

By Senator Rich

34-1411-05

1 A bill to be entitled

2 An act relating to children's health programs;

3 amending s. 409.818, F.S.; requiring the

4 Department of Health to develop a plan for

5 publicizing the Florida KidCare program;

6 requiring the Agency for Health Care

7 Administration to adopt rules to comply with

8 the Florida KidCare Act and federal

9 requirements; amending s. 624.91, F.S.;

10 revising the time period for penalties or

11 waiting periods for reinstatement of coverage

12 within the Florida Healthy Kids Corporation;

13 deleting the requirement that the corporation

14 develop a plan to publicize the Florida Healthy

15 Kids Corporation; providing an effective date.

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

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19 Section 1. Subsections (1), (2), and (3) of section

20 409.818, Florida Statutes, are amended to read:

21 409.818 Administration.--In order to implement ss.

22 409.810-409.820, the following agencies shall have the

23 following duties:

24 (1) The Department of Children and Family Services

25 shall:

26 (a) Develop a simplified eligibility application

27 mail-in form to be used for determining the eligibility of

28 children for coverage under the Florida KidCare program, in

29 consultation with the agency, the Department of Health, and

30 the Florida Healthy Kids Corporation. The simplified

31 eligibility application form must include an item that

1 provides an opportunity for the applicant to indicate whether
2 coverage is being sought for a child with special health care
3 needs. Families applying for children's Medicaid coverage must
4 also be able to use the simplified application form without
5 having to pay a premium.

6 (b) Establish and maintain the eligibility
7 determination process under the program except as specified in
8 subsection (5). The department shall directly, or through the
9 services of a contracted third-party administrator, establish
10 and maintain a process for determining eligibility of children
11 for coverage under the program. The eligibility determination
12 process must be used solely for determining eligibility of
13 applicants for health benefits coverage under the program. The
14 eligibility determination process must include an initial
15 determination of eligibility for any coverage offered under
16 the program, as well as a redetermination or reverification of
17 eligibility each subsequent 6 months. Effective January 1,
18 1999, a child who has not attained the age of 5 and who has
19 been determined eligible for the Medicaid program is eligible
20 for coverage for 12 months without a redetermination or
21 reverification of eligibility. In conducting an eligibility
22 determination, the department shall determine if the child has
23 special health care needs. The department, in consultation
24 with the Agency for Health Care Administration and the Florida
25 Healthy Kids Corporation, shall develop procedures for
26 redetermining eligibility which enable a family to easily
27 update any change in circumstances which could affect
28 eligibility. The department may accept changes in a family's
29 status as reported to the department by the Florida Healthy
30 Kids Corporation without requiring a new application from the
31 family. Redetermination of a child's eligibility for Medicaid

1 may not be linked to a child's eligibility determination for
2 other programs.

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

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

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

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

3 (d) Adopt rules necessary to implement outreach
4 activities.

5 (e) Develop a plan to publicize the requirements of
6 all components of the Florida KidCare program and the
7 procedures for enrolling in the KidCare program and maintain
8 public awareness of all Florida KidCare programs. The KidCare
9 partner agencies shall implement the plan.

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

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

3 | (b) Annually calculate the program enrollment ceiling
4 | based on estimated per child premium assistance payments and
5 | the estimated appropriation available for the program.

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

17 | (d) Monitor compliance with quality assurance and
18 | access standards developed under s. 409.820.

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

26 | (f) Approve health benefits coverage for participation
27 | in the program, following certification by the Office of
28 | Insurance Regulation under subsection (4).

29 | (g) Adopt rules necessary to comply with or administer
30 | ss. 409.810-409.20 and all rules necessary to comply with
31 | federal requirements, including, at a minimum, rules

1 specifying policies, procedures, and criteria for the
2 following activities: for calculating premium assistance
3 payment levels, calculating the program enrollment ceiling,
4 making premium assistance payments, monitoring access and
5 quality assurance standards, investigating and resolving
6 complaints and grievances, administering the Medikids program,
7 ~~and~~ approving health benefits coverage, and complying with
8 application requirements, including documentation
9 requirements, eligibility determinations, eligibility
10 redeterminations, enrollee premium payment requirements,
11 cancellation of coverage, reinstatement of coverage, open
12 enrollment, disenrollment procedures, applicant and enrollee
13 notification requirements, and application and enrollment
14 time-processing standards.

