

1 A bill to be entitled

2 An act relating to the Florida KidCare program; amending  
3 s. 409.811, F.S.; defining the term "Florida KidCare  
4 program"; deleting a definition to conform; amending s.  
5 409.8132, F.S.; limiting when an applicant may apply for  
6 Medikids program enrollment; deleting a special enrollment  
7 period provision; amending s. 409.8134, F.S.; eliminating  
8 the Agency for Health Care Administration's ability to  
9 request an increase in the Florida KidCare program  
10 enrollment ceiling; providing for open enrollment periods;  
11 providing a timeframe for statewide announcement of open  
12 enrollment periods; providing limitations; providing an  
13 exception; providing a disenrollment process under certain  
14 circumstances; providing additional data for certain  
15 agencies to collect and analyze; amending s. 409.814,  
16 F.S.; revising Florida KidCare program eligibility  
17 criteria; limiting coverage; providing an exception for  
18 certain children otherwise eligible or covered under a  
19 family member's employer health coverage; restricting  
20 enrollment of children whose coverage was voluntarily  
21 canceled; providing an age limitation for certain  
22 components; requiring certain transfers to be managed  
23 within authorized levels of funding; requiring certain  
24 reserves to be established and reviewed; requiring each  
25 applicant to provide certain documentation; requiring the  
26 program to withhold benefits from certain enrollees;  
27 providing additional fraudulent activities; amending s.  
28 409.815, F.S.; providing that dental services shall be

29 covered; amending s. 624.91, F.S.; removing the  
30 requirement for the Florida Healthy Kids Corporation to  
31 work with the Florida Partnership for School Readiness;  
32 limiting eligibility for state-funded assistance in paying  
33 Florida Healthy Kids premiums; providing for future repeal  
34 of certain provisions; providing additional criteria for  
35 the corporation to determine eligibility; eliminating  
36 authority to establish an open enrollment period; revising  
37 the corporation's purchasing criteria; removing a  
38 restriction; eliminating authority to contract with  
39 certain entities; eliminating authority to establish a  
40 maximum number of participants; eliminating authority to  
41 establish eligibility criteria or premium and cost-sharing  
42 requirements; providing that contracted insurers are the  
43 payors of last resort; requiring contracted insurers to  
44 coordinate benefits with certain payors; requiring the  
45 Auditor General to provide recommendations to prevent  
46 enrollment of ineligible children in the Florida KidCare  
47 program and report such recommendations to the Governor  
48 and Legislature; requiring the Florida Healthy Kids  
49 Corporation to use certain funds to contract for an  
50 actuarial study; requiring the Auditor General to perform  
51 audits to ensure the eligibility of children enrolled in  
52 the Florida Healthy Kids program; authorizing the Auditor  
53 General to require and receive any books, accounts,  
54 records, or other documentation relating to the Florida  
55 Healthy Kids Corporation; requiring the Office of Program  
56 Policy Analysis and Government Accountability to perform a

57 study to determine the appropriate family premium for the  
 58 Florida KidCare program and report its findings to the  
 59 Legislature; amending s. 409.818, F.S.; deleting a cross  
 60 reference; repealing s. 409.819, F.S., relating to a  
 61 program identifying low-income, uninsured children for  
 62 certain purposes; providing appropriations; providing  
 63 effective dates.

64

65 Be It Enacted by the Legislature of the State of Florida:

66

67 Section 1. Subsections (14) through (22) of section  
 68 409.811, Florida Statutes, are renumbered as subsections (15)  
 69 through (23), respectively, present subsection (23) of said  
 70 section is amended, and a new subsection (14) is added to said  
 71 section, to read:

72 409.811 Definitions relating to Florida KidCare ~~Kidcare~~  
 73 Act.--As used in ss. 409.810-409.820, the term:

74 (14) "Florida KidCare program," "KidCare program," or  
 75 "program" means the health benefits program administered through  
 76 ss. 409.810-409.820.

