare
20 program. In addition to the items specified under s. 2108 of
21 Title XXI of the Social Security Act, the report shall include
22 an assessment of crowd-out and access to health care, as well
23 as the following:

24 (1) An assessment of the operation of the program,
25 including the progress made in reducing the number of
26 uncovered low-income children.

27 (2) An assessment of the effectiveness in increasing
28 the number of children with creditable health coverage.

29 (3) The characteristics of the children and families
30 assisted under the program, including ages of the children,
31 family income, and access to or coverage by other health

1 insurance prior to the program and after disenrollment from
2 the program.

3 (4) The quality of health coverage provided, including
4 the types of benefits provided.

5 (5) The amount and level, including payment of part or
6 all of any premium, of assistance provided.

7 (6) The average length of coverage of a child under
8 the program.

9 (7) The program's choice of health benefits coverage
10 and other methods used for providing child health assistance.

11 (8) The sources of nonfederal funding used in the
12 program.

13 (9) An assessment of the effectiveness of Medikids,
14 Children's Medical Services network, and other public and
15 private programs in the state in increasing the availability
16 of affordable quality health insurance and health care for
17 children.

18 (10) A review and assessment of state activities to
19 coordinate the program with other public and private programs.

20 (11) An analysis of changes and trends in the state
21 that affect the provision of health insurance and health care
22 to children.

23 (12) A description of any plans the state has for
24 improving the availability of health insurance and health care
25 for children.

26 (13) Recommendations for improving the program.

27 (14) Other studies as necessary.

28 Section 45. Section 409.818, Florida Statutes, is
29 created to read:

30
31

1 409.818 Administration.--In order to implement ss.
2 409.810-409.820, the following agencies shall have the
3 following duties:

4 (1) The Department of Children and Family Services
5 shall:

6 (a) Develop a simplified eligibility application
7 mail-in form to be used for determining the eligibility of
8 children for coverage under the Florida Kidcare program, in
9 consultation with the agency, the Department of Health, and
10 the Florida Healthy Kids Corporation. The simplified
11 eligibility application form must include an item that
12 provides an opportunity for the applicant to indicate whether
13 coverage is being sought for a child with special health care
14 needs. Families applying for children's Medicaid coverage must
15 also be able to use the simplified application form without
16 having to pay a premium.

17 (b) Establish and maintain the eligibility
18 determination process under the program except as specified in
19 subsection (5). The department shall directly, or through the
20 services of a contracted third-party administrator, establish
21 and maintain a process for determining eligibility of children
22 for coverage under the program. The eligibility determination
23 process must be used solely for determining eligibility of
24 applicants for health benefits coverage under the program. The
25 eligibility determination process must include an initial
26 determination of eligibility for any coverage offered under
27 the program, as well as a redetermination or reverification of
28 eligibility each subsequent 6 months. Effective January 1,
29 1999, a child who has not attained the age of 5 and who has
30 been determined eligible for the Medicaid program is eligible
31 for coverage for 12 months without a redetermination or

1 reverification of eligibility. In conducting an eligibility
2 determination, the department shall determine if the child has
3 special health care needs.

4 (c) Inform program applicants about eligibility
5 determinations and provide information about eligibility of
6 applicants to Medicaid, Medikids, the Children's Medical
7 Services network, and the Florida Healthy Kids Corporation,
8 and to insurers and their agents, through a centralized
9 coordinating office.

10 (d) Adopt rules necessary for conducting program
11 eligibility functions.

12 (2) The Department of Health shall:

13 (a) Design an eligibility intake process for the
14 program, in coordination with the Department of Children and
15 Family Services, the agency, and the Florida Healthy Kids
16 Corporation. The eligibility intake process may include local
17 intake points that are determined by the Department of Health
18 in coordination with the Department of Children and Family
19 Services.

20 (b) Design and implement program outreach activities
21 under s. 409.819.

22 (c) Chair a state-level coordinating council to review
23 and make recommendations concerning the implementation and
24 operation of the program. The coordinating council shall
25 include representatives from the department, the Department of
26 Children and Family Services, the agency, the Florida Healthy
27 Kids Corporation, the Department of Insurance, local
28 government, health insurers, health maintenance organizations,
29 health care providers, families participating in the program,
30 and organizations representing low-income families.

