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CHAMBER ACTION

1 The Future of Florida's Families Committee recommends the
2 following:

3
4 **Council/Committee Substitute**

5 Remove the entire bill and insert:

6 A bill to be entitled

7 An act relating to the Florida KidCare program; amending
8 s. 409.811, F.S.; defining the terms "Healthy Kids" and
9 "maximum income threshold"; amending s. 409.8132, F.S.;
10 providing that eligibility for the Florida KidCare program
11 be at or below the maximum income threshold rather than a
12 specified percentage of the federal poverty level;
13 conforming and updating references; amending s. 409.8134,
14 F.S.; conforming provisions to changes made by the act;
15 amending s. 409.814, F.S.; requiring that eligibility for
16 the Florida KidCare program be at or below the maximum
17 income threshold rather than a specified percentage of the
18 federal poverty level; providing that certain specified
19 children are eligible for nonfederal premium assistance
20 for health insurance; providing that a child whose family
21 income is above the maximum income threshold may
22 participate in the Florida KidCare program but is subject
23 to certain conditions; amending s. 409.816, F.S.;

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CODING: Words ~~stricken~~ are deletions; words underlined are additions.

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24 conforming a cross-reference; amending s. 409.818, F.S.;
 25 requiring the Agency for Health Care Administration to
 26 seek approval from the federal Centers for Medicare and
 27 Medicaid Services to use the highest maximum income
 28 threshold allowed by federal law or regulation, which is
 29 up to 300 percent of the most recently stated federal
 30 poverty limit; providing an alternative eligibility
 31 standard pending approval of the request; amending s.
 32 409.821, F.S., relating to a public-records exemption;
 33 specifying that such provision does not prohibit an
 34 enrollee's parent or legal guardian from obtaining
 35 confirmation of coverage and dates of coverage; amending
 36 s. 624.91, F.S.; conforming provisions to changes made by
 37 the act; revising the powers of the Florida Healthy Kids
 38 Corporation; authorizing participating health and dental
 39 plans to develop marketing and other promotional materials
 40 and to participate in activities to promote the Florida
 41 Healthy Kids Corporation; providing an effective date.

42

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

44

45 Section 1. Section 409.811, Florida Statutes, is amended
 46 to read:

47 409.811 Definitions relating to Florida KidCare Act.--As
 48 used in ss. 409.810-409.820, the term:

49 (1) "Actuarially equivalent" means that:

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50 (a) The aggregate value of the benefits included in health
51 benefits coverage is equal to the value of the benefits in the
52 benchmark benefit plan; and

53 (b) The benefits included in health benefits coverage are
54 substantially similar to the benefits included in the benchmark
55 benefit plan, except that preventive health services must be the
56 same as in the benchmark benefit plan.

57 (2) "Agency" means the Agency for Health Care
58 Administration.

59 (3) "Applicant" means a parent or guardian of a child or a
60 child whose disability of nonage has been removed under chapter
61 743, who applies for determination of eligibility for health
62 benefits coverage under ss. 409.810-409.820.

63 (4) "Benchmark benefit plan" means the form and level of
64 health benefits coverage established in s. 409.815.

65 (5) "Child" means any person under 19 years of age.

66 (6) "Child with special health care needs" means a child
67 whose serious or chronic physical or developmental condition
68 requires extensive preventive and maintenance care beyond that
69 required by typically healthy children. Health care utilization
70 by such a child exceeds the statistically expected usage of the
71 normal child adjusted for chronological age, and such a child
72 often needs complex care requiring multiple providers,
73 rehabilitation services, and specialized equipment in a number
74 of different settings.

75 (7) "Children's Medical Services Network" or "network"
76 means a statewide managed care service system as defined in s.
77 391.021(1).

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78 (8) "Community rate" means a method used to develop
79 premiums for a health insurance plan that spreads financial risk
80 across a large population and allows adjustments only for age,
81 gender, family composition, and geographic area.

82 (9) "Department" means the Department of Health.

83 (10) "Enrollee" means a child who has been determined
84 eligible for and is receiving coverage under ss. 409.810-
85 409.820.

86 (11) "Enrollment ceiling" means the maximum number of
87 children receiving premium assistance payments, excluding
88 children enrolled in Medicaid, that may be enrolled at any time
89 in the Florida KidCare program. The maximum number shall be
90 established annually in the General Appropriations Act or by
91 general law.