77 ~~(23) "Program" means the Florida Kidcare program, the~~  
 78 ~~medical assistance program authorized by Title XXI of the Social~~  
 79 ~~Security Act as part of the federal Balanced Budget Act of 1997.~~

80 Section 2. Subsections (7), (8), and (9) of section  
 81 409.8132, Florida Statutes, are amended to read:

82 409.8132 Medikids program component.--

83 (7) ENROLLMENT.--Enrollment in the Medikids program  
 84 component may only occur during periodic open enrollment periods

85 as specified in s. 409.8134 by the agency. An applicant may  
86 apply for enrollment in the Medikids program component and  
87 proceed through the eligibility determination process at any  
88 time throughout the year. However, enrollment in Medikids shall  
89 not begin until the next open enrollment period; and A child may  
90 not receive services under the Medikids program until the child  
91 is enrolled in a managed care plan or MediPass. In addition,  
92 Once determined eligible, an applicant may receive choice  
93 counseling and select a managed care plan or MediPass. The  
94 agency may initiate mandatory assignment for a Medikids  
95 applicant who has not chosen a managed care plan or MediPass  
96 provider after the applicant's voluntary choice period ends. An  
97 applicant may select MediPass under the Medikids program  
98 component only in counties that have fewer than two managed care  
99 plans available to serve Medicaid recipients and only if the  
100 federal Health Care Financing Administration determines that  
101 MediPass constitutes "health insurance coverage" as defined in  
102 Title XXI of the Social Security Act.

103 ~~(8) SPECIAL ENROLLMENT PERIODS.--The agency shall~~  
104 ~~establish a special enrollment period of 30 days' duration for~~  
105 ~~any child who is enrolled in Medicaid if such child loses~~  
106 ~~Medicaid eligibility and becomes eligible for Medikids, or for~~  
107 ~~any child who is enrolled in Medikids if such child moves to~~  
108 ~~another county that is not within the coverage area of the~~  
109 ~~child's Medikids managed care plan or MediPass provider.~~

110 (8)(9) PENALTIES FOR VOLUNTARY CANCELLATION.--The agency  
111 shall establish enrollment criteria that must include penalties  
112 or waiting periods of not fewer than 60 days for reinstatement

113 of coverage upon voluntary cancellation for nonpayment of  
114 premiums.

115 Section 3. Section 409.8134, Florida Statutes, is amended  
116 to read:

117 409.8134 Program enrollment and expenditure ceilings.--

118 (1) Except for the Medicaid program, a ceiling shall be  
119 placed on annual federal and state expenditures and on  
120 enrollment in the Florida KidCare ~~Kidcare~~ program as provided  
121 each year in the General Appropriations Act. ~~The agency, in~~  
122 ~~consultation with the Department of Health, may propose to~~  
123 ~~increase the enrollment ceiling in accordance with chapter 216.~~

124 (2) Upon a unanimous recommendation by representatives  
125 from each of the four Florida KidCare administrators, the  
126 Florida KidCare program may conduct an open enrollment period  
127 for the purpose of enrolling children eligible for all program  
128 components listed in s. 409.813 except Medicaid. The four  
129 Florida KidCare administrators shall work together to ensure  
130 that the open enrollment period is announced statewide at least  
131 1 month before the open enrollment is to begin. Eligible  
132 children shall be enrolled on a first-come, first-served basis  
133 using the date the open enrollment application is received. The  
134 potential open enrollment periods shall be January 1 through  
135 January 30 and September 1 through September 30 of each year.  
136 Open enrollment shall immediately cease when the enrollment  
137 ceiling is reached. An open enrollment shall only be held if the  
138 Social Services Estimating Conference determines that sufficient  
139 federal and state funds will be available to finance the  
140 increased enrollment through federal fiscal year 2007. Any

141 individual who is not enrolled, including those added to the  
142 waiting list after January 30, 2004, must reapply by submitting  
143 a new application during the next open enrollment period.  
144 However, the Children's Medical Services Network may enroll up  
145 to 120 additional children annually based on emergency  
146 disability criteria outside of the open enrollment periods  
147 provided that the cost of serving these children is within the  
148 KidCare program's appropriated or authorized levels of funding.  
149 ~~Except for the Medicaid program, whenever the Social Services~~  
150 ~~Estimating Conference determines that there is presently, or~~  
151 ~~will be by the end of the current fiscal year, insufficient~~  
152 ~~funds to finance the current or projected enrollment in the~~  
153 ~~Florida Kidcare program, all additional enrollment must cease~~  
154 ~~and additional enrollment may not resume until sufficient funds~~  
155 ~~are available to finance such enrollment.~~

156 (3) Upon determination by the Social Services Estimating  
157 Conference that there are insufficient funds to finance the  
158 current enrollment in the Florida KidCare program within current  
159 appropriations, the program shall initiate disenrollment  
160 procedures to remove enrollees, except those children enrolled  
161 in the Children's Medical Services network, on a last-in, first-  
162 out basis until the expenditure and appropriation levels are  
163 balanced.

