

By the Committee on Banking and Insurance; and Senators
Wasserman Schultz and Siplin

311-1158-04

1 A bill to be entitled
2 An act relating to the Florida Kidcare program;
3 amending s. 391.026, F.S.; requiring the
4 Department of Health to provide a 30-day grace
5 period for late payment of premium relating to
6 Children's Medical Services and to establish a
7 waiting period for reinstatement of coverage
8 upon cancellation for nonpayment of premium;
9 amending s. 409.8132, F.S.; requiring the
10 Agency for Health Care Administration to
11 provide a 30-day grace period for late payment
12 of premiums for coverage under the Medikids
13 program; revising the waiting period for
14 reinstatement of coverage upon cancellation for
15 nonpayment of premium; creating s. 409.8141,
16 F.S.; providing that an uninsured parent,
17 guardian, or relative caretaker of a child
18 enrolled in the Florida Kidcare program is
19 eligible for coverage under the program,
20 subject to certain limitations; requiring
21 separate premiums or cost-sharing requirements
22 for the parent, guardian, or relative
23 caretaker; providing that nonpayment of
24 premiums or cost-sharing requirements for an
25 adult is not grounds for disenrolling a child
26 in that family from the program; providing for
27 coverage of a parent, guardian, or relative
28 caretaker whose income is above a specified
29 level if the adult pays the full cost of the
30 premium, including administrative costs;
31 providing that the eligibility for coverage

1 provided by the act is not an entitlement;
2 authorizing the Agency for Health Care
3 Administration and the board of directors of
4 the Florida Healthy Kids Corporation to limit
5 enrollment under the act; exempting the adults
6 enrolled under the act from the enrollment
7 limitations of the Florida Kidcare program;
8 amending s. 624.91, F.S.; requiring the Agency
9 for Health Care Administration to provide a
10 30-day grace period for late payment of premium
11 and to establish a waiting period for
12 reinstatement of coverage upon cancellation for
13 nonpayment of premium; requiring the Agency for
14 Health Care Administration to submit a plan
15 amendment to the United States Department of
16 Health and Human Services which would implement
17 the employer-sponsored group health insurance
18 plans specified in s. 409.813, F.S.; providing
19 an effective date.

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

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23 Section 1. Subsection (19) is added to section
24 391.026, Florida Statutes, to read:

25 391.026 Powers and duties of the department.--The
26 department shall have the following powers, duties, and
27 responsibilities:

28 (19) To provide a 30-day grace period for the late
29 payment of premium, meaning that coverage is not terminated if
30 the premium is paid within the 30-day period after the payment
31 is due. The department shall establish a penalty or waiting

1 period of not greater than 60 days for reinstatement of
2 coverage upon cancellation for nonpayment of premium.

3 Section 2. Subsection (9) of section 409.8132, Florida
4 Statutes, is amended to read:

5 409.8132 Medikids program component.--

6 (9) GRACE PERIOD;PENALTIES FOR VOLUNTARY
7 CANCELLATION.--The agency shall provide a 30-day grace period
8 for late payment of premium, meaning that coverage is not
9 terminated if the premium is paid within the 30-day period
10 after the payment is due.The agency shall establish
11 enrollment criteria that must include penalties or waiting
12 periods of not greater ~~fewer~~ than 60 days for reinstatement of
13 coverage upon voluntary cancellation for nonpayment of
14 premiums.

15 Section 3. Section 409.8141, Florida Statutes, is
16 created to read:

17 409.8141 Eligibility for a parent, guardian, or
18 relative caretaker.--

19 (1) An uninsured parent, guardian, or relative
20 caretaker of a child enrolled in the Florida Kidcare program
21 is eligible for coverage under the Florida Kidcare program,
22 subject to the availability of moneys and any limitations
23 established in the General Appropriations Act or chapter 216.

24 (2) Cost-sharing requirements or premiums charged for
25 coverage for a parent, guardian, or relative caretaker shall
26 be separate from and in addition to the cost-sharing
27 provisions imposed for child coverage. Nonpayment of the
28 premiums or cost-sharing requirements for a parent, guardian,
29 or relative caretaker may not be grounds for disenrollment of
30 a child in that family.

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1 (3) A parent, guardian, or relative caretaker of a
2 child enrolled in the Florida Kidcare program whose income is
3 above 200 percent of the federal poverty level may participate
4 in the Florida Kidcare program; however, the adult is not
5 eligible for premium-assistance payments and must pay the full
6 cost of the premium, including any administrative costs.

7 (4) The eligibility created in this section is not an
8 entitlement. The agency and the board of directors of the
9 Florida Healthy Kids Corporation may place limits on
10 enrollment of parents, guardians, or relative caretakers in
11 order to avoid adverse selection or to comply with limitations
12 in the General Appropriations Act.

13 (5) A parent, guardian, or relative caretaker who
14 participates in the Florida Kidcare program as provided in
15 this section is not included in the annual limitations on
16 enrollment established for the Florida Kidcare program.