31

1 (d) In consultation with the Florida Healthy Kids
2 Corporation and the Department of Children and Family
3 Services, establishing a toll-free telephone line to assist
4 families with questions about the program.

5 (e) Adopt rules necessary to implement outreach
6 activities.

7 (3) The Agency for Health Care Administration, under
8 the authority granted in s. 409.914(1), shall:

9 (a) Calculate the premium assistance payment necessary
10 to comply with the premium and cost-sharing limitations
11 specified in s. 409.816. The premium assistance payment for
12 each enrollee in a health insurance plan participating in the
13 Florida Healthy Kids Corporation shall equal the premium
14 approved by the Florida Healthy Kids Corporation and the
15 Department of Insurance pursuant to ss. 627.410 and 641.31,
16 less any enrollee's share of the premium established within
17 the limitations specified in s. 409.816. The premium
18 assistance payment for each enrollee in an employer-sponsored
19 health insurance plan approved under ss. 409.810-409.820 shall
20 equal the premium for the plan adjusted for any benchmark
21 benefit plan actuarial equivalent benefit rider approved by
22 the Department of Insurance pursuant to ss. 627.410 and
23 641.31, less any enrollee's share of the premium established
24 within the limitations specified in s. 409.816. In calculating
25 the premium assistance payment levels for children with family
26 coverage, the agency shall set the premium assistance payment
27 levels for each child proportionately to the total cost of
28 family coverage.

29 (b) Annually calculate the program enrollment ceiling
30 based on estimated per-child premium assistance payments and
31 the estimated appropriation available for the program.

1 (c) Make premium assistance payments to health
2 insurance plans on a periodic basis. The agency may use its
3 Medicaid fiscal agent or a contracted third-party
4 administrator in making these payments. The agency may
5 require health insurance plans that participate in the
6 Medikids program or employer-sponsored group health insurance
7 to collect premium payments from an enrollee's family.
8 Participating health insurance plans shall report premium
9 payments collected on behalf of enrollees in the program to
10 the agency in accordance with a schedule established by the
11 agency.

12 (d) Monitor compliance with quality assurance and
13 access standards developed under s. 409.820.

14 (e) Establish a mechanism for investigating and
15 resolving complaints and grievances from program applicants,
16 enrollees, and health benefits coverage providers, and
17 maintain a record of complaints and confirmed problems. In the
18 case of a child who is enrolled in a health maintenance
19 organization, the agency must use the provisions of s. 641.511
20 to address grievance reporting and resolution requirements.

21 (f) Approve health benefits coverage for participation
22 in the program, following certification by the Department of
23 Insurance under subsection (4).

24 (g) Adopt rules necessary for calculating premium
25 assistance payment levels, calculating the program enrollment
26 ceiling, making premium assistance payments, monitoring access
27 and quality assurance standards, investigating and resolving
28 complaints and grievances, administering the Medikids program,
29 and approving health benefits coverage.

30
31

1 The agency is designated the lead state agency for Title XXI
2 of the Social Security Act for purposes of receipt of federal
3 funds, for reporting purposes, and for ensuring compliance
4 with federal and state regulations and rules.

5 (4) The Department of Insurance shall certify that
6 health benefits coverage plans that seek to provide services
7 under the Florida Kidcare program, except those offered
8 through the Florida Healthy Kids Corporation or the Children's
9 Medical Services network, meet, exceed, or are actuarially
10 equivalent to the benchmark benefit plan and that health
11 insurance plans will be offered at an approved rate. In
12 determining actuarial equivalence of benefits coverage, the
13 Department of Insurance and health insurance plans must comply
14 with the requirements of s. 2103 of Title XXI of the Social
15 Security Act. The department shall adopt rules necessary for
16 certifying health benefits coverage plans.

17 (5) The Florida Healthy Kids Corporation shall retain
18 its functions as authorized in s. 624.91, including
19 eligibility determination for participation in the Healthy
20 Kids program.