92 (12) "Family" means the group or the individuals whose
93 income is considered in determining eligibility for the Florida
94 KidCare program. The family includes a child with a custodial
95 parent or caretaker relative who resides in the same house or
96 living unit or, in the case of a child whose disability of
97 nonage has been removed under chapter 743, the child. The family
98 may also include other individuals whose income and resources
99 are considered in whole or in part in determining eligibility of
100 the child.

101 (13) "Family income" means cash received at periodic
102 intervals from any source, such as wages, benefits,
103 contributions, or rental property. Income also may include any
104 money that would have been counted as income under the Aid to

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105 Families with Dependent Children (AFDC) state plan in effect
106 prior to August 22, 1996.

107 (14) "Florida KidCare program," "KidCare program," or
108 "program" means the health benefits program administered through
109 ss. 409.810-409.820.

110 (15) "Guarantee issue" means that health benefits coverage
111 must be offered to an individual regardless of the individual's
112 health status, preexisting condition, or claims history.

113 (16) "Health benefits coverage" means protection that
114 provides payment of benefits for covered health care services or
115 that otherwise provides, either directly or through arrangements
116 with other persons, covered health care services on a prepaid
117 per capita basis or on a prepaid aggregate fixed-sum basis.

118 (17) "Health insurance plan" means health benefits
119 coverage under the following:

120 (a) A health plan offered by any certified health
121 maintenance organization or authorized health insurer, except a
122 plan that is limited to the following: a limited benefit,
123 specified disease, or specified accident; hospital indemnity;
124 accident only; limited benefit convalescent care; Medicare
125 supplement; credit disability; dental; vision; long-term care;
126 disability income; coverage issued as a supplement to another
127 health plan; workers' compensation liability or other insurance;
128 or motor vehicle medical payment only; or

129 (b) An employee welfare benefit plan that includes health
130 benefits established under the Employee Retirement Income
131 Security Act of 1974, as amended.

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132 (18) "Healthy Kids" means a component of the Florida
133 KidCare program of medical assistance for children 5 through 18
134 years of age as authorized under s. 624.91 and administered by
135 the Florida Healthy Kids Corporation.

136 (19) "Maximum income threshold" means a percentage of the
137 current federal poverty level used to determine eligibility for
138 certain program components, as approved by federal waiver or an
139 amendment to the state plan.

140 (20)~~(18)~~ "Medicaid" means the medical assistance program
141 authorized by Title XIX of the Social Security Act, and
142 regulations thereunder, and ss. 409.901-409.920, as administered
143 in this state by the agency.

144 (21)~~(19)~~ "Medically necessary" means the use of any
145 medical treatment, service, equipment, or supply necessary to
146 palliate the effects of a terminal condition, or to prevent,
147 diagnose, correct, cure, alleviate, or preclude deterioration of
148 a condition that threatens life, causes pain or suffering, or
149 results in illness or infirmity and which is:

150 (a) Consistent with the symptom, diagnosis, and treatment
151 of the enrollee's condition;

152 (b) Provided in accordance with generally accepted
153 standards of medical practice;

154 (c) Not primarily intended for the convenience of the
155 enrollee, the enrollee's family, or the health care provider;

156 (d) The most appropriate level of supply or service for
157 the diagnosis and treatment of the enrollee's condition; and

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158 (e) Approved by the appropriate medical body or health
159 care specialty involved as effective, appropriate, and essential
160 for the care and treatment of the enrollee's condition.

161 (22)~~(20)~~ "Medikids" means a component of the Florida
162 KidCare program of medical assistance authorized by ~~Title XXI of~~
163 ~~the Social Security Act, and regulations thereunder, and s.~~
164 409.8132, as administered in the state by the agency.

165 (23)~~(21)~~ "Preexisting condition exclusion" means, with
166 respect to coverage, a limitation or exclusion of benefits
167 relating to a condition based on the fact that the condition was
168 present before the date of enrollment for such coverage, whether
169 or not any medical advice, diagnosis, care, or treatment was
170 recommended or received before such date.

171 (24)~~(22)~~ "Premium" means the entire cost of a health
172 insurance plan, including the administration fee or the risk
173 assumption charge.

174 (25)~~(23)~~ "Premium assistance payment" means the monthly
175 consideration paid by the agency per enrollee in the Florida
176 KidCare program towards health insurance premiums.

177 (26)~~(24)~~ "Qualified alien" means an alien as defined in s.
178 431 of the Personal Responsibility and Work Opportunity
179 Reconciliation Act of 1996, as amended, Pub. L. No. 104-193.

