

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

1 reviewed; requiring each applicant to provide
2 certain documentation; requiring the program to
3 withhold benefits from certain enrollees;
4 providing additional fraudulent activities;
5 amending s. 409.815, F.S.; revising coverage
6 requirements for dental services; amending s.
7 624.91, F.S.; removing the requirement for the
8 Florida Healthy Kids Corporation to work with
9 the Florida Partnership for School Readiness;
10 limiting eligibility for state-funded
11 assistance in paying Florida Healthy Kids
12 premiums; providing for future repeal of
13 certain provisions; providing additional
14 criteria for the corporation to determine
15 eligibility; eliminating authority to establish
16 an open enrollment period; revising the
17 corporation's purchasing criteria; removing a
18 restriction; eliminating authority to contract
19 with certain entities; eliminating authority to
20 establish a maximum number of participants;
21 eliminating authority to establish eligibility
22 criteria or premium and cost-sharing
23 requirements; providing that contracted
24 insurers are the payors of last resort;
25 requiring contracted insurers to coordinate
26 benefits with certain payors; deleting obsolete
27 provisions; requiring the Auditor General to
28 provide recommendations to prevent enrollment
29 of ineligible children in the Florida KidCare
30 program and report such recommendations to the
31 Governor and Legislature; requiring the Florida

1 Healthy Kids Corporation to use certain funds
2 to contract for an actuarial study; requiring
3 the Auditor General to perform audits to ensure
4 the eligibility of children enrolled in the
5 Florida Healthy Kids program; authorizing the
6 Auditor General to require and receive any
7 books, accounts, records, or other
8 documentation relating to the Florida Healthy
9 Kids Corporation; requiring the Office of
10 Program Policy Analysis and Government
11 Accountability to perform a study to determine
12 the appropriate family premium for the Florida
13 KidCare program and report its findings to the
14 Legislature; amending s. 409.818, F.S.;
15 deleting a cross-reference; repealing s.
16 409.819, F.S., relating to a program
17 identifying low-income, uninsured children for
18 certain purposes; providing appropriations;
19 providing effective dates.
20

21 Be It Enacted by the Legislature of the State of Florida:
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23 Section 1. Subsections (14) through (22) of section
24 409.811, Florida Statutes, are renumbered as subsections (15)
25 through (23), respectively, present subsection (23) of that
26 section is amended, and a new subsection (14) is added to that
27 section, to read:

28 409.811 Definitions relating to Florida KidCare
29 ~~Kidcare~~ Act.--As used in ss. 409.810-409.820, the term:
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1 (14) "Florida KidCare program," "KidCare program," or
2 "program" means the health benefits program administered
3 through ss. 409.810-409.820.

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

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

10 409.8132 Medikids program component.--

11 (7) ENROLLMENT.--Enrollment in the Medikids program
12 component may only occur during periodic open enrollment
13 periods as specified in s. 409.8134 ~~by the agency. An~~
14 ~~applicant may apply for enrollment in the Medikids program~~
15 ~~component and proceed through the eligibility determination~~
16 ~~process at any time throughout the year. However, enrollment~~
17 ~~in Medikids shall not begin until the next open enrollment~~
18 ~~period; and~~ A child may not receive services under the
19 Medikids program until the child is enrolled in a managed care
20 plan or MediPass. ~~In addition,~~Once determined eligible, an
21 applicant may receive choice counseling and select a managed
22 care plan or MediPass. The agency may initiate mandatory
23 assignment for a Medikids applicant who has not chosen a
24 managed care plan or MediPass provider after the applicant's
25 voluntary choice period ends. An applicant may select MediPass
26 under the Medikids program component only in counties that
27 have fewer than two managed care plans available to serve
28 Medicaid recipients and only if the federal Health Care
29 Financing Administration determines that MediPass constitutes
30 "health insurance coverage" as defined in Title XXI of the
31 Social Security Act.

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

8 ~~(8)(9) PENALTIES FOR VOLUNTARY CANCELLATION.--The~~
 9 agency shall establish enrollment criteria that must include
 10 penalties or waiting periods of not fewer than 60 days for
 11 reinstatement of coverage upon voluntary cancellation for
 12 nonpayment of premiums.