21 (6) The agency, the Department of Health, the
22 Department of Children and Family Services, the Florida
23 Healthy Kids Corporation, and the Department of Insurance,
24 after consultation with and approval of the Speaker of the
25 House of Representatives and the President of the Senate, are
26 authorized to make program modifications that are necessary to
27 overcome any objections of the United States Department of
28 Health and Human Services to obtain approval of the state's
29 child health insurance plan under Title XXI of the Social
30 Security Act.

31

1 Section 46. Section 154.508, Florida Statutes, is
2 transferred, renumbered as section 409.819, Florida Statutes,
3 and amended to read:

4 409.819 ~~154.508~~ Identification of low-income,
5 uninsured children; determination of ~~Medicaid~~ eligibility for
6 the Florida Kidcare program; alternative health care
7 information.--The Department of Health ~~Agency for Health Care~~
8 ~~Administration~~ shall develop a program, in conjunction with
9 the Department of Education, the Department of Children and
10 Family Services, the Agency for Health Care Administration,
11 the Florida Healthy Kids Corporation ~~the Department of Health,~~
12 local governments, employers ~~school districts,~~ and other
13 stakeholders to identify low-income, uninsured children and,
14 to the extent possible and subject to appropriation, refer
15 them to the Department of Children and Family Services for a
16 ~~Medicaid~~ eligibility determination and provide parents with
17 information about choices ~~alternative sources~~ of health
18 benefits coverage under the Florida Kidcare program ~~care~~.
19 These activities shall include, but not be limited to:
20 training community providers in effective methods of outreach;
21 conducting public information campaigns designed to publicize
22 the Florida Kidcare program, the eligibility requirements of
23 the program, and the procedures for enrollment in the program;
24 and maintaining public awareness of the Florida Kidcare
25 program. Special emphasis shall be placed on the
26 identification of minority children for referral to and
27 participation in the Florida Kidcare program.

28 Section 47. Section 409.820, Florida Statutes, is
29 created to read:

30 409.820 Quality assurance and access
31 standards.--Except for Medicaid, the Department of Health, in

1 consultation with the agency and the Florida Healthy Kids
2 Corporation, shall develop a minimum set of quality assurance
3 and access standards for all program components. The standards
4 must include a process for granting exceptions to specific
5 requirements for quality assurance and access. Compliance with
6 the standards shall be a condition of program participation by
7 health benefits coverage providers. These standards shall
8 comply with the provisions of chapters 409 and 641 and Title
9 XXI of the Social Security Act.

10 Section 48. The following performance measures and
11 standards are adopted for the Florida Kidcare program:

12 (1) The total number of previously uninsured children
13 who receive health benefits coverage as a result of state
14 activities under Title XXI of the Social Security Act: 254,000
15 uninsured children expected to obtain coverage during the
16 1998-1999 fiscal year.

17 (a) The number of children enrolled in the Medicaid
18 program as a result of eligibility expansions under Title XXI
19 of the Social Security Act: 29,500 children enrolled in
20 Medicaid under new eligibility groups during the 1998-1999
21 fiscal year.

22 (b) The number of children enrolled in the Medicaid
23 program as a result of outreach efforts under Title XXI of the
24 Social Security Act who are eligible for Medicaid but who have
25 not enrolled in the program: 80,000 children previously
26 eligible for Medicaid, but not enrolled in Medicaid, who
27 enroll in Medicaid during the 1998-1999 fiscal year.

28 (c) The number of uninsured children enrolled in
29 Medikids under Title XXI of the Social Security Act: 17,000
30 children enrolled in Medikids during the 1998-1999 fiscal
31 year.

1 (d) The number of uninsured children added to the
2 enrollment for the Florida Healthy Kids Corporation program
3 under Title XXI of the Social Security Act: 70,000 additional
4 children enrolled in the Florida Healthy Kids Corporation
5 program during the 1998-1999 fiscal year.

6 (e) The number of uninsured children enrolled in
7 employer-sponsored group health insurance coverage under Title
8 XXI of the Social Security Act: 48,000 uninsured children
9 enrolled in health insurance coverage during the 1998-1999
10 fiscal year.

11 (f) The number of uninsured children enrolled in the
12 Children's Medical Services network under Title XXI of the
13 Social Security Act: 9,500 uninsured children enrolled in the
14 Children's Medical Services network during the 1998-1999
15 fiscal year.