180 (27)~~(25)~~ "Resident" means a United States citizen, or
181 qualified alien, who is domiciled in this state.

182 (28)~~(26)~~ "Rural county" means a county having a population
183 density of less than 100 persons per square mile, or a county
184 defined by the most recent United States Census as rural, in

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185 | which there is no prepaid health plan participating in the
186 | Medicaid program as of July 1, 1998.

187 | ~~(29)-(27)~~ "Substantially similar" means that, with respect
188 | to additional services as defined in s. 2103(c)(2) of Title XXI
189 | of the Social Security Act, these services must have an
190 | actuarial value equal to at least 75 percent of the actuarial
191 | value of the coverage for that service in the benchmark benefit
192 | plan and, with respect to the basic services as defined in s.
193 | 2103(c)(1) of Title XXI of the Social Security Act, these
194 | services must be the same as the services in the benchmark
195 | benefit plan.

196 | Section 2. Subsections (6) and (7) of section 409.8132,
197 | Florida Statutes, are amended to read:

198 | 409.8132 Medikids program component.--

199 | (6) ELIGIBILITY.--

200 | (a) A child who has attained the age of 1 year but who is
201 | under the age of 5 years is eligible to enroll in the Medikids
202 | program component of the Florida KidCare program, if the child
203 | is a member of a family that has a family income which exceeds
204 | the Medicaid applicable income level as specified in s. 409.903,
205 | but which is equal to or below the maximum income threshold ~~200~~
206 | ~~percent of the current federal poverty level~~. In determining
207 | the eligibility of ~~such~~ a child, an assets test is not required.
208 | A child who is eligible for Medikids may elect to enroll in
209 | Florida Healthy Kids coverage or employer-sponsored group
210 | coverage. However, a child who is eligible for Medikids may
211 | participate in the Florida Healthy Kids program only if the
212 | child has a sibling participating in the Florida Healthy Kids

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213 | program and the child's county of residence permits such
214 | enrollment.

215 | (b) The provisions of s. 409.814(3), (4), ~~and (5)~~, and (6)
216 | are shall be applicable to the Medikids program.

217 | (7) ENROLLMENT.--Enrollment in the Medikids program
218 | component may occur at any time throughout the year. A child may
219 | not receive services under the Medikids program until the child
220 | is enrolled in a managed care plan or MediPass. Once determined
221 | eligible, an applicant may receive choice counseling and select
222 | a managed care plan or MediPass. The agency may initiate
223 | mandatory assignment for a Medikids applicant who has not chosen
224 | a managed care plan or MediPass provider after the applicant's
225 | voluntary choice period ends. An applicant may select MediPass
226 | under the Medikids program component only in counties that have
227 | fewer than two managed care plans available to serve Medicaid
228 | recipients and only if the federal Centers for Medicare and
229 | Medicaid Services Health Care Financing Administration
230 | determines that MediPass constitutes "health insurance coverage"
231 | as defined in Title XXI of the Social Security Act.

232 | Section 3. Subsection (2) of section 409.8134, Florida
233 | Statutes, is amended to read:

234 | 409.8134 Program enrollment and expenditure ceilings.--

235 | (2) The Florida KidCare program may conduct enrollment at
236 | any time throughout the year for the purpose of enrolling
237 | children eligible for all program components listed in s.
238 | 409.813 except Medicaid. The four Florida KidCare administrators
239 | shall work together to ensure that the year-round enrollment
240 | period is announced statewide. Eligible children shall be

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241 enrolled on a first-come, first-served basis using the date the
242 enrollment application is received. Enrollment shall immediately
243 cease when the enrollment ceiling is reached. Year-round
244 enrollment shall only be held if the Social Services Estimating
245 Conference determines that sufficient ~~federal and state~~ funds
246 will be available to finance the increased enrollment ~~through~~
247 ~~federal fiscal year 2007~~. Any individual who is not enrolled
248 must reapply by submitting a new application. The application
249 for the Florida KidCare program is ~~shall be~~ valid for a period
250 of 120 days after the date it was received. At the end of the
251 120-day period, if the applicant has not been enrolled in the
252 program, the application is ~~shall be~~ invalid and the applicant
253 shall be notified of the action. The applicant may resubmit the
254 application after notification of the action taken by the
255 program. Except for the Medicaid program, whenever the Social
256 Services Estimating Conference determines that there are
257 presently, or will be by the end of the current fiscal year,
258 insufficient funds to finance the current or projected
259 enrollment in the Florida KidCare program, all additional
260 enrollment must cease and additional enrollment may not resume
261 until sufficient funds are available to finance the ~~such~~
262 enrollment.