13 Section 3. Section 409.8134, Florida Statutes, is
 14 amended to read:

15 409.8134 Program enrollment and expenditure
 16 ceilings.--

17 (1) Except for the Medicaid program, a ceiling shall
 18 be placed on annual federal and state expenditures and on
 19 enrollment in the Florida KidCare ~~Kidcare~~ program as provided
 20 each year in the General Appropriations Act. ~~The agency, in~~
 21 ~~consultation with the Department of Health, may propose to~~
 22 ~~increase the enrollment ceiling in accordance with chapter~~
 23 ~~216.~~

24 (2) Upon a unanimous recommendation by representatives
 25 from each of the four Florida KidCare administrators, the
 26 Florida KidCare program may conduct an open enrollment period
 27 for the purpose of enrolling children eligible for all program
 28 components listed in s. 409.813 except Medicaid. The four
 29 Florida KidCare administrators shall work together to ensure
 30 that the open enrollment period is announced statewide at
 31 least 1 month before the open enrollment is to begin. Eligible

1 children shall be enrolled on a first-come, first-served basis
2 using the date the open enrollment application is received.
3 The potential open enrollment periods shall be January 1st
4 through January 30th and September 1st through September 30th.
5 Open enrollment shall immediately cease when the enrollment
6 ceiling is reaches. An open enrollment shall only be held if
7 the Social Services Estimating Conference determines that
8 sufficient federal and state funds will be available to
9 finance the increased enrollment through federal fiscal year
10 2007. Any individual who is not enrolled, including those
11 added to the waiting list after January 30, 2004, must reapply
12 by submitting a new application during the next open
13 enrollment period. However, the Children's Medical Services
14 Network may annually enroll up to 120 additional children
15 based on emergency disability criteria outside of the open
16 enrollment periods and the cost of serving these children must
17 be managed within the KidCare program's appropriated or
18 authorized levels of funding.~~Except for the Medicaid program,~~
19 ~~whenever the Social Services Estimating Conference determines~~
20 ~~that there is presently, or will be by the end of the current~~
21 ~~fiscal year, insufficient funds to finance the current or~~
22 ~~projected enrollment in the Florida Kidcare program, all~~
23 ~~additional enrollment must cease and additional enrollment may~~
24 ~~not resume until sufficient funds are available to finance~~
25 ~~such enrollment.~~

26 (3) Upon determination by the Social Services
27 Estimating Conference that there are insufficient funds to
28 finance the current enrollment in the Florida KidCare program
29 within current appropriations, the program shall initiate
30 disenrollment procedures to remove enrollees, except those
31 children enrolled in the Children's Medical Services network,

1 on a last-in, first-out basis until the expenditure and
2 appropriation levels are balanced.

3 ~~(4)(3)~~ The agencies that administer the Florida
4 KidCare ~~Kidcare~~ program components shall collect and analyze
5 the data needed to project ~~Florida Kidcare~~ program enrollment
6 costs, including price level adjustments ~~outreach impacts~~,
7 participation and attrition rates, current and projected
8 caseloads, utilization, and current and projected expenditures
9 for the next 3 years. The agencies shall report ~~the~~ caseload
10 and expenditure trends to the Social Services Estimating
11 Conference in accordance with chapter 216.

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

14 409.814 Eligibility.--A child who has not reached 19
15 years of age whose family income is equal to or below 200
16 percent of the federal poverty level is eligible for the
17 Florida KidCare ~~Kidcare~~ program as provided in this section.
18 ~~In determining the eligibility of such a child, an assets test~~
19 ~~is not required. An applicant under 19 years of age who, based~~
20 ~~on a complete application, appears to be eligible for the~~
21 ~~Medicaid component of the Florida Kidcare program is presumed~~
22 ~~eligible for coverage under Medicaid, subject to federal~~
23 ~~rules. A child who has been deemed presumptively eligible for~~
24 ~~Medicaid shall not be enrolled in a managed care plan until~~
25 ~~the child's full eligibility determination for Medicaid has~~
26 ~~been completed. The Florida Healthy Kids Corporation may,~~
27 ~~subject to compliance with applicable requirements of the~~
28 ~~Agency for Health Care Administration and the Department of~~
29 ~~Children and Family Services, be designated as an entity to~~
30 ~~conduct presumptive eligibility determinations. An applicant~~
31 ~~under 19 years of age who, based on a complete application,~~