164 (4)(3) The agencies that administer the Florida KidCare  
165 Kidcare program components shall collect and analyze the data  
166 needed to project Florida Kidcare program enrollment costs,  
167 including price level adjustments ~~outreach impacts~~,  
168 participation and attrition rates, current and projected

169 caseloads, utilization, and current and projected expenditures  
170 for the next 3 years. The agencies shall report the caseload and  
171 expenditure trends to the Social Services Estimating Conference  
172 in accordance with chapter 216.

173 Section 4. Effective July 1, 2004, section 409.814,  
174 Florida Statutes, is amended to read:

175 409.814 Eligibility.--A child who has not reached 19 years  
176 of age whose family income is equal to or below 200 percent of  
177 the federal poverty level is eligible for the Florida KidCare  
178 ~~Kidcare~~ program as provided in this section. ~~In determining the~~  
179 ~~eligibility of such a child, an assets test is not required. An~~  
180 ~~applicant under 19 years of age who, based on a complete~~  
181 ~~application, appears to be eligible for the Medicaid component~~  
182 ~~of the Florida Kidcare program is presumed eligible for coverage~~  
183 ~~under Medicaid, subject to federal rules. A child who has been~~  
184 ~~deemed presumptively eligible for Medicaid shall not be enrolled~~  
185 ~~in a managed care plan until the child's full eligibility~~  
186 ~~determination for Medicaid has been completed. The Florida~~  
187 ~~Healthy Kids Corporation may, subject to compliance with~~  
188 ~~applicable requirements of the Agency for Health Care~~  
189 ~~Administration and the Department of Children and Family~~  
190 ~~Services, be designated as an entity to conduct presumptive~~  
191 ~~eligibility determinations. An applicant under 19 years of age~~  
192 ~~who, based on a complete application, appears to be eligible for~~  
193 ~~the Medikids, Florida Healthy Kids, or Children's Medical~~  
194 ~~Services network program component, who is screened as~~  
195 ~~ineligible for Medicaid and prior to the monthly verification of~~  
196 ~~the applicant's enrollment in Medicaid or of eligibility for~~

197 ~~coverage under the state employee health benefit plan, may be~~  
198 ~~enrolled in and begin receiving coverage from the appropriate~~  
199 ~~program component on the first day of the month following the~~  
200 ~~receipt of a completed application.~~ For enrollment in the  
201 Children's Medical Services network, a complete application  
202 includes the medical or behavioral health screening. If,  
203 subsequently ~~after verification~~, an individual is determined to  
204 be ineligible for coverage, he or she must immediately be  
205 disenrolled from the respective Florida KidCare ~~Title XXI-funded~~  
206 ~~Kideare~~ program component.

207 (1) A child who is eligible for Medicaid coverage under s.  
208 409.903 or s. 409.904 must be enrolled in Medicaid and is not  
209 eligible to receive health benefits under any other health  
210 benefits coverage authorized under the Florida KidCare program  
211 ~~ss. 409.810-409.820.~~

212 (2) A child who is not eligible for Medicaid, but who is  
213 eligible for the Florida KidCare ~~Kideare~~ program, may obtain  
214 health benefits coverage under any of the other components  
215 listed in s. 409.813 ~~types of health benefits coverage~~  
216 ~~authorized in ss. 409.810-409.820~~ if such coverage is approved  
217 and available in the county in which the child resides. However,  
218 a child who is eligible for Medikids may participate in the  
219 Florida Healthy Kids program only if the child has a sibling  
220 participating in the Florida Healthy Kids program and the  
221 child's county of residence permits such enrollment.