263 Section 4. Section 409.814, Florida Statutes, is amended
264 to read:

265 409.814 Eligibility.--A child who has not reached 19 years
266 of age whose family income is equal to or below the maximum
267 income threshold ~~200 percent of the federal poverty level~~ is
268 eligible for the Florida KidCare program as provided in this

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269 section. For enrollment in the Children's Medical Services
 270 Network, a complete application includes the medical or
 271 behavioral health screening. If, subsequently, an individual is
 272 determined to be ineligible for coverage, he or she must
 273 immediately be disenrolled from the respective Florida KidCare
 274 program component.

275 (1) A child who is eligible for Medicaid coverage under s.
 276 409.903 or s. 409.904 must be enrolled in Medicaid and is not
 277 eligible to receive health benefits under any other health
 278 benefits coverage authorized under the Florida KidCare program.

279 (2) A child who is not eligible for Medicaid, but who is
 280 eligible for the Florida KidCare program, may obtain health
 281 benefits coverage under any of the other components listed in s.
 282 409.813 if such coverage is approved and available in the county
 283 in which the child resides. However, a child who is eligible for
 284 Medikids may participate in the Florida Healthy Kids program
 285 only if the child has a sibling participating in the Florida
 286 Healthy Kids program and the child's county of residence permits
 287 such enrollment.

288 (3) A child who is eligible for the Florida KidCare
 289 program who is a child with special health care needs, as
 290 determined through a medical or behavioral screening instrument,
 291 is eligible for health benefits coverage from and shall be
 292 referred to the Children's Medical Services Network.

293 (4) The following children are not eligible to receive
 294 federal premium assistance for health benefits coverage under
 295 the Florida KidCare program, except under Medicaid if the child

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296 | would have been eligible for Medicaid under s. 409.903 or s.
297 | 409.904 as of June 1, 1997:

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

301 | (b) A child who is currently eligible for or covered under
302 | a family member's group health benefit plan or under other
303 | employer health insurance coverage, excluding coverage provided
304 | under the Florida Healthy Kids Corporation as established under
305 | s. 624.91, provided that the cost of the child's participation
306 | is not greater than 5 percent of the family's income. This
307 | provision shall be applied during redetermination for children
308 | who were enrolled prior to July 1, 2004. These enrollees shall
309 | have 6 months of eligibility following redetermination to allow
310 | for a transition to the other health benefit plan.

311 | (c) A child who is seeking premium assistance for the
312 | Florida KidCare program through employer-sponsored group
313 | coverage, if the child has been covered by the same employer's
314 | group coverage during the 6 months prior to the family's
315 | submitting an application for determination of eligibility under
316 | the program.

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

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

321 | (f) A child who has had his or her coverage in an
322 | employer-sponsored health benefit plan voluntarily canceled in

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323 the last 6 months, except those children who were on the waiting
324 list prior to March 12, 2004.

325 (g) A child who is otherwise eligible for KidCare and who
326 has a preexisting condition that prevents coverage under another
327 insurance plan as described in paragraph (b) which would have
328 disqualified the child for KidCare if the child were able to
329 enroll in the plan shall be eligible for KidCare coverage when
330 enrollment is possible.

331 (5) Subject to a specific appropriation for this purpose,
332 the following children are eligible to receive nonfederal
333 premium assistance for health benefits coverage under the
334 Florida KidCare program, except under Medicaid if the child
335 would have been eligible for Medicaid under s. 409.903 or s.
336 409.904 as of June 1, 1997:

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

340 (b) A child who is an alien in the United States but who
341 does not meet the definition of qualified alien.

342 (6)-(5) A child whose family income is above the maximum
343 income threshold 200 percent of the federal poverty level or a
344 child who is excluded under the provisions of subsection (4) may
345 participate in the Florida KidCare program, excluding the
346 Medicaid program, but is subject to the following provisions:

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

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350 (b) The agency is authorized to place limits on enrollment
351 in Medikids by these children in order to avoid adverse
352 selection. The number of children participating in Medikids
353 whose family income exceeds the maximum income threshold ~~200~~
354 ~~percent of the federal poverty level~~ must not exceed 10 percent
355 of total enrollees in the Medikids program.