17 Section 4. Paragraph (b) of subsection (4) of section
18 624.91, Florida Statutes, is amended to read:

19 624.91 The Florida Healthy Kids Corporation Act.--

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

21 (b) The Florida Healthy Kids Corporation shall:

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

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

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

19 3. Accept voluntary supplemental local match
20 contributions that comply with the requirements of Title XXI
21 of the Social Security Act for the purpose of providing
22 additional coverage in contributing counties under Title XXI;

23 4. Establish the administrative and accounting
24 procedures for the operation of the corporation;

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

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1 6. Establish eligibility criteria which children must
2 meet in order to participate in the program;

3 7. Establish procedures under which providers of local
4 match to, applicants to and participants in the program may
5 have grievances reviewed by an impartial body and reported to
6 the board of directors of the corporation;

7 8. Establish participation criteria and, if
8 appropriate, contract with an authorized insurer, health
9 maintenance organization, or insurance administrator to
10 provide administrative services to the corporation;

11 9. Establish enrollment criteria which shall include a
12 30-day grace period for late payment of premium, meaning that
13 coverage is not terminated if the premium is paid within the
14 30-day period after the payment is due, and establish
15 penalties or waiting periods of not greater ~~fewer~~ than 60 days
16 for reinstatement of coverage upon voluntary cancellation for
17 nonpayment of family premiums;

18 10. If a space is available, establish a special open
19 enrollment period of 30 days' duration for any child who is
20 enrolled in Medicaid or Medikids if such child loses Medicaid
21 or Medikids eligibility and becomes eligible for the Florida
22 Healthy Kids program;

23 11. Contract with authorized insurers or any provider
24 of health care services, meeting standards established by the
25 corporation, for the provision of comprehensive insurance
26 coverage to participants. Such standards shall include
27 criteria under which the corporation may contract with more
28 than one provider of health care services in program sites.
29 Health plans shall be selected through a competitive bid
30 process. The maximum administrative cost for a Florida Healthy
31 Kids Corporation contract shall be 15 percent. The minimum

1 medical loss ratio for a Florida Healthy Kids Corporation
2 contract shall be 85 percent. The selection of health plans
3 shall be based primarily on quality criteria established by
4 the board. The health plan selection criteria and scoring
5 system, and the scoring results, shall be available upon
6 request for inspection after the bids have been awarded;
7 12. Establish disenrollment criteria in the event
8 local matching funds are insufficient to cover enrollments;
9 13. Develop and implement a plan to publicize the
10 Florida Healthy Kids Corporation, the eligibility requirements
11 of the program, and the procedures for enrollment in the
12 program and to maintain public awareness of the corporation
13 and the program;
14 14. Secure staff necessary to properly administer the
15 corporation. Staff costs shall be funded from state and local
16 matching funds and such other private or public funds as
17 become available. The board of directors shall determine the
18 number of staff members necessary to administer the
19 corporation;
20 15. As appropriate, enter into contracts with local
21 school boards or other agencies to provide onsite information,
22 enrollment, and other services necessary to the operation of
23 the corporation;
24 16. Provide a report annually to the Governor, Chief
25 Financial Officer, Commissioner of Education, Senate
26 President, Speaker of the House of Representatives, and
27 Minority Leaders of the Senate and the House of
28 Representatives;
29 17. Each fiscal year, establish a maximum number of
30 participants, on a statewide basis, who may enroll in the
31 program; and

1 18. Establish eligibility criteria, premium and
2 cost-sharing requirements, and benefit packages which conform
3 to the provisions of the Florida Kidcare program, as created
4 in ss. 409.810-409.820.

5 Section 5. By October 1, 2004, the Agency for Health
6 Care Administration shall submit to the United States
7 Department of Health and Human Services a proposed amendment
8 to Florida's Children's Health Insurance Program State plan
9 under Title XXI of the Social Security Act which would
10 implement the employer-sponsored group health insurance plans
11 specified in section 409.813, Florida Statutes.

12 Section 6. This act shall take effect upon becoming a
13 law.

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15 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
16 COMMITTEE SUBSTITUTE FOR
17 Senate Bill 210

18 This committee substitute does the following:

- 19 - Establishes a 30-day grace period for the late payment of
20 a premium for Florida Healthy Kids, Children Medical
21 Services, and Medikids.
22 - Revises the waiting period for reinstatement of coverage
23 upon cancellation for nonpayment of premium for Florida
24 Healthy Kids, Children Medical Services, and Medikids, to
25 no more that 60 days rather than at least 60 days.
26 - Requires the Agency for Health Care Administration to
27 submit to the United States Department of Health and
28 Human Services a proposed amendment to the Children's
29 Health Insurance State plan under Title XXI of the Social
30 Security Act which would implement the employer-sponsored
31 group health insurance plans specified in s. 409.813,
F.S.