16 (2) The percentage of uninsured children in this state
17 as of July 1, 1998, who receive health benefits coverage under
18 the Florida Kidcare program: 30.9 percent of uninsured
19 children enrolled in the Florida Kidcare program during the
20 1998-1999 fiscal year.

21 (3) The percentage of children enrolled in the Florida
22 Kidcare program with up-to-date immunizations: 80 percent of
23 enrolled children with up-to-date immunizations.

24 (4) The percentage of compliance with the standards
25 established in the Guidelines for Health Supervision of
26 Children and Youth as developed by the American Academy of
27 Pediatrics for children eligible for the Florida Kidcare
28 program and served under:

29 (a) Medicaid;

30 (b) Medikids;

31 (c) The Florida Healthy Kids Corporation program;

- 1 (d) Employer-sponsored group health insurance plans;
2 and
3 (e) The Children's Medical Services network.
4

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

8 (5) The perception of the enrollee or the enrollee's
9 family concerning coverage provided to children enrolled in
10 the Florida Kidcare program and served under:

- 11 (a) Medicaid;
12 (b) Medikids;
13 (c) Florida Healthy Kids Corporation;
14 (d) Employer-sponsored group health insurance plans;
15 and
16 (e) The Children's Medical Services network.
17

18 For each category of coverage, 90 percent of the enrollees or
19 the enrollee families indicate satisfaction with the care
20 provided under the program.

21 Section 49. The Agency for Health Care Administration
22 shall conduct a study of the feasibility of extending
23 presumptive eligibility for Medicaid to children who have not
24 attained the age of 19. The study shall assess whether
25 families delay seeking health care services or health care
26 coverage because of the lack of presumptive eligibility. The
27 agency shall report its findings to the President of the
28 Senate, the Speaker of the House of Representatives, and the
29 chairpersons of the respective health care committees no later
30 than December 31, 1998.
31

1 Section 50. For fiscal year 1998-1999, the enrollment
2 ceiling for the non-Medicaid portion of the Florida Kidcare
3 program is 270,000 children. Thereafter, the enrollment
4 ceiling shall be established in the General Appropriations Act
5 or general law.

6 Section 51. Subsections (6) and (7) are added to
7 section 409.904, Florida Statutes, to read:

8 409.904 Optional payments for eligible persons.--The
9 agency may make payments for medical assistance and related
10 services on behalf of the following persons who are determined
11 to be eligible subject to the income, assets, and categorical
12 eligibility tests set forth in federal and state law. Payment
13 on behalf of these Medicaid eligible persons is subject to the
14 availability of moneys and any limitations established by the
15 General Appropriations Act or chapter 216.

16 (6) A child born before October 1, 1983, living in a
17 family that has an income which is at or below 100 percent of
18 the current federal poverty level, who has attained the age of
19 6, but has not attained the age of 19, and who would be
20 eligible in s. 409.903(6), if the child had been born on or
21 after such date. In determining the eligibility of such a
22 child, an assets test is not required.

23 (7) A child who has not attained the age of 19 who has
24 been determined eligible for the Medicaid program is deemed to
25 be eligible for a total of 6 months, regardless of changes in
26 circumstances other than attainment of the maximum age.
27 Effective January 1, 1999, a child who has not attained the
28 age of 5 and who has been determined eligible for the Medicaid
29 program is deemed to be eligible for a total of 12 months
30 regardless of changes in circumstances other than attainment
31 of the maximum age.

1 Section 52. Subsections (11) through (22) of section
2 409.906, Florida Statutes, are renumbered as subsections (12)
3 through (23), respectively, and a new subsection (11) is added
4 to that section to read:

5 409.906 Optional Medicaid services.--Subject to
6 specific appropriations, the agency may make payments for
7 services which are optional to the state under Title XIX of
8 the Social Security Act and are furnished by Medicaid
9 providers to recipients who are determined to be eligible on
10 the dates on which the services were provided. Any optional
11 service that is provided shall be provided only when medically
12 necessary and in accordance with state and federal law.