356 (c) The board of directors of the Florida Healthy Kids
357 Corporation is authorized to place limits on enrollment of these
358 children in order to avoid adverse selection. In addition, the
359 board is authorized to offer a reduced benefit package to these
360 children in order to limit program costs for such families. The
361 number of children participating in the Florida Healthy Kids
362 program whose family income exceeds the maximum income threshold
363 ~~200 percent of the federal poverty level~~ must not exceed 10
364 percent of total enrollees in the Florida Healthy Kids program.

365 (d) Children described in this subsection are not counted
366 in the annual enrollment ceiling for the Florida KidCare
367 program.

368 (7)~~(6)~~ Once a child is enrolled in the Florida KidCare
369 program, the child is eligible for coverage under the program
370 for 12 months without a redetermination or reverification of
371 eligibility, if the family continues to pay the applicable
372 premium. Eligibility for program components funded through Title
373 XXI of the Social Security Act shall terminate when a child
374 attains the age of 19. Effective January 1, 1999, a child who
375 has not attained the age of 5 and who has been determined
376 eligible for the Medicaid program is eligible for coverage for

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377 12 months without a redetermination or reverification of
378 eligibility.

379 (8)~~(7)~~ When determining or reviewing a child's eligibility
380 under the Florida KidCare program, the applicant shall be
381 provided with reasonable notice of changes in eligibility which
382 may affect enrollment in one or more of the program components.
383 When a transition from one program component to another is
384 authorized, there shall be cooperation between the program
385 components and the affected family which promotes continuity of
386 health care coverage. Any authorized transfers must be managed
387 within the program's overall appropriated or authorized levels
388 of funding. Each component of the program shall establish a
389 reserve to ensure that transfers between components will be
390 accomplished within current year appropriations. These reserves
391 shall be reviewed by each convening of the Social Services
392 Estimating Conference to determine the adequacy of such reserves
393 to meet actual experience.

394 (9)~~(8)~~ In determining the eligibility of a child, an
395 assets test is not required. Each applicant shall provide
396 written documentation during the application process and the
397 redetermination process, including, but not limited to, the
398 following:

399 (a) Proof of family income, which must include a copy of
400 the applicant's most recent federal income tax return. In the
401 absence of a federal income tax return, an applicant may submit
402 wages and earnings statements (pay stubs), W-2 forms, or other
403 appropriate documents.

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

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405 | 1. Their employer does not sponsor a health benefit plan
406 | for employees; or

407 | 2. The potential enrollee is not covered by the employer-
408 | sponsored health benefit plan because the potential enrollee is
409 | not eligible for coverage, or, if the potential enrollee is
410 | eligible but not covered, a statement of the cost to enroll the
411 | potential enrollee in the employer-sponsored health benefit
412 | plan.

413 | (10)~~(9)~~ Subject to paragraph (4)(b) and s. 624.91(3), the
414 | Florida KidCare program shall withhold benefits from an enrollee
415 | if the program obtains evidence that the enrollee is no longer
416 | eligible, submitted incorrect or fraudulent information in order
417 | to establish eligibility, or failed to provide verification of
418 | eligibility. The applicant or enrollee shall be notified that
419 | because of such evidence program benefits will be withheld
420 | unless the applicant or enrollee contacts a designated
421 | representative of the program by a specified date, which must be
422 | within 10 days after the date of notice, to discuss and resolve
423 | the matter. The program shall make every effort to resolve the
424 | matter within a timeframe that will not cause benefits to be
425 | withheld from an eligible enrollee.

426 | (11)~~(10)~~ The following individuals may be subject to
427 | prosecution in accordance with s. 414.39:

428 | (a) An applicant obtaining or attempting to obtain
429 | benefits for a potential enrollee under the Florida KidCare
430 | program when the applicant knows or should have known the
431 | potential enrollee does not qualify for the Florida KidCare
432 | program.

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433 (b) An individual who assists an applicant in obtaining or
434 attempting to obtain benefits for a potential enrollee under the
435 Florida KidCare program when the individual knows or should have
436 known the potential enrollee does not qualify for the Florida
437 KidCare program.

438 Section 5. Subsection (3) of section 409.816, Florida
439 Statutes, is amended to read:

440 409.816 Limitations on premiums and cost-sharing.--The
441 following limitations on premiums and cost-sharing are
442 established for the program.