222 (3) A child who is eligible for the Florida KidCare  
223 ~~Kideare~~ program who is a child with special health care needs,  
224 as determined through a medical or behavioral screening



225 instrument, is eligible for health benefits coverage from and  
 226 shall be referred to the Children's Medical Services network.

227 (4) The following children are not eligible to receive  
 228 premium assistance for health benefits coverage under the  
 229 Florida KidCare program ss. ~~409.810-409.820~~, except under  
 230 Medicaid if the child would have been eligible for Medicaid  
 231 under s. 409.903 or s. 409.904 as of June 1, 1997:

232 (a) A child who is eligible for coverage under a state  
 233 health benefit plan on the basis of a family member's employment  
 234 with a public agency in the state.

235 (b) A child who is currently eligible for or covered under  
 236 a family member's group health benefit plan or under other  
 237 employer health insurance coverage, excluding coverage provided  
 238 under the Florida Healthy Kids Corporation as established under  
 239 s. 624.91, provided that the cost of the child's participation  
 240 is not greater than 5 percent of the family's income. This  
 241 provision shall be applied during redetermination for children  
 242 who were enrolled prior to July 1, 2004. These enrollees shall  
 243 have 6 months of eligibility following redetermination to allow  
 244 for a transition to the other health benefit plan.

245 (c) A child who is seeking premium assistance for the  
 246 Florida KidCare program through employer-sponsored group  
 247 coverage, if the child has been covered by the same employer's  
 248 group coverage during the 6 months prior to the family's  
 249 submitting an application for determination of eligibility under  
 250 the ~~Florida Kidcare~~ program.

251 (d) A child who is an alien, but who does not meet the  
 252 definition of qualified alien, in the United States.

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

255 (f) A child who has had his or her coverage in an  
256 employer-sponsored health benefit plan voluntarily canceled in  
257 the last 6 months, except those children who were on the waiting  
258 list prior to January 31, 2004.

259 (5) A child whose family income is above 200 percent of  
260 the federal poverty level or a child who is excluded under the  
261 provisions of subsection (4) may participate in the Florida  
262 KidCare ~~Kideare~~ program, excluding the Medicaid program, but is  
263 subject to the following provisions:

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

267 (b) The agency is authorized to place limits on enrollment  
268 in Medikids by these children in order to avoid adverse  
269 selection. The number of children participating in Medikids  
270 whose family income exceeds 200 percent of the federal poverty  
271 level must not exceed 10 percent of total enrollees in the  
272 Medikids program.

273 (c) The board of directors of the Florida Healthy Kids  
274 Corporation is authorized to place limits on enrollment of these  
275 children in order to avoid adverse selection. In addition, the  
276 board is authorized to offer a reduced benefit package to these  
277 children in order to limit program costs for such families. The  
278 number of children participating in the Florida Healthy Kids  
279 program whose family income exceeds 200 percent of the federal

280 poverty level must not exceed 10 percent of total enrollees in  
281 the Florida Healthy Kids program.

282 (d) Children described in this subsection are not counted  
283 in the annual enrollment ceiling for the Florida KidCare ~~Kideare~~  
284 program.

285 (6) Once a child is enrolled in the Florida KidCare  
286 ~~Kideare~~ program, the child is eligible for coverage under the  
287 program for 6 months without a redetermination or reverification  
288 of eligibility, if the family continues to pay the applicable  
289 premium. Eligibility for program components funded through Title  
290 XXI of the Social Security Act shall terminate when a child  
291 attains the age of 19. Effective January 1, 1999, a child who  
292 has not attained the age of 5 and who has been determined  
293 eligible for the Medicaid program is eligible for coverage for  
294 12 months without a redetermination or reverification of  
295 eligibility.

296 (7) When determining or reviewing a child's eligibility  
297 under the Florida KidCare program, the applicant shall be  
298 provided with reasonable notice of changes in eligibility which  
299 may affect enrollment in one or more of the program components.  
300 When a transition from one program component to another is  
301 authorized ~~appropriate~~, there shall be cooperation between the  
302 program components and the affected family which promotes  
303 continuity of health care coverage. Any authorized transfers  
304 must be managed within the program's overall appropriated or  
305 authorized levels of funding. Each component of the program  
306 shall establish a reserve to ensure that transfers between  
307 components will be accomplished within current year

308 appropriations. These reserves shall be reviewed by each  
309 convening of the Social Services Estimating Conference to  
310 determine the adequacy of such reserves to meet actual  
311 experience.