13 Nothing in this section shall be construed to prevent or limit
14 the agency from adjusting fees, reimbursement rates, lengths
15 of stay, number of visits, or number of services, or making
16 any other adjustments necessary to comply with the
17 availability of moneys and any limitations or directions
18 provided for in the General Appropriations Act or chapter 216.
19 Optional services may include:

20 (11) HEALTHY START SERVICES.--The agency may pay for a
21 continuum of risk-appropriate medical and psychosocial
22 services for the Healthy Start program in accordance with a
23 federal waiver. The agency may not implement the federal
24 waiver unless the waiver permits the state to limit enrollment
25 or the amount, duration, and scope of services to ensure that
26 expenditures will not exceed funds appropriated by the
27 Legislature or available from local sources.

28 Section 53. Section 409.9126, Florida Statutes, is
29 amended to read:

30 409.9126 Children with special health care needs.--

31 ~~(1) As used in this section:~~

1 ~~(a) "Children's Medical Services network" means an~~
2 ~~alternative service network that includes health care~~
3 ~~providers and health care facilities specified in chapter 391~~
4 ~~and ss. 383.15-383.21, 383.216, and 415.5055.~~

5 ~~(b) "Children with special health care needs" means~~
6 ~~those children whose serious or chronic physical or~~
7 ~~developmental conditions require extensive preventive and~~
8 ~~maintenance care beyond that required by typically healthy~~
9 ~~children. Health care utilization by these children exceeds~~
10 ~~the statistically expected usage of the normal child matched~~
11 ~~for chronological age and often needs complex care requiring~~
12 ~~multiple providers, rehabilitation services, and specialized~~
13 ~~equipment in a number of different settings.~~

14 ~~(2) The Legislature finds that Medicaid-eligible~~
15 ~~children with special health care needs require a~~
16 ~~comprehensive, continuous, and coordinated system of health~~
17 ~~care that links community-based health care with~~
18 ~~multidisciplinary, regional, and tertiary care. The~~
19 ~~Legislature finds that Florida's Children's Medical Services~~
20 ~~program provides a full continuum of coordinated,~~
21 ~~comprehensive services for children with special health care~~
22 ~~needs.~~

23 ~~(1)(3)~~ Except as provided in subsection (4)
24 ~~subsections (8) and (9)~~, children eligible for Children's
25 Medical Services who receive Medicaid benefits, and other
26 Medicaid-eligible children with special health care needs,
27 shall be exempt from the provisions of s. 409.9122 and shall
28 be served through the Children's Medical Services network
29 established in chapter 391.

30 ~~(2)(4)~~ The Legislature directs the agency to apply to
31 the federal Health Care Financing Administration for a waiver

1 to assign to the Children's Medical Services network all
2 Medicaid-eligible children who meet the criteria for
3 participation in the Children's Medical Services program ~~as~~
4 ~~specified in s. 391.021(2)~~, and other Medicaid-eligible
5 children with special health care needs.

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

13 (3)(6) Services provided through the Children's
14 Medical Services network shall be reimbursed on a
15 fee-for-service basis and shall utilize a primary care case
16 management process. However, effective July 1, 1999,
17 reimbursement to the Children's Medical Services program for
18 services provided to Medicaid-eligible children with special
19 health care needs through the Children's Medical Services
20 network shall be on a capitated basis.

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

24 ~~(8) The agency may issue a request for proposals,~~
25 ~~based on the quality-of-care and service integration~~
26 ~~standards, to allow managed care plans that have contracts~~
27 ~~with the Medicaid program to provide services to~~
28 ~~Medicaid-eligible children with special health care needs.~~

29 (4)(9) The agency may shall approve requests to
30 provide services to Medicaid-eligible children with special
31 health care needs from managed care plans that meet access,

1 quality-of-care, network, and service integration standards
 2 and are in good standing with the agency. The agency shall
 3 monitor on a quarterly basis managed care plans which have
 4 been approved to provide services to Medicaid-eligible
 5 children with special health care needs. The agency may
 6 determine the number of enrollment slots approved for a
 7 managed care plan based on the managed care plan's network
 8 capacity to serve children with special health care needs.

9 ~~(5)(10)~~ The agency, in consultation with the
 10 Department of Health ~~and Rehabilitative Services~~, shall adopt
 11 rules that address Medicaid requirements for referral,
 12 enrollment, and disenrollment of children with special health
 13 care needs who are enrolled in Medicaid managed care plans and
 14 who may benefit from the Children's Medical Services network.