443 (3) Enrollees in families with a family income above 150
444 percent of the federal poverty level, who are not receiving
445 coverage under the Medicaid program or who are not eligible
446 under s. 409.814(6) ~~s. 409.814(5)~~, may be required to pay
447 enrollment fees, premiums, copayments, deductibles, coinsurance,
448 or similar charges on a sliding scale related to income, except
449 that the total annual aggregate cost-sharing with respect to all
450 children in a family may not exceed 5 percent of the family's
451 income. However, copayments, deductibles, coinsurance, or
452 similar charges may not be imposed for preventive services,
453 including well-baby and well-child care, age-appropriate
454 immunizations, and routine hearing and vision screenings.

455 Section 6. Subsection (3) of section 409.818, Florida
456 Statutes, is amended to read:

457 409.818 Administration.--In order to implement ss.
458 409.810-409.820, the following agencies shall have the following
459 duties:

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

462 (a) Calculate the premium assistance payment necessary to
463 comply with the premium and cost-sharing limitations specified
464 in s. 409.816. The premium assistance payment for each enrollee
465 in a health insurance plan participating in the Florida Healthy
466 Kids Corporation shall equal the premium approved by the Florida
467 Healthy Kids Corporation and the Office of Insurance Regulation
468 of the Financial Services Commission pursuant to ss. 627.410 and
469 641.31, less any enrollee's share of the premium established
470 within the limitations specified in s. 409.816. The premium
471 assistance payment for each enrollee in an employer-sponsored
472 health insurance plan approved under ss. 409.810-409.820 shall
473 equal the premium for the plan adjusted for any benchmark
474 benefit plan actuarial equivalent benefit rider approved by the
475 Office of Insurance Regulation pursuant to ss. 627.410 and
476 641.31, less any enrollee's share of the premium established
477 within the limitations specified in s. 409.816. In calculating
478 the premium assistance payment levels for children with family
479 coverage, the agency shall set the premium assistance payment
480 levels for each child proportionately to the total cost of
481 family coverage.

482 (b) Annually calculate the program enrollment ceiling
483 based on estimated per child premium assistance payments and the
484 estimated appropriation available for the program.

485 (c) Make premium assistance payments to health insurance
486 plans on a periodic basis. The agency may use its Medicaid
487 fiscal agent or a contracted third-party administrator in making

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488 | these payments. The agency may require health insurance plans
489 | that participate in the Medikids program or employer-sponsored
490 | group health insurance to collect premium payments from an
491 | enrollee's family. Participating health insurance plans shall
492 | report premium payments collected on behalf of enrollees in the
493 | program to the agency in accordance with a schedule established
494 | by the agency.

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

497 | (e) Establish a mechanism for investigating and resolving
498 | complaints and grievances from program applicants, enrollees,
499 | and health benefits coverage providers, and maintain a record of
500 | complaints and confirmed problems. In the case of a child who is
501 | enrolled in a health maintenance organization, the agency must
502 | use the provisions of s. 641.511 to address grievance reporting
503 | and resolution requirements.

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

507 | (g) Adopt rules necessary for calculating premium
508 | assistance payment levels, calculating the program enrollment
509 | ceiling, making premium assistance payments, monitoring access
510 | and quality assurance standards, investigating and resolving
511 | complaints and grievances, administering the Medikids program,
512 | and approving health benefits coverage.

513

514 | The agency is designated the lead state agency for Title XXI of
515 | the Social Security Act for purposes of receipt of federal

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516 funds, for reporting purposes, and for ensuring compliance with
517 federal and state regulations and rules. The agency shall seek
518 approval from the federal Centers for Medicare and Medicaid
519 Services for the highest maximum income threshold of up to 300
520 percent of the most recently stated federal poverty limit. Until
521 the federal agency approves the request, the maximum income
522 threshold used for the Florida KidCare program shall be 200
523 percent of the most recently stated federal poverty limit or the
524 highest income threshold allowed under current federal law. Any
525 such expansion under this subsection is subject to a specified
526 appropriation for such purpose.

