

By the Committees on Health, Aging, and Long-Term Care;
Banking and Insurance; and Senators Wasserman Schultz and
Siplin

317-1297-04

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 1-month 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 1-month 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; providing that
21 an uninsured parent, guardian, or relative
22 caretaker who is eligible for the Medicaid
23 program must receive health benefits coverage
24 under the Medicaid program; providing that the
25 uninsured parent, guardian, or relative
26 caretaker shall receive the standard health
27 care benefits package as established under s.
28 627.6699(12), F.S.; requiring separate premiums
29 or cost-sharing requirements for the parent,
30 guardian, or relative caretaker; providing that
31 nonpayment of premiums or cost-sharing

1 requirements for an adult is not grounds for
2 disenrolling a child in that family from the
3 program; providing for coverage of a parent,
4 guardian, or relative caretaker whose income is
5 above a specified level if the adult pays the
6 full cost of the premium, including
7 administrative costs; providing that the
8 eligibility for coverage provided by the act is
9 not an entitlement; authorizing the Agency for
10 Health Care Administration and the board of
11 directors of the Florida Healthy Kids
12 Corporation to limit enrollment under the act;
13 exempting the adults enrolled under the act
14 from the enrollment limitations of the Florida
15 Kidcare program; authorizing the agency to seek
16 federal waivers; amending s. 624.91, F.S.;
17 requiring the Agency for Health Care
18 Administration to provide a 1-month grace
19 period for late payment of premium and to
20 establish a waiting period for reinstatement of
21 coverage upon cancellation for nonpayment of
22 premium; requiring the Agency for Health Care
23 Administration to submit a plan amendment to
24 the United States Department of Health and
25 Human Services which would implement the
26 employer-sponsored group health insurance plans
27 specified in s. 409.813, F.S.; authorizing the
28 agency to seek federal waivers; providing an
29 effective date.

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

1 Section 1. Subsection (19) is added to section
2 391.026, Florida Statutes, to read:

3 391.026 Powers and duties of the department.--The
4 department shall have the following powers, duties, and
5 responsibilities:

6 (19) To provide a 1-month grace period for the late
7 payment of premium, meaning that coverage is not terminated if
8 the premium is paid within the 1-month period after the
9 payment is due. The department shall establish a penalty or
10 waiting period of not greater than 60 days for reinstatement
11 of coverage upon cancellation for nonpayment of premium.

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

14 409.8132 Medikids program component.--

15 (9) GRACE PERIOD;PENALTIES FOR VOLUNTARY
16 CANCELLATION.--The agency shall provide a 1-month grace period
17 for late payment of premium, meaning that coverage is not
18 terminated if the premium is paid within the 1-month period
19 after the payment is due.The agency shall establish
20 enrollment criteria that must include penalties or waiting
21 periods of not greater ~~fewer~~ than 60 days for reinstatement of
22 coverage upon voluntary cancellation for nonpayment of
23 premiums.

24 Section 3. Section 409.8141, Florida Statutes, is
25 created to read:

26 409.8141 Eligibility for a parent, guardian, or
27 relative caretaker.--

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

3 (2) An uninsured parent, guardian, or relative
4 caretaker who is eligible for Medicaid coverage under s.
5 409.903 or s. 409.904 must be enrolled in Medicaid and is not
6 eligible to receive health benefits under any other health
7 benefits coverage authorized under ss. 409.810-409.820.

8 (3) The uninsured parent, guardian, or relative
9 caretaker shall receive the standard health care benefits
10 package as established under s. 627.6699(12).

11 (4) Cost-sharing requirements or premiums charged for
12 coverage for a parent, guardian, or relative caretaker shall
13 be separate from and in addition to the cost-sharing
14 provisions imposed for child coverage. Nonpayment of the
15 premiums or cost-sharing requirements for a parent, guardian,
16 or relative caretaker may not be grounds for disenrollment of
17 a child in that family.

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

24 (6) The eligibility created in this section is not an
25 entitlement. The agency and the board of directors of the
26 Florida Healthy Kids Corporation may place limits on
27 enrollment of parents, guardians, or relative caretakers in
28 order to avoid adverse selection or to comply with limitations
29 in the General Appropriations Act.

30 (7) A parent, guardian, or relative caretaker who
31 participates in the Florida Kidcare program as provided in

1 this section is not included in the annual limitations on
2 enrollment established for the Florida Kidcare program.

3 (8) The agency shall seek federal waivers necessary to
4 implement this section.