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

21 ~~(12) After 1 complete year of operation, the agency~~
 22 ~~shall conduct an evaluation of the Children's Medical Services~~
 23 ~~network. The evaluation shall include, but not be limited to,~~
 24 ~~an assessment of whether the use of the Children's Medical~~
 25 ~~Services network is less costly than the provision of the~~
 26 ~~services would have been in the Medicaid fee-for-service~~
 27 ~~program. The evaluation also shall include an assessment of~~
 28 ~~patient satisfaction with the Children's Medical Services~~
 29 ~~network, an assessment of the quality of care delivered~~
 30 ~~through the network, and recommendations for further improving~~
 31 ~~the performance of the network. The agency shall report the~~

1 ~~evaluation findings to the Governor and the chairpersons of~~
2 ~~the appropriations and health care committees of each chamber~~
3 ~~of the Legislature.~~

4 Section 54. Section 624.91, Florida Statutes, is
5 amended to read:

6 624.91 The Florida Healthy Kids Corporation Act.--

7 (1) SHORT TITLE.--This section may be cited as the
8 "William G. 'Doc' Myers Healthy Kids Corporation Act."

9 (2) LEGISLATIVE INTENT.--

10 (a) The Legislature finds that increased access to
11 health care services could improve children's health and
12 reduce the incidence and costs of childhood illness and
13 disabilities among children in this state. Many children do
14 not have comprehensive, affordable health care preventive
15 ~~services available or funded, and for those who do, lack of~~
16 ~~access is a restriction to getting service.~~ It is the intent
17 of the Legislature that the Florida Healthy Kids ~~a nonprofit~~
18 ~~Corporation be organized to facilitate a program to bring~~
19 ~~preventive health care services to children, if necessary~~
20 ~~through the use of school facilities in this state when more~~
21 ~~appropriate sites are unavailable, and to provide~~
22 comprehensive health insurance coverage to such children. ~~A~~
23 ~~goal for~~ The corporation is encouraged to cooperate with any
24 existing health preventive service programs funded by the
25 public or the private sector.

26 (b) It is the intent of the Legislature that the
27 Florida Healthy Kids Corporation serve as one of several
28 providers of services to children eligible for medical
29 assistance under Title XXI of the Social Security Act.
30 Although the corporation may serve other children, the
31 Legislature intends the primary recipients of services

1 provided through the corporation be school-age children with a
2 family income below 200 percent of the federal poverty level,
3 who do not qualify for Medicaid. It is also the intent of the
4 Legislature that state and local government Florida Healthy
5 Kids funds, to the extent permissible under federal law, be
6 used to obtain matching federal dollars.

7 (3) NONENTITLEMENT.--Nothing in this section shall be
8 construed as providing an individual with an entitlement to
9 health care services. No cause of action shall arise against
10 the state, the Florida Healthy Kids Corporation, or a unit of
11 local government for failure to make health services available
12 under this section.

13 (4)(3) CORPORATION AUTHORIZATION, DUTIES, POWERS.--

14 (a) There is created ~~The Legislature hereby creates~~
15 the Florida Healthy Kids Corporation, a not-for-profit
16 corporation which operates ~~shall operate~~ on sites to be
17 designated by the corporation.

18 (b) The Florida Healthy Kids Corporation shall phase
19 in a program to:

20 1. Organize school children groups to facilitate the
21 provision of ~~preventive health care services to children and~~
22 ~~to provide~~ comprehensive health insurance coverage to
23 children;

24 2. Arrange for the collection of any family, local
25 contributions, or employer payment or premium, in an amount to
26 be determined by the board of directors, ~~from all participant~~
27 ~~families or employers~~ to provide for payment of ~~for~~ preventive
28 ~~health care services or~~ premiums for comprehensive insurance
29 coverage and for the actual or estimated administrative
30 expenses ~~incurred during the period for which family or~~
31 ~~employer payments are made;~~

1 3. Establish the administrative and accounting
2 procedures for the operation of the corporation;

3 4. Establish, with consultation from appropriate
4 professional organizations, standards for preventive health
5 services and providers and comprehensive insurance benefits
6 appropriate to children; provided that such standards for
7 rural areas shall not limit primary care providers to
8 board-certified pediatricians;