312 (8) In determining the eligibility of a child, an assets  
313 test is not required. Each applicant shall provide written  
314 documentation during the application process and the  
315 redetermination process, including, but not limited to, the  
316 following:

317 (a) Proof of family income.

318 (b) A statement from all family members that:

319 1. Their employer does not sponsor a health benefit plan  
320 for employees; or

321 2. The potential enrollee is not covered by the employer-  
322 sponsored health benefit plan because the potential enrollee is  
323 not eligible for coverage, or, if the potential enrollee is  
324 eligible but not covered, a statement of the cost to enroll the  
325 potential enrollee in the employer-sponsored health benefit  
326 plan.

327 (9) Subject to paragraph (4)(b) and s. 624.91(3), the  
328 Florida KidCare program shall withhold benefits from an enrollee  
329 if the program obtains evidence that the enrollee is no longer  
330 eligible, submitted incorrect or fraudulent information in order  
331 to establish eligibility, or failed to provide verification of  
332 eligibility. The applicant or enrollee shall be notified that  
333 because of such evidence program benefits will be withheld  
334 unless the applicant or enrollee contacts a designated  
335 representative of the program by a specified date, which must be

336 within 10 days after the date of notice, to discuss and resolve  
 337 the matter. The program shall make every effort to resolve the  
 338 matter within a timeframe that will not cause benefits to be  
 339 withheld from an eligible enrollee.

340 (10) The following individuals may be subject to  
 341 prosecution in accordance with s. 414.39:

342 (a) An applicant obtaining or attempting to obtain  
 343 benefits for a potential enrollee under the Florida KidCare  
 344 program when the applicant knows or should have known the  
 345 potential enrollee does not qualify for the Florida KidCare  
 346 program.

347 (b) An individual who assists an applicant in obtaining or  
 348 attempting to obtain benefits for a potential enrollee under the  
 349 Florida KidCare program when the individual knows or should have  
 350 known the potential enrollee does not qualify for the Florida  
 351 KidCare program.

352 Section 5. Paragraph (q) of subsection (2) of section  
 353 409.815, Florida Statutes, is amended to read:

354 409.815 Health benefits coverage; limitations.--

355 (2) BENCHMARK BENEFITS.--In order for health benefits  
 356 coverage to qualify for premium assistance payments for an  
 357 eligible child under ss. 409.810-409.820, the health benefits  
 358 coverage, except for coverage under Medicaid and Medikids, must  
 359 include the following minimum benefits, as medically necessary.

360 (q) Dental services.--Dental services shall be covered and  
 361 may ~~services~~ include those dental benefits ~~services~~ provided to  
 362 children by the Florida Medicaid program under s. 409.906(6)(5),  
 363 up to a maximum benefit of \$750 per enrollee per year.

364 Section 6. Subsections (3) through (7) of section 624.91,  
 365 Florida Statutes, are renumbered as subsections (4) through (8),  
 366 respectively, present subsections (2) and (4) of said section  
 367 are amended, and a new subsection (3) is added to said section,  
 368 to read:

369 624.91 The Florida Healthy Kids Corporation Act.--

370 (2) LEGISLATIVE INTENT.--

371 (a) The Legislature finds that increased access to health  
 372 care services could improve children's health and reduce the  
 373 incidence and costs of childhood illness and disabilities among  
 374 children in this state. Many children do not have comprehensive,  
 375 affordable health care services available. It is the intent of  
 376 the Legislature that the Florida Healthy Kids Corporation  
 377 provide comprehensive health insurance coverage to such  
 378 children. The corporation is encouraged to cooperate with any  
 379 existing health service programs funded by the public or the  
 380 private sector ~~and to work cooperatively with the Florida~~  
 381 ~~Partnership for School Readiness.~~

382 (b) It is the intent of the Legislature that the Florida  
 383 Healthy Kids Corporation serve as one of several providers of  
 384 services to children eligible for medical assistance under Title  
 385 XXI of the Social Security Act. Although the corporation may  
 386 serve other children, the Legislature intends the primary  
 387 recipients of services provided through the corporation be  
 388 school-age children with a family income below 200 percent of  
 389 the federal poverty level, who do not qualify for Medicaid. It  
 390 is also the intent of the Legislature that state and local  
 391 government Florida Healthy Kids funds be used to continue ~~and~~

392 ~~expand~~ coverage, subject to specific appropriations in the  
 393 General Appropriations Act, to children not eligible for federal  
 394 matching funds under Title XXI.