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16 The agency is designated the lead state agency for Title XXI
17 of the Social Security Act for purposes of receipt of federal
18 funds, for reporting purposes, and for ensuring compliance
19 with federal regulations and rules and for the adoption of and
20 compliance with state regulations and rules. State rules must
21 be adopted within 6 months after the effective date of this
22 act.

23 Section 2. Paragraph (b) of subsection (5) of section
24 624.91, Florida Statutes, is amended to read:

25 624.91 The Florida Healthy Kids Corporation Act.--

26 (5) CORPORATION AUTHORIZATION, DUTIES, POWERS.--

27 (b) The Florida Healthy Kids Corporation shall:

28 1. Arrange for the collection of any family, local
29 contributions, or employer payment or premium, in an amount to
30 be determined by the board of directors, to provide for
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1 payment of premiums for comprehensive insurance coverage and
2 for the actual or estimated administrative expenses.

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

26 3. Subject to the provisions of s. 409.8134, accept
27 voluntary supplemental local match contributions that comply
28 with the requirements of Title XXI of the Social Security Act
29 for the purpose of providing additional coverage in
30 contributing counties under Title XXI.

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

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

9 6. Determine eligibility for children seeking to
10 participate in the Title XXI-funded components of the Florida
11 KidCare program consistent with the requirements specified in
12 s. 409.814, as well as the non-Title-XXI-eligible children as
13 provided in subsection (3).

14 7. Establish procedures under which providers of local
15 match to, applicants to and participants in the program may
16 have grievances reviewed by an impartial body and reported to
17 the board of directors of the corporation.

18 8. Establish participation criteria and, if
19 appropriate, contract with an authorized insurer, health
20 maintenance organization, or third-party administrator to
21 provide administrative services to the corporation.

22 9. Establish enrollment criteria which shall include
23 penalties or waiting periods of no more ~~not fewer~~ than 30 ~~60~~
24 days for reinstatement of coverage upon voluntary cancellation
25 for nonpayment of family premiums.

26 10. Contract with authorized insurers or any provider
27 of health care services, meeting standards established by the
28 corporation, for the provision of comprehensive insurance
29 coverage to participants. Such standards shall include
30 criteria under which the corporation may contract with more
31 than one provider of health care services in program sites.

1 Health plans shall be selected through a competitive bid
2 process. The Florida Healthy Kids Corporation shall purchase
3 goods and services in the most cost-effective manner
4 consistent with the delivery of quality medical care. The
5 maximum administrative cost for a Florida Healthy Kids
6 Corporation contract shall be 15 percent. For health care
7 contracts, the minimum medical loss ratio for a Florida
8 Healthy Kids Corporation contract shall be 85 percent. For
9 dental contracts, the remaining compensation to be paid to the
10 authorized insurer or provider under a Florida Healthy Kids
11 Corporation contract shall be no less than an amount which is
12 85 percent of premium; to the extent any contract provision
13 does not provide for this minimum compensation, this section
14 shall prevail. The health plan selection criteria and scoring
15 system, and the scoring results, shall be available upon
16 request for inspection after the bids have been awarded.

17 11. Establish disenrollment criteria in the event
18 local matching funds are insufficient to cover enrollments.

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

24 12.13. Secure staff necessary to properly administer
25 the corporation. Staff costs shall be funded from state and
26 local matching funds and such other private or public funds as
27 become available. The board of directors shall determine the
28 number of staff members necessary to administer the
29 corporation.

30 ~~13.14.~~ Provide a report annually to the Governor,
31 Chief Financial Officer, Commissioner of Education, Senate

1 President, Speaker of the House of Representatives, and
2 Minority Leaders of the Senate and the House of
3 Representatives.

4 ~~14.15.~~ Establish benefit packages which conform to the
5 provisions of the Florida KidCare program, as created in ss.
6 409.810-409.820.

7 Section 3. This act shall take effect upon becoming a
8 law.

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11 SENATE SUMMARY

12 Requires the Department of Health to develop a plan for
13 publicizing the Florida KidCare program. Requires the
14 Agency for Health Care Administration to adopt rules to
15 comply with the Florida KidCare Act and federal
16 requirements. Revises the time period for penalties or
17 waiting periods for reinstatement of coverage within the
18 Florida Healthy Kids Corporation. Deletes the requirement
19 to develop a plan to publicize the Florida Healthy Kids
20 Corporation.

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