9 5. Establish eligibility criteria which children must
10 meet in order to participate in the program;

11 6. Establish procedures under which applicants to and
12 participants in the program may have grievances reviewed by an
13 impartial body and reported to the board of directors of the
14 corporation;

15 7. Establish participation criteria and, if
16 appropriate, contract with an authorized insurer, health
17 maintenance organization, or insurance administrator to
18 provide administrative services to the corporation;

19 8. Establish enrollment criteria which shall include
20 penalties or waiting periods of not fewer than 60 days for
21 reinstatement of coverage upon voluntary cancellation for
22 nonpayment of family premiums;

23 9. If a space is available, establish a special open
24 enrollment period of 30 days' duration for any child who is
25 enrolled in Medicaid or Medikids if such child loses Medicaid
26 or Medikids eligibility and becomes eligible for the Florida
27 Healthy Kids program;

28 10.8. Contract with authorized insurers or any
29 provider of health care services, meeting standards
30 established by the corporation, for the provision of
31 comprehensive insurance coverage ~~and preventive health care~~

1 ~~services~~ to participants. Such standards shall include
2 criteria under which the corporation may contract with more
3 than one provider of health care services in program sites.
4 Health plans shall be selected through a competitive bid
5 process. The selection of health plans shall be based
6 primarily on quality criteria established by the board. The
7 health plan selection criteria and scoring system, and the
8 scoring results, shall be available upon request for
9 inspection after the bids have been awarded;

10 ~~11.9.~~ Develop and implement a plan to publicize the
11 Florida Healthy Kids Corporation, the eligibility requirements
12 of the program, and the procedures for enrollment in the
13 program and to maintain public awareness of the corporation
14 and the program;

15 ~~12.10.~~ Secure staff necessary to properly administer
16 the corporation. Staff costs shall be funded from state and
17 local matching funds and such other private or public funds as
18 become available. The board of directors shall determine the
19 number of staff members necessary to administer the
20 corporation;

21 ~~13.11.~~ As appropriate, enter into contracts with local
22 school boards or other agencies to provide onsite information,
23 enrollment, and other services necessary to the operation of
24 the corporation; ~~and~~

25 ~~14.12.~~ Provide a report on an annual basis to the
26 Governor, Insurance Commissioner, Commissioner of Education,
27 Senate President, Speaker of the House of Representatives, and
28 Minority Leaders of the Senate and the House of
29 Representatives; ~~-~~

30 ~~15.13.~~ Each fiscal year, establish a maximum number of
31 participants by county, on a statewide basis, who may enroll

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

17 16. Establish eligibility criteria, premium and
18 cost-sharing requirements, and benefit packages which conform
19 to the provisions of the Florida Kidcare program, as created
20 in ss. 409.810-409.820.

21 (c) Coverage under the corporation's program is
22 secondary to any other available private coverage held by the
23 participant child or family member. The corporation may
24 establish procedures for coordinating benefits under this
25 program with benefits under other public and private coverage.

26 (d) The Florida Healthy Kids Corporation shall be a
27 private corporation not for profit, organized pursuant to
28 chapter 617, and shall have all powers necessary to carry out
29 the purposes of this act, including, but not limited to, the
30 power to receive and accept grants, loans, or advances of
31 funds from any public or private agency and to receive and

1 accept from any source contributions of money, property,
2 labor, or any other thing of value, to be held, used, and
3 applied for the purposes of this act.

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

5 (a) The Florida Healthy Kids Corporation shall operate
6 subject to the supervision and approval of a board of
7 directors chaired by the Insurance Commissioner or her or his
8 designee, and composed of 12 other members selected for 3-year
9 terms of office as follows:

10 1. One member appointed by the Commissioner of
11 Education from among three persons nominated by the Florida
12 Association of School Administrators;

13 2. One member appointed by the Commissioner of
14 Education from among three persons nominated by the Florida
15 Association of School Boards;

16 3. One member appointed by the Commissioner of
17 Education from the Office of School Health Programs of the
18 Florida Department of Education;

19 4. One member appointed by the Governor from among
20 three members nominated by the Florida Pediatric Society;