395 (3) ELIGIBILITY FOR STATE-FUNDED ASSISTANCE.--Only the  
 396 following individuals are eligible for state-funded assistance  
 397 in paying Florida Healthy Kids premiums:

398 (a) Residents of this state who are eligible for the  
 399 Florida KidCare program pursuant to s. 409.814.

400 (b) Notwithstanding s. 409.814, legal aliens who are  
 401 enrolled in the Florida Healthy Kids program as of January 31,  
 402 2004, who do not qualify for Title XXI federal funds because  
 403 they are not qualified aliens as defined in s. 409.811.

404 (c) Notwithstanding s. 409.814, individuals who have  
 405 attained the age of 19 as of March 31, 2004, who were receiving  
 406 Florida Healthy Kids benefits prior to the enactment of the  
 407 Florida KidCare program. This paragraph shall be repealed March  
 408 31, 2005.

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

413 (5)(4) CORPORATION AUTHORIZATION, DUTIES, POWERS.--

414 (a) There is created the Florida Healthy Kids Corporation,  
 415 a not-for-profit corporation.

416 (b) The Florida Healthy Kids Corporation shall:

417 1. Arrange for the collection of any family, local  
 418 contributions, or employer payment or premium, in an amount to  
 419 be determined by the board of directors, to provide for payment

420 of premiums for comprehensive insurance coverage and for the  
421 actual or estimated administrative expenses.†

422 2. Arrange for the collection of any voluntary  
423 contributions to provide for payment of premiums for children  
424 who are not eligible for medical assistance under Title XXI of  
425 the Social Security Act. Each fiscal year, the corporation shall  
426 establish a local match policy for the enrollment of non-Title-  
427 XXI-eligible children in the Healthy Kids program. By May 1 of  
428 each year, the corporation shall provide written notification of  
429 the amount to be remitted to the corporation for the following  
430 fiscal year under that policy. Local match sources may include,  
431 but are not limited to, funds provided by municipalities,  
432 counties, school boards, hospitals, health care providers,  
433 charitable organizations, special taxing districts, and private  
434 organizations. The minimum local match cash contributions  
435 required each fiscal year and local match credits shall be  
436 determined by the General Appropriations Act. The corporation  
437 shall calculate a county's local match rate based upon that  
438 county's percentage of the state's total non-Title-XXI  
439 expenditures as reported in the corporation's most recently  
440 audited financial statement. In awarding the local match  
441 credits, the corporation may consider factors including, but not  
442 limited to, population density, per capita income, and existing  
443 child-health-related expenditures and services.†

444 3. Subject to the provisions of s. 409.8134, accept  
445 voluntary supplemental local match contributions that comply  
446 with the requirements of Title XXI of the Social Security Act



447 | for the purpose of providing additional coverage in contributing  
 448 | counties under Title XXI.+

449 |         4. Establish the administrative and accounting procedures  
 450 | for the operation of the corporation.+

451 |         5. Establish, with consultation from appropriate  
 452 | professional organizations, standards for preventive health  
 453 | services and providers and comprehensive insurance benefits  
 454 | appropriate to children,+ provided that such standards for rural  
 455 | areas shall not limit primary care providers to board-certified  
 456 | pediatricians.+

457 |         6. Determine ~~Establish~~ eligibility for ~~criteria which~~  
 458 | children seeking ~~must meet in order~~ to participate in the Title  
 459 | XXI-funded components of the Florida KidCare program consistent  
 460 | with the requirements specified in s. 409.814, as well as the  
 461 | non-Title-XXI-eligible children as provided in subsection (3).+