1 ~~appears to be eligible for the Medikids, Florida Healthy Kids,~~
2 ~~or Children's Medical Services network program component, who~~
3 ~~is screened as ineligible for Medicaid and prior to the~~
4 ~~monthly verification of the applicant's enrollment in Medicaid~~
5 ~~or of eligibility for coverage under the state employee health~~
6 ~~benefit plan, may be enrolled in and begin receiving coverage~~
7 ~~from the appropriate program component on the first day of the~~
8 ~~month following the receipt of a completed application. For~~
9 enrollment in the Children's Medical Services network, a
10 complete application includes the medical or behavioral health
11 screening. If, subsequently after verification, an individual
12 is determined to be ineligible for coverage, he or she must
13 immediately be disenrolled from the respective Florida KidCare
14 ~~Title XXI-funded Kidcare~~ program component.

15 (1) A child who is eligible for Medicaid coverage
16 under s. 409.903 or s. 409.904 must be enrolled in Medicaid
17 and is not eligible to receive health benefits under any other
18 health benefits coverage authorized under the Florida KidCare
19 program ss. 409.810-409.820.

20 (2) A child who is not eligible for Medicaid, but who
21 is eligible for the Florida KidCare ~~Kidcare~~ program, may
22 obtain health benefits coverage under any of the other
23 components listed in s. 409.813 ~~types of health benefits~~
24 ~~coverage authorized in ss. 409.810-409.820~~ if such coverage is
25 approved and available in the county in which the child
26 resides. However, a child who is eligible for Medikids may
27 participate in the Florida Healthy Kids program only if the
28 child has a sibling participating in the Florida Healthy Kids
29 program and the child's county of residence permits such
30 enrollment.

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1 (3) A child who is eligible for the Florida KidCare
2 ~~Kidcare~~ program who is a child with special health care needs,
3 as determined through a medical or behavioral screening
4 instrument, is eligible for health benefits coverage from and
5 shall be referred to the Children's Medical Services network.

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

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

14 (b) A child who is currently eligible for or covered
15 under a family member's group health benefit plan or under
16 other employer health insurance coverage, excluding coverage
17 provided under the Florida Healthy Kids Corporation as
18 established under s. 624.91, provided that the cost of the
19 child's participation is not greater than 5 percent of the
20 family's income. This provision shall be applied during
21 redetermination for children who were enrolled prior to July
22 1, 2004. These enrollees shall have 6 months of eligibility
23 following redetermination to allow for a transition to the
24 other health benefit plan.

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

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

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

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

9 (5) A child whose family income is above 200 percent
10 of the federal poverty level or a child who is excluded under
11 the provisions of subsection (4) may participate in the
12 Florida KidCare ~~Kidcare~~ program, excluding the Medicaid
13 program, but is subject to the following provisions:

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

17 (b) The agency is authorized to place limits on
18 enrollment in Medikids by these children in order to avoid
19 adverse selection. The number of children participating in
20 Medikids whose family income exceeds 200 percent of the
21 federal poverty level must not exceed 10 percent of total
22 enrollees in the Medikids program.

23 (c) The board of directors of the Florida Healthy Kids
24 Corporation is authorized to place limits on enrollment of
25 these children in order to avoid adverse selection. In
26 addition, the board is authorized to offer a reduced benefit
27 package to these children in order to limit program costs for
28 such families. The number of children participating in the
29 Florida Healthy Kids program whose family income exceeds 200
30 percent of the federal poverty level must not exceed 10
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1 percent of total enrollees in the Florida Healthy Kids
2 program.

3 (d) Children described in this subsection are not
4 counted in the annual enrollment ceiling for the Florida
5 KidCare ~~Kidcare~~ program.

6 (6) Once a child is enrolled in the Florida KidCare
7 ~~Kidcare~~ program, the child is eligible for coverage under the
8 program for 6 months without a redetermination or
9 reverification of eligibility, if the family continues to pay
10 the applicable premium. Eligibility for program components
11 funded through Title XXI of the Social Security Act shall
12 terminate when a child attains the age of 19. Effective
13 January 1, 1999, a child who has not attained the age of 5 and
14 who has been determined eligible for the Medicaid program is
15 eligible for coverage for 12 months without a redetermination
16 or reverification of eligibility.

