

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1365 CS Florida Healthy Kids Corporation Act
SPONSOR(S): Davis, M. and others
TIED BILLS: None. **IDEN./SIM. BILLS:** SB 2050

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) Future of Florida's Families Committee	6 Y, 0 N, w/CS	Davis	Collins
2) Health Care Appropriations Committee	14 Y, 0 N, w/CS	Speir	Massengale
3) Health & Families Council			
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

House Bill 1365 does the following:

- Allows children to have 12-months of continuous eligibility in the KidCare program even when switching from one component to another.
- Allows health and dental plans participating in the KidCare Program to market the program.
- Allows the Florida Healthy Kids Corporation to release certain information concerning a child's application to parents or legal guardians of the child.

This bill does not have a fiscal impact.

The bill shall take effect on July 1, 2006.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Empower Families — Allows 12-months of continuous eligibility in the KidCare program.

B. EFFECT OF PROPOSED CHANGES:

The Legislature created Florida's KidCare program during the 1998 Legislative Session, in response to passage of Title XXI of the Social Security Act, to make affordable health insurance available to previously uninsured, low-income children. The KidCare program components are Medicaid, Medikids, the Florida Healthy Kids program, and the Children's Medical Services (CMS) Network. Children will transfer between components as a result of changes in family income and age of the child.

Medicaid is governed pursuant to Title XIX of the Social Security Act. The Department of Children and Families (DCF) determines a child's eligibility for Medicaid using federal eligibility requirements. When a child applies for Medicaid, DCF does not require enrollees to provide the documents required by state law for eligibility in the KidCare program.

Medikids and the Florida Healthy Kids program are administered by the Florida Healthy Kids Corporation (FHKC). FHKC determines a child's eligibility for Medikids and the Florida Healthy Kids program using the eligibility requirements for KidCare found in s. 409.814, F.S.

Section 409.814, F.S., states that once a child is enrolled in the Florida KidCare program, the child is eligible for coverage under the program for 12 months without a redetermination or reverification of eligibility. However, despite this statutory direction, FHKC verifies a child's eligibility for Medikids or the Florida Healthy Kids program when a child switches to these programs from Medicaid even if the child is switching before the enrollment anniversary date.

FHKC does this because DCF has not collected the documentation required by s. 409.814, F.S. The documents are proof of family income and a statement from all family members concerning employer sponsored insurance. As a result, some children switching between components lose coverage when the documents are not provided to FHKC. This bill adds language to ensure that administrators allow 12-months of continuous eligibility in the KidCare program even when a child enters a new component.

Section 409.821, F.S., states that information regarding a child in the KidCare program is confidential and may be released only with the written consent of the program applicant. The applicant is either the guardian or the parent of the enrollee. As a result of this statute, FHKC is not releasing information concerning a child to non-custodial parents when they receive such a request. This bill amends the law to allow administrators to release information to an enrollee's parent or legal guardian that confirms coverage and dates of coverage.

Plans providing services to KidCare enrollees often market and promote the KidCare program. They do this with the approval of the KidCare administrators. Some plans are concerned that there could be problems with their activities since the KidCare statute does not address these activities. This bill creates s. 409.8125, F.S., to allow health and dental plans to market and promote the KidCare program.

C. SECTION DIRECTORY:

Section 1. Amends s. 409.814, F.S., ensuring that children receive 12-months of continuous eligibility in the KidCare program even when switching program components.

Section 2. Amends s. 409.821, F.S., allowing administrators to release certain information concerning a child's application to parents or legal guardians of the child.

Section 3. Creates s. 409.8215, F.S., allowing participating health and dental plans to market and promote the KidCare program.

Section 4. The bill takes effect July 1, 2006.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds. The bill does not reduce the percentage of a state tax shared with counties or municipalities. The bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

There is a conflict in the Florida Statutes governing continuous eligibility in Medicaid and KidCare. Section 409.813, F.S., states that Medicaid is a component of KidCare. Section 409.814 (6), F.S., states that children will have 12 months of continuous eligibility in the KidCare program. Section 409.904 (6), F.S., states that children enrolled in Medicaid will be continuously eligible for 12 months if they are under age 5, and for 6 months if they are age 5 and older.

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES

On April 5, 2006, the Future of Florida's Families committee adopted a Committee Substitute to House Bill 1365. The substantive changes made in the committee substitute include changing provisions related to the maximum income threshold in the Florida KidCare program and revising provisions relating to the Healthy Kid Corporation.

On April 17, 2006, the Health Care Appropriations Committee adopted a strike-all amendment to House Bill 1365. The strike-all did the following:

- Allows that 12-months of continuous eligibility applies when switching KidCare components.
- Allows KidCare administrators to release certain information concerning a child's application to parents or legal guardians of the child.
- Allows participating health and dental plans to develop marketing and other promotional materials and participate in activities, such as health fairs and public events, as approved by the Agency for Health Care Administration.

The committee favorably reported a committee substitute, and this analysis is drafted to the committee substitute.