462 |         7. Establish procedures under which providers of local  
 463 | match to, applicants to and participants in the program may have  
 464 | grievances reviewed by an impartial body and reported to the  
 465 | board of directors of the corporation.+

466 |         8. Establish participation criteria and, if appropriate,  
 467 | contract with an authorized insurer, health maintenance  
 468 | organization, or third-party insurance administrator to provide  
 469 | administrative services to the corporation.+

470 |         9. Establish enrollment criteria which shall include  
 471 | penalties or waiting periods of not fewer than 60 days for  
 472 | reinstatement of coverage upon voluntary cancellation for  
 473 | nonpayment of family premiums.+

474 ~~10. If a space is available, establish a special open~~  
 475 ~~enrollment period of 30 days' duration for any child who is~~  
 476 ~~enrolled in Medicaid or Medikids if such child loses Medicaid or~~  
 477 ~~Medikids eligibility and becomes eligible for the Florida~~  
 478 ~~Healthy Kids program;~~

479 10.11. Contract with authorized insurers or any provider  
 480 of health care services, meeting standards established by the  
 481 corporation, for the provision of comprehensive insurance  
 482 coverage to participants. Such standards shall include criteria  
 483 under which the corporation may contract with more than one  
 484 provider of health care services in program sites. Health plans  
 485 shall be selected through a competitive bid process. The Florida  
 486 Healthy Kids Corporation shall purchase goods and services in  
 487 the most cost-effective manner consistent with the delivery of  
 488 quality medical care. The maximum administrative cost for a  
 489 Florida Healthy Kids Corporation contract shall be 15 percent.  
 490 The minimum medical loss ratio for a Florida Healthy Kids  
 491 Corporation contract shall be 85 percent. ~~The selection of~~  
 492 ~~health plans shall be based primarily on quality criteria~~  
 493 ~~established by the board.~~ The health plan selection criteria and  
 494 scoring system, and the scoring results, shall be available upon  
 495 request for inspection after the bids have been awarded.†

496 11.12. Establish disenrollment criteria in the event local  
 497 matching funds are insufficient to cover enrollments.†

498 12.13. Develop and implement a plan to publicize the  
 499 Florida Healthy Kids Corporation, the eligibility requirements  
 500 of the program, and the procedures for enrollment in the program

501 and to maintain public awareness of the corporation and the  
502 program.†

503 ~~13.14.~~ Secure staff necessary to properly administer the  
504 corporation. Staff costs shall be funded from state and local  
505 matching funds and such other private or public funds as become  
506 available. The board of directors shall determine the number of  
507 staff members necessary to administer the corporation.†

508 ~~15. As appropriate, enter into contracts with local school~~  
509 ~~boards or other agencies to provide onsite information,~~  
510 ~~enrollment, and other services necessary to the operation of the~~  
511 ~~corporation;†~~

512 ~~14.16.~~ Provide a report annually to the Governor, Chief  
513 Financial Officer, Commissioner of Education, Senate President,  
514 Speaker of the House of Representatives, and Minority Leaders of  
515 the Senate and the House of Representatives.†

516 ~~17. Each fiscal year, establish a maximum number of~~  
517 ~~participants, on a statewide basis, who may enroll in the~~  
518 ~~program; and~~

519 ~~15.18.~~ Establish eligibility criteria, premium and cost-  
520 ~~sharing requirements, and~~ benefit packages which conform to the  
521 provisions of the Florida KidCare ~~Kidcare~~ program, as created in  
522 ss. 409.810-409.820.

523 (c) Coverage under the corporation's program is secondary  
524 to any other available private coverage held by, or applicable  
525 to, the participant child or family member. Insurers under  
526 contract with the corporation are the payors of last resort and  
527 must coordinate benefits with any other third-party payor that  
528 may be liable for the participant's medical care ~~The corporation~~

529 ~~may establish procedures for coordinating benefits under this~~  
530 ~~program with benefits under other public and private coverage.~~

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

540 Section 7. The Auditor General shall provide  
541 recommendations to implement mechanisms to prevent enrollment of  
542 children in the Florida KidCare program who are ineligible  
543 pursuant to the requirements of s. 409.814(4), Florida Statutes.  
544 Such recommendations shall be reported to the Governor, the  
545 President of the Senate, and the Speaker of the House of  
546 Representatives by March 1, 2005.