17 (7) When determining or reviewing a child's
18 eligibility under the Florida KidCare program, the applicant
19 shall be provided with reasonable notice of changes in
20 eligibility which may affect enrollment in one or more of the
21 program components. When a transition from one program
22 component to another is authorized ~~appropriate~~, there shall be
23 cooperation between the program components and the affected
24 family which promotes continuity of health care coverage. Any
25 authorized transfers must be managed within the program's
26 overall appropriated or authorized levels of funding. Each
27 component of the program shall establish a reserve to ensure
28 that transfers between components will be accomplished within
29 current year appropriations. These reserves shall be reviewed
30 by each convening of the Social Services Estimating Conference

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1 to determine the adequacy of such reserves to meet actual
2 experience.

3 (8) In determining the eligibility of a child, an
4 assets test is not required. Each applicant shall provide
5 written documentation during the application process and the
6 redetermination process, including, but not limited to, the
7 following:

8 (a) Proof of family income.

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

10 1. Their employer does not sponsor a health benefit
11 plan for employees; or

12 2. The potential enrollee is not covered by the
13 employer-sponsored health benefit plan because the potential
14 enrollee is not eligible for coverage, or, if the potential
15 enrollee is eligible but not covered, a statement of the cost
16 to enroll the potential enrollee in the employer-sponsored
17 health benefit plan.

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

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

3 (a) An applicant obtaining or attempting to obtain
4 benefits for a potential enrollee under the Florida KidCare
5 program when the applicant knows or should have known the
6 potential enrollee does not qualify for the Florida KidCare
7 program.

8 (b) An individual who assists an applicant in
9 obtaining or attempting to obtain benefits for a potential
10 enrollee under the Florida KidCare program when the individual
11 knows or should have known the potential enrollee does not
12 qualify for the Florida KidCare program.

13 Section 5. Effective July 1, 2004, paragraph (q) of
14 subsection (2) of section 409.815, Florida Statutes, is
15 amended to read:

16 409.815 Health benefits coverage; limitations.--

17 (2) BENCHMARK BENEFITS.--In order for health benefits
18 coverage to qualify for premium assistance payments for an
19 eligible child under ss. 409.810-409.820, the health benefits
20 coverage, except for coverage under Medicaid and Medikids,
21 must include the following minimum benefits, as medically
22 necessary.

23 (q) Dental services.--Dental services shall be covered
24 and may ~~services~~ include those dental benefits ~~services~~
25 provided to children by the Florida Medicaid program under s.
26 409.906(6)~~s. 409.906(5)~~ ~~up to a maximum benefit of \$750 per~~
27 ~~enrollee per year.~~

28 Section 6. Subsections (3) through (7) of section
29 624.91, Florida Statutes, are renumbered as subsections (4)
30 through (8), respectively, present subsections (2) and (4) of
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1 that section are amended, and a new subsection (3) is added to
2 that section, to read:

3 624.91 The Florida Healthy Kids Corporation Act.--

4 (2) LEGISLATIVE INTENT.--

5 (a) The Legislature finds that increased access to
6 health care services could improve children's health and
7 reduce the incidence and costs of childhood illness and
8 disabilities among children in this state. Many children do
9 not have comprehensive, affordable health care services
10 available. It is the intent of the Legislature that the
11 Florida Healthy Kids Corporation provide comprehensive health
12 insurance coverage to such children. The corporation is
13 encouraged to cooperate with any existing health service
14 programs funded by the public or the private sector ~~and to~~
15 ~~work cooperatively with the Florida Partnership for School~~
16 ~~Readiness.~~

17 (b) It is the intent of the Legislature that the
18 Florida Healthy Kids Corporation serve as one of several
19 providers of services to children eligible for medical
20 assistance under Title XXI of the Social Security Act.
21 Although the corporation may serve other children, the
22 Legislature intends the primary recipients of services
23 provided through the corporation be school-age children with a
24 family income below 200 percent of the federal poverty level,
25 who do not qualify for Medicaid. It is also the intent of the
26 Legislature that state and local government Florida Healthy
27 Kids funds be used to continue ~~and expand~~ coverage, subject to
28 specific appropriations in the General Appropriations Act, to
29 children not eligible for federal matching funds under Title
30 XXI.

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

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

6 (b) Notwithstanding s. 409.814, legal aliens who are
7 enrolled in the Florida Healthy Kids program as of January 31,
8 2004, who do not qualify for Title XXI federal funds because
9 they are not qualified aliens as defined in s. 409.811.