527 Section 7. Section 409.821, Florida Statutes, is amended
528 to read:

529 409.821 Florida KidCare program public records
530 exemption.--Notwithstanding any other law to the contrary, any
531 information identifying a Florida KidCare program applicant or
532 enrollee, as defined in s. 409.811, held by the Agency for
533 Health Care Administration, the Department of Children and
534 Family Services, the Department of Health, or the Florida
535 Healthy Kids Corporation is confidential and exempt from s.
536 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
537 information may be disclosed to another governmental entity only
538 if disclosure is necessary for the entity to perform its duties
539 and responsibilities under the Florida KidCare program and shall
540 be disclosed to the Department of Revenue for purposes of
541 administering the state Title IV-D program. The receiving
542 governmental entity must maintain the confidential and exempt
543 status of such information. Furthermore, such information may

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544 not be released to any person without the written consent of the
545 program applicant. This exemption applies to any information
546 identifying a Florida KidCare program applicant or enrollee held
547 by the Agency for Health Care Administration, the Department of
548 Children and Family Services, the Department of Health, or the
549 Florida Healthy Kids Corporation before, on, or after the
550 effective date of this exemption. A violation of this section is
551 a misdemeanor of the second degree, punishable as provided in s.
552 775.082 or s. 775.083. This section does not prohibit an
553 enrollee's parent or legal guardian from obtaining confirmation
554 of coverage and dates of coverage.

555 Section 8. Subsections (3) and (5) of section 624.91,
556 Florida Statutes, are amended to read:

557 624.91 The Florida Healthy Kids Corporation Act.--

558 (3) ELIGIBILITY FOR NONFEDERAL ~~STATE FUNDED~~
559 ~~ASSISTANCE.--Only residents of this state between 5 and 18 years~~
560 ~~of age who meet the qualifications for the Florida KidCare~~
561 ~~program under s. 409.814 are eligible for nonfederal assistance~~
562 ~~in the Florida Healthy Kids program. the following individuals~~
563 ~~are eligible for state funded assistance in paying Florida~~
564 ~~Healthy Kids premiums:~~

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

567 ~~(b) Notwithstanding s. 409.814, legal aliens who are~~
568 ~~enrolled in the Florida Healthy Kids program as of January 31,~~
569 ~~2004, who do not qualify for Title XXI federal funds because~~
570 ~~they are not qualified aliens as defined in s. 409.811.~~

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571 ~~(c) Notwithstanding s. 409.814, individuals who have~~
572 ~~attained the age of 19 as of March 31, 2004, who were receiving~~
573 ~~Florida Healthy Kids benefits prior to the enactment of the~~
574 ~~Florida KidCare program. This paragraph shall be repealed March~~
575 ~~31, 2005.~~

576 ~~(d) Notwithstanding s. 409.814, state employee dependents~~
577 ~~who were enrolled in the Florida Healthy Kids program as of~~
578 ~~January 31, 2004. Such individuals shall remain eligible until~~
579 ~~January 1, 2005.~~

580 (5) CORPORATION AUTHORIZATION, DUTIES, PROMOTION,
581 POWERS.--

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

584 (b) The Florida Healthy Kids Corporation shall:

585 1. Arrange for the collection of any family, local
586 contributions, or employer payment or premium, in an amount to
587 be determined by the board of directors, to provide for payment
588 of premiums for comprehensive insurance coverage and for the
589 actual or estimated administrative expenses.

590 ~~2. Arrange for the collection of any voluntary~~
591 ~~contributions to provide for payment of premiums for children~~
592 ~~who are not eligible for medical assistance under Title XXI of~~
593 ~~the Social Security Act. Each fiscal year, the corporation shall~~
594 ~~establish a local match policy for the enrollment of non Title-~~
595 ~~XXI-eligible children in the Healthy Kids program. By May 1 of~~
596 ~~each year, the corporation shall provide written notification of~~
597 ~~the amount to be remitted to the corporation for the following~~
598 ~~fiscal year under that policy. Local match sources may include,~~

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599 ~~but are not limited to, funds provided by municipalities,~~
600 ~~counties, school boards, hospitals, health care providers,~~
601 ~~charitable organizations, special taxing districts, and private~~
602 ~~organizations. The minimum local match cash contributions~~
603 ~~required each fiscal year and local match credits shall be~~
604 ~~determined by the General Appropriations Act. The corporation~~
605 ~~shall calculate a county's local match rate based upon that~~
606 ~~county's percentage of the state's total non Title XXI~~
607 ~~expenditures as reported in the corporation's most recently~~
608 ~~audited financial statement. In awarding the local match~~
609 ~~credits, the corporation may consider factors including, but not~~
610 ~~limited to, population density, per capita income, and existing~~
611 ~~child health related expenditures and services.~~

612 2.3. Subject to the provisions of s. 409.8134, accept
613 voluntary supplemental local match contributions that comply
614 with the requirements of Title XXI of the Social Security Act
615 for the purpose of providing additional coverage in contributing
616 counties under Title XXI.