547 Section 8. The Florida Healthy Kids Corporation shall use  
548 existing funds from their operating fund established by s.  
549 624.915, Florida Statutes, to contract for an actuarial study on  
550 the impact of full-pay enrollees on the cost of services for  
551 each Florida KidCare program component.

552 Section 9. The Auditor General shall perform periodic  
553 audits through the 2005-2006 fiscal year to ensure that children  
554 enrolled in the Florida Healthy Kids program are eligible  
555 pursuant to ss. 409.814 and 624.91, Florida Statutes. The  
556 Auditor General shall have the authority to require and receive

557 | from the Florida Healthy Kids Corporation or from its  
 558 | independent auditor any books, accounts, records, or other  
 559 | documentation relating to the corporation. Any contract entered  
 560 | into by the corporation pursuant to s. 624.91(4)(b)11. or s.  
 561 | 624.91(4)(b)15., Florida Statutes, shall specify that the  
 562 | records of the contractor relating to the contract or its  
 563 | performance must be available for review and audit by the  
 564 | Auditor General.

565 |       Section 10. The Office of Program Policy Analysis and  
 566 | Government Accountability shall perform a study to determine the  
 567 | appropriate family premium for the Florida KidCare program and  
 568 | submit a report to the President of the Senate and the Speaker  
 569 | of the House of Representatives by January 1, 2005. The report  
 570 | shall set out no fewer than three options and shall make a  
 571 | recommendation as to the appropriate family premium for the  
 572 | Florida KidCare program. Each option shall include a detailed  
 573 | explanation of the analysis that led to the conclusion. A  
 574 | discussion of family premiums collected by Title XXI programs in  
 575 | other states shall be part of the report.

576 |       Section 11. Subsection (2) of section 409.818, Florida  
 577 | Statutes, is amended to read:

578 |       409.818 Administration.--In order to implement ss.  
 579 | 409.810-409.820, the following agencies shall have the following  
 580 | duties:

581 |       (2) The Department of Health shall:

582 |       (a) Design an eligibility intake process for the program,  
 583 | in coordination with the Department of Children and Family  
 584 | Services, the agency, and the Florida Healthy Kids Corporation.

585 The eligibility intake process may include local intake points  
586 that are determined by the Department of Health in coordination  
587 with the Department of Children and Family Services.

588 ~~(b) Design and implement program outreach activities under~~  
589 ~~s. 409.819.~~

590 (b)(e) Chair a state-level coordinating council to review  
591 and make recommendations concerning the implementation and  
592 operation of the program. The coordinating council shall include  
593 representatives from the department, the Department of Children  
594 and Family Services, the agency, the Florida Healthy Kids  
595 Corporation, the Office of Insurance Regulation of the Financial  
596 Services Commission, local government, health insurers, health  
597 maintenance organizations, health care providers, families  
598 participating in the program, and organizations representing  
599 low-income families.

600 (c)(d) In consultation with the Florida Healthy Kids  
601 Corporation and the Department of Children and Family Services,  
602 establish ~~establishing~~ a toll-free telephone line to assist  
603 families with questions about the program.

604 (d)(e) Adopt rules necessary to implement outreach  
605 activities.

606 Section 12. Section 409.819, Florida Statutes, is  
607 repealed.

608 Section 13. The sums of \$6,566,073 from the General  
609 Revenue Fund, \$454,687 from the Grants and Donations Trust Fund,  
610 and \$16,272,440 from the Medical Care Trust Fund are  
611 appropriated to the Agency for Health Care Administration, and  
612 the sum of \$1,984,113 is appropriated from the Donations Trust

613 | Fund to the Department of Health, for the 2003-2004 fiscal year  
614 | for the purpose of serving children on whose behalf applications  
615 | are submitted to the Florida KidCare program as of January 30,  
616 | 2004, and who are determined to be eligible for program  
617 | components funded under Title XXI of the Social Security Act.

618 |       Section 14. Except as otherwise provided herein, this act  
619 | shall take effect upon becoming a law.