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

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

19 (5)(4) CORPORATION AUTHORIZATION, DUTIES, POWERS.--

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

22 (b) The Florida Healthy Kids Corporation shall:

23 1. Arrange for the collection of any family, local
24 contributions, or employer payment or premium, in an amount to
25 be determined by the board of directors, to provide for
26 payment of premiums for comprehensive insurance coverage and
27 for the actual or estimated administrative expenses.†

28 2. Arrange for the collection of any voluntary
29 contributions to provide for payment of premiums for children
30 who are not eligible for medical assistance under Title XXI of
31 the Social Security Act. Each fiscal year, the corporation

1 shall establish a local match policy for the enrollment of
2 non-Title-XXI-eligible children in the Healthy Kids program.
3 By May 1 of each year, the corporation shall provide written
4 notification of the amount to be remitted to the corporation
5 for the following fiscal year under that policy. Local match
6 sources may include, but are not limited to, funds provided by
7 municipalities, counties, school boards, hospitals, health
8 care providers, charitable organizations, special taxing
9 districts, and private organizations. The minimum local match
10 cash contributions required each fiscal year and local match
11 credits shall be determined by the General Appropriations Act.
12 The corporation shall calculate a county's local match rate
13 based upon that county's percentage of the state's total
14 non-Title-XXI expenditures as reported in the corporation's
15 most recently audited financial statement. In awarding the
16 local match credits, the corporation may consider factors
17 including, but not limited to, population density, per capita
18 income, and existing child-health-related expenditures and
19 services.†

20 3. Subject to the provisions of s. 409.8134, accept
21 voluntary supplemental local match contributions that comply
22 with the requirements of Title XXI of the Social Security Act
23 for the purpose of providing additional coverage in
24 contributing counties under Title XXI.†

25 4. Establish the administrative and accounting
26 procedures for the operation of the corporation.†

27 5. Establish, with consultation from appropriate
28 professional organizations, standards for preventive health
29 services and providers and comprehensive insurance benefits
30 appropriate to children,† provided that such standards for
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1 rural areas shall not limit primary care providers to
2 board-certified pediatricians.†

3 6. Determine ~~Establish~~ eligibility for ~~criteria which~~
4 children seeking ~~must meet in order~~ to participate in the
5 Title XXI-funded components of the Florida KidCare program
6 consistent with the requirements specified in s. 409.814, as
7 well as the non-Title-XXI-eligible children as provided in
8 subsection (3).†

9 7. Establish procedures under which providers of local
10 match to, applicants to and participants in the program may
11 have grievances reviewed by an impartial body and reported to
12 the board of directors of the corporation.†

13 8. Establish participation criteria and, if
14 appropriate, contract with an authorized insurer, health
15 maintenance organization, or third-party insurance
16 administrator to provide administrative services to the
17 corporation.†

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

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

27 ~~10.11.~~ Contract with authorized insurers or any
28 provider of health care services, meeting standards
29 established by the corporation, for the provision of
30 comprehensive insurance coverage to participants. Such
31 standards shall include criteria under which the corporation

1 may contract with more than one provider of health care
2 services in program sites. Health plans shall be selected
3 through a competitive bid process. The Florida Healthy Kids
4 Corporation shall purchase goods and services in the most
5 cost-effective manner consistent with the delivery of quality
6 medical care.The maximum administrative cost for a Florida
7 Healthy Kids Corporation contract shall be 15 percent. The
8 minimum medical loss ratio for a Florida Healthy Kids
9 Corporation contract shall be 85 percent. ~~The selection of~~
10 ~~health plans shall be based primarily on quality criteria~~
11 ~~established by the board.~~The health plan selection criteria
12 and scoring system, and the scoring results, shall be
13 available upon request for inspection after the bids have been
14 awarded.†

15 ~~11.12.~~ Establish disenrollment criteria in the event
16 local matching funds are insufficient to cover enrollments.†

17 ~~12.13.~~ Develop and implement a plan to publicize the
18 Florida Healthy Kids Corporation, the eligibility requirements
19 of the program, and the procedures for enrollment in the
20 program and to maintain public awareness of the corporation
21 and the program.†

22 ~~13.14.~~ Secure staff necessary to properly administer
23 the corporation. Staff costs shall be funded from state and
24 local matching funds and such other private or public funds as
25 become available. The board of directors shall determine the
26 number of staff members necessary to administer the
27 corporation.†

28 ~~15.~~ ~~As appropriate, enter into contracts with local~~
29 ~~school boards or other agencies to provide onsite information,~~
30 ~~enrollment, and other services necessary to the operation of~~
31 ~~the corporation.~~†

1 ~~14.16.~~ Provide a report annually to the Governor,
2 Chief Financial Officer, Commissioner of Education, Senate
3 President, Speaker of the House of Representatives, and
4 Minority Leaders of the Senate and the House of
5 Representatives.