5 Section 4. Paragraph (b) of subsection (4) of section
6 624.91, Florida Statutes, is amended to read:

7 624.91 The Florida Healthy Kids Corporation Act.--

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

9 (b) The Florida Healthy Kids Corporation shall:

10 1. Arrange for the collection of any family, local
11 contributions, or employer payment or premium, in an amount to
12 be determined by the board of directors, to provide for
13 payment of premiums for comprehensive insurance coverage and
14 for the actual or estimated administrative expenses;

15 2. Arrange for the collection of any voluntary
16 contributions to provide for payment of premiums for children
17 who are not eligible for medical assistance under Title XXI of
18 the Social Security Act. Each fiscal year, the corporation
19 shall establish a local match policy for the enrollment of
20 non-Title-XXI-eligible children in the Healthy Kids program.
21 By May 1 of each year, the corporation shall provide written
22 notification of the amount to be remitted to the corporation
23 for the following fiscal year under that policy. Local match
24 sources may include, but are not limited to, funds provided by
25 municipalities, counties, school boards, hospitals, health
26 care providers, charitable organizations, special taxing
27 districts, and private organizations. The minimum local match
28 cash contributions required each fiscal year and local match
29 credits shall be determined by the General Appropriations Act.
30 The corporation shall calculate a county's local match rate
31 based upon that county's percentage of the state's total

1 non-Title-XXI expenditures as reported in the corporation's
2 most recently audited financial statement. In awarding the
3 local match credits, the corporation may consider factors
4 including, but not limited to, population density, per capita
5 income, and existing child-health-related expenditures and
6 services;

7 3. Accept voluntary supplemental local match
8 contributions that comply with the requirements of Title XXI
9 of the Social Security Act for the purpose of providing
10 additional coverage in contributing counties under Title XXI;

11 4. Establish the administrative and accounting
12 procedures for the operation of the corporation;

13 5. Establish, with consultation from appropriate
14 professional organizations, standards for preventive health
15 services and providers and comprehensive insurance benefits
16 appropriate to children; provided that such standards for
17 rural areas shall not limit primary care providers to
18 board-certified pediatricians;

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

21 7. Establish procedures under which providers of local
22 match to, applicants to and participants in the program may
23 have grievances reviewed by an impartial body and reported to
24 the board of directors of the corporation;

25 8. Establish participation criteria and, if
26 appropriate, contract with an authorized insurer, health
27 maintenance organization, or insurance administrator to
28 provide administrative services to the corporation;

29 9. Establish enrollment criteria which shall include a
30 1-month grace period for late payment of premium, meaning that
31 coverage is not terminated if the premium is paid within the

1 1-month period after the payment is due, and establish
2 penalties or waiting periods of not greater ~~fewer~~ than 60 days
3 for reinstatement of coverage upon voluntary cancellation for
4 nonpayment of family premiums;

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

10 11. Contract with authorized insurers or any provider
11 of health care services, meeting standards established by the
12 corporation, for the provision of comprehensive insurance
13 coverage to participants. Such standards shall include
14 criteria under which the corporation may contract with more
15 than one provider of health care services in program sites.
16 Health plans shall be selected through a competitive bid
17 process. The maximum administrative cost for a Florida Healthy
18 Kids Corporation contract shall be 15 percent. The minimum
19 medical loss ratio for a Florida Healthy Kids Corporation
20 contract shall be 85 percent. The selection of health plans
21 shall be based primarily on quality criteria established by
22 the board. The health plan selection criteria and scoring
23 system, and the scoring results, shall be available upon
24 request for inspection after the bids have been awarded;

25 12. Establish disenrollment criteria in the event
26 local matching funds are insufficient to cover enrollments;

27 13. Develop and implement a plan to publicize the
28 Florida Healthy Kids Corporation, the eligibility requirements
29 of the program, and the procedures for enrollment in the
30 program and to maintain public awareness of the corporation
31 and the program;

1 14. Secure staff necessary to properly administer the
2 corporation. Staff costs shall be funded from state and local
3 matching funds and such other private or public funds as
4 become available. The board of directors shall determine the
5 number of staff members necessary to administer the
6 corporation;

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

11 16. Provide a report annually to the Governor, Chief
12 Financial Officer, Commissioner of Education, Senate
13 President, Speaker of the House of Representatives, and
14 Minority Leaders of the Senate and the House of
15 Representatives;

16 17. Each fiscal year, establish a maximum number of
17 participants, on a statewide basis, who may enroll in the
18 program; and

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

23 Section 5. By October 1, 2004, the Agency for Health
24 Care Administration shall submit to the United States
25 Department of Health and Human Services a proposed amendment
26 to Florida's Children's Health Insurance Program State plan
27 under Title XXI of the Social Security Act which would
28 implement the employer-sponsored group health insurance plans
29 specified in section 409.813, Florida Statutes. The agency may
30 seek federal waivers necessary to implement the plan
31 amendment.

1 Section 6. This act shall take effect October 1, 2004.

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3 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
4 COMMITTEE SUBSTITUTE FOR
5 CS/SB 210

6 This committee substitute makes the following changes to CS/SB
210:

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7 Changes the grace period for late payment of premiums from a
8 30-day period to a one-month period.

8 Specifies that if a parent, guardian, or relative caretaker of
9 a child enrolled in the Kidcare program is eligible for
10 Medicaid, they must receive health coverage through the
11 Medicaid program.

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11 Specifies an adult benefits package for the parent, guardian,
12 or relative caretaker under the Kidcare program.

12 Gives AHCA the authority to apply for federal waivers
13 necessary to expand the program to a parent, guardian, or
14 relative caretaker and to implement the plan amendment for
15 employee-sponsored coverage.

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