617 3.4. Establish the administrative and accounting
618 procedures for the operation of the corporation.

619 4.5. Establish, with consultation from appropriate
620 professional organizations, standards for preventive health
621 services and providers and comprehensive insurance benefits
622 appropriate to children, provided that the ~~such~~ standards for
623 rural areas do ~~shall~~ not limit primary care providers to board-
624 certified pediatricians.

625 5.6. Determine eligibility for children seeking to
626 participate in the Title XXI ~~funded components of the Florida~~

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627 KidCare program consistent with the requirements specified in s.
628 409.814, ~~as well as the non Title XXI eligible children as~~
629 ~~provided in subsection (3).~~

630 6.7. Establish procedures under which ~~providers of local~~
631 ~~match to,~~ applicants to and participants in the program may have
632 grievances reviewed by an impartial body and reported to the
633 board of directors of the corporation.

634 7.8. Establish participation criteria and, if appropriate,
635 contract with an authorized insurer, health maintenance
636 organization, or third-party administrator to provide
637 administrative services to the corporation.

638 8.9. Establish enrollment criteria that ~~which shall~~
639 include penalties or waiting periods of not fewer than 60 days
640 for reinstatement of coverage upon voluntary cancellation for
641 nonpayment of family premiums.

642 9.10. Contract with authorized insurers or any provider of
643 health care services, meeting standards established by the
644 corporation, for the provision of comprehensive insurance
645 coverage to participants. Such standards shall include criteria
646 under which the corporation may contract with more than one
647 provider of health care services in program sites. Health plans
648 shall be selected through a competitive bid process. The Florida
649 Healthy Kids Corporation shall purchase goods and services in
650 the most cost-effective manner consistent with the delivery of
651 quality medical care. The maximum administrative cost for a
652 Florida Healthy Kids Corporation contract shall be 15 percent.
653 For health care contracts, the minimum medical loss ratio for a
654 Florida Healthy Kids Corporation contract shall be 85 percent.

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655 For dental contracts, the remaining compensation to be paid to
656 the authorized insurer or provider under a Florida Healthy Kids
657 Corporation contract shall be no less than an amount which is 85
658 percent of premium; to the extent any contract provision does
659 not provide for this minimum compensation, this section shall
660 prevail. The health plan selection criteria and scoring system,
661 and the scoring results, shall be available upon request for
662 inspection after the bids have been awarded.

663 ~~11. Establish disenrollment criteria in the event local~~
664 ~~matching funds are insufficient to cover enrollments.~~

665 10.12. Develop and implement a plan to publicize the
666 Florida Healthy Kids Corporation, the eligibility requirements
667 of the program, and the procedures for enrollment in the program
668 and to maintain public awareness of the corporation and the
669 program. Participating health and dental plans may develop
670 marketing and other promotional materials and participate in
671 activities, such as health fairs and public events, as approved
672 by the corporation. The health and dental plans may also contact
673 their enrollees and former enrollees to encourage continued
674 participation in the plan.

675 11.13. Secure staff necessary to properly administer the
676 corporation. Staff costs shall be funded from state and local
677 matching funds and such other private or public funds as become
678 available. The board of directors shall determine the number of
679 staff members necessary to administer the corporation.

680 12.14. Provide a report annually to the Governor, Chief
681 Financial Officer, Commissioner of Education, Senate President,

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682 Speaker of the House of Representatives, and Minority Leaders of
683 the Senate and the House of Representatives.

684 ~~13.15.~~ Establish benefit packages which conform to the
685 provisions of the Florida KidCare program, as created in ss.
686 409.810-409.820.

687 (c) Coverage under the corporation's program is secondary
688 to any other available private coverage held by, or applicable
689 to, the participant child or family member. Insurers under
690 contract with the corporation are the payors of last resort and
691 must coordinate benefits with any other third-party payor that
692 may be liable for the participant's medical care.

693 (d) The Florida Healthy Kids Corporation shall be a
694 private corporation not for profit, organized under ~~pursuant to~~
695 chapter 617, and shall have all powers necessary to carry out
696 the purposes of this act, including, but not limited to, the
697 power to receive and accept grants, loans, or advances of funds
698 from any public or private agency and to receive and accept from
699 any source contributions of money, property, labor, or any other
700 thing of value, to be held, used, and applied for the purposes
701 of this section ~~act~~.

702 Section 9. This act shall take effect July 1, 2006.