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

9 ~~15.18.~~ Establish ~~eligibility criteria, premium and~~
10 ~~cost-sharing requirements, and~~ benefit packages which conform
11 to the provisions of the Florida KidCare ~~Kidcare~~ program, as
12 created in ss. 409.810-409.820.

13 (c) Coverage under the corporation's program is
14 secondary to any other available private coverage held by, or
15 applicable to, the participant child or family member.
16 Insurers under contract with the corporation are the payors of
17 last resort and must coordinate benefits with any other
18 third-party payor that may be liable for the participant's
19 medical care ~~The corporation may establish procedures for~~
20 ~~coordinating benefits under this program with benefits under~~
21 ~~other public and private coverage.~~

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

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1 Section 7. The Auditor General shall provide
2 recommendations to implement mechanisms to prevent enrollment
3 of children in the Florida KidCare program who are ineligible
4 pursuant to the requirements of section 409.814(4), Florida
5 Statutes. Such recommendations shall be reported to the
6 Governor, the President of the Senate, and the Speaker of the
7 House of Representatives by March 1, 2005.

8 Section 8. The Florida Healthy Kids Corporation shall
9 use existing funds from their operating fund established by
10 section 624.915, Florida Statutes, to contract for an
11 actuarial study on the impact of full-pay enrollees on the
12 cost of services for each Florida KidCare program component.

13 Section 9. The Auditor General shall perform periodic
14 audits through the 2005-2006 fiscal year to ensure that
15 children enrolled in the Florida Healthy Kids program are
16 eligible pursuant to sections 409.814 and 624.91, Florida
17 Statutes. The Auditor General shall have the authority to
18 require and receive from the Florida Healthy Kids Corporation
19 or from its independent auditor any books, accounts, records,
20 or other documentation relating to the corporation. Any
21 contract entered into by the corporation pursuant to section
22 624.91(4)(b)11. or section 624.91(4)(b)15., Florida Statutes,
23 shall specify that the records of the contractor relating to
24 the contract or its performance must be available for review
25 and audit by the Auditor General.

26 Section 10. The Office of Program Policy Analysis and
27 Government Accountability shall perform a study to determine
28 the appropriate family premium for the Florida KidCare program
29 and submit a report to the President of the Senate and the
30 Speaker of the House of Representatives by January 1, 2005.
31 The report shall set out no fewer than three options and shall

1 make a recommendation as to the appropriate family premium for
2 the Florida KidCare program. Each option shall include a
3 detailed explanation of the analysis that led to the
4 conclusion. A discussion of family premiums collected by Title
5 XXI programs in other states shall be part of the report.

6 Section 11. Subsection (2) of section 409.818, Florida
7 Statutes, is amended to read:

8 409.818 Administration.--In order to implement ss.
9 409.810-409.820, the following agencies shall have the
10 following duties:

11 (2) The Department of Health shall:

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

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

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

31

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

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

7 Section 12. Section 409.819, Florida Statutes, is
8 repealed.

9 Section 13. The sums of \$6,566,073 from the General
10 Revenue Fund, \$454,687 from the Grants and Donations Trust
11 Fund, and \$16,272,440 from the Medical Care Trust Fund are
12 appropriated to the Agency for Health Care Administration, and
13 the sum of \$1,984,113 is appropriated from the Donations Trust
14 Fund to the Department of Health, for the 2003-2004 fiscal
15 year for the purpose of serving children on whose behalf
16 applications are submitted to the Florida KidCare program as
17 of January 30, 2004, and who are determined to be eligible for
18 program components funded under Title XXI of the Social
19 Security Act.

20 Section 14. Except as otherwise provided in this act,
21 this act shall take effect upon becoming a law.
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