21 5. One member, appointed by the Governor, who
22 represents the Children's Medical Services Program;

23 6. One member appointed by the Insurance Commissioner
24 from among three members nominated by the Florida Hospital
25 Association;

26 7. Two members, appointed by the Insurance
27 Commissioner, who are representatives of authorized health
28 care insurers or health maintenance organizations;

29 8. One member, appointed by the Insurance
30 Commissioner, who represents the Institute for Child Health
31 Policy;

1 9. One member, appointed by the Governor, from among
2 three members nominated by the Florida Academy of Family
3 Physicians;

4 10. One member, appointed by the Governor, who
5 represents the Agency for Health Care Administration; and

6 11. The State Health Officer or her or his designee.
7

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

12 (b) A member of the board of directors may be removed
13 by the official who appointed that member. The board shall
14 appoint an executive director, who is responsible for other
15 staff authorized by the board.

16 (c) Board members are entitled to receive, from funds
17 of the corporation, reimbursement for per diem and travel
18 expenses as provided by s. 112.061.

19 (d) There shall be no liability on the part of, and no
20 cause of action shall arise against, any member of the board
21 of directors, or its employees or agents, for any action they
22 take in the performance of their powers and duties under this
23 act.

24 (6)~~(5)~~ LICENSING NOT REQUIRED; FISCAL OPERATION.--

25 (a) The corporation shall not be deemed an insurer.
26 The officers, directors, and employees of the corporation
27 shall not be deemed to be agents of an insurer. Neither the
28 corporation nor any officer, director, or employee of the
29 corporation is subject to the licensing requirements of the
30 insurance code or the rules of the Department of Insurance.
31 However, ~~the Department of Insurance may require that any~~

1 marketing representative utilized and compensated by the
2 corporation must be appointed as a representative of the
3 insurers or health services providers with which the
4 corporation contracts.

5 (b) The board has complete fiscal control over the
6 corporation and is responsible for all corporate operations.

7 (c) The Department of Insurance shall supervise any
8 liquidation or dissolution of the corporation and shall have,
9 with respect to such liquidation or dissolution, all power
10 granted to it pursuant to the insurance code.

11 (7)~~(6)~~ ACCESS TO RECORDS; CONFIDENTIALITY;
12 PENALTIES.--Notwithstanding any other laws to the contrary,
13 the Florida Healthy Kids Corporation shall have access to the
14 medical records of a student upon receipt of permission from a
15 parent or guardian of the student. Such medical records may
16 be maintained by state and local agencies. Any identifying
17 information, including medical records and family financial
18 information, obtained by the corporation pursuant to this
19 subsection is confidential and is exempt from the provisions
20 of s. 119.07(1). Neither the corporation nor the staff or
21 agents of the corporation may release, without the written
22 consent of the participant or the parent or guardian of the
23 participant, to any state or federal agency, to any private
24 business or person, or to any other entity, any confidential
25 information received pursuant to this subsection. A violation
26 of this subsection is a misdemeanor of the second degree,
27 punishable as provided in s. 775.082 or s. 775.083.

28 Section 55. (1) Sections 391.031 and 391.056, Florida
29 Statutes, are hereby repealed.

30
31

1 (2) Section 624.92, Florida Statutes, as created by
2 section 9 of chapter 97-260, Laws of Florida, is hereby
3 repealed.

4 Section 56. The provisions of this act which would
5 require changes to contracts in existence on June 30, 1998,
6 between the Florida Healthy Kids Corporation and its
7 contracted providers shall be applied to such contracts upon
8 the renewal of the contracts, but not later than July 1, 2000.

9 Section 57. Sections 409.810 through 409.820, Florida
10 Statutes, as created by this act, are repealed, subject to
11 prior legislative review, on the first July 1 occurring at
12 least 1 year after the effective date of an act of the United
13 States Congress or the federal Health Care Financing
14 Administration which:

15 (1) Reduces Florida's federal matching rate under
16 Title XXI of the Social Security Act to less than 65 percent
17 federal match; or

18 (2) Reduces the federal funds allotted to Florida
19 under Title XXI of the Social Security Act to less than \$250
20 million annually.

21 Section 58. This act shall take effect July 1 of the
22 year in which enacted.
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