CHAMBER ACTION

The Health & Families Council recommends the following:

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Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to the Florida KidCare program; amending s. 409.814, F.S.; providing for certain children who are ineligible to participate in the Florida KidCare program to be eligible for Medikids or the Florida Healthy Kids program; specifying that 12 months of continuous eligibility includes changes between program components; amending s. 409.818, F.S.; providing for the administration of the eligibility application process; amending s. 409.821, F.S., relating to a public records exemption; specifying that such provision does not prohibit an enrollee's parent or legal guardian from obtaining confirmation of coverage and dates of coverage; amending s. 624.91, F.S.; authorizing participating health and dental plans to develop marketing and other promotional materials and to participate in activities to promote the Florida KidCare program; requiring the Agency for Health Care Administration to begin enrollment in

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Medikids or the Florida Healthy Kids program by a certain date; providing an effective date.

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

Section 1. Subsections (5) and (6) of section 409.814, Florida Statutes, are amended to read:

409.814 Eligibility.--A child who has not reached 19 years of age whose family income is equal to or below 200 percent of the federal poverty level is eligible for the Florida KidCare program as provided in this section. For enrollment in the Children's Medical Services Network, a complete application includes the medical or behavioral health screening. If, subsequently, an individual is determined to be ineligible for coverage, he or she must immediately be disenrolled from the respective Florida KidCare program component.

- (5) A child whose family income is above 200 percent of the federal poverty level or a child who is excluded under the provisions of subsection (4) may participate in the Medikids program as provided in s. 409.8132 or, if the child is ineligible for Medikids by reason of age, in the Florida Healthy Kids program, Florida KidCare program, excluding the Medicaid program, but is subject to the following provisions:
- (a) The family is not eligible for premium assistance payments and must pay the full cost of the premium, including any administrative costs.
- (b) The agency is authorized to place limits on enrollment in Medikids by these children in order to avoid adverse ${\rm Page} \; 2 \; {\rm of} \; 10$

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selection. The number of children participating in Medikids whose family income exceeds 200 percent of the federal poverty level must not exceed 10 percent of total enrollees in the Medikids program.

- (c) The board of directors of the Florida Healthy Kids Corporation is authorized to place limits on enrollment of these children in order to avoid adverse selection. In addition, the board is authorized to offer a reduced benefit package to these children in order to limit program costs for such families. The number of children participating in the Florida Healthy Kids program whose family income exceeds 200 percent of the federal poverty level must not exceed 10 percent of total enrollees in the Florida Healthy Kids program.
- (d) Children described in this subsection are not counted in the annual enrollment ceiling for the Florida KidCare program.
- (6) 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 even when switching from one component of the program to another, if the family continues to pay the applicable premium. Eligibility for program components funded through Title XXI of the Social Security Act shall terminate when a child attains the age of 19. Effective January 1, 1999, a child who has not attained the age of 5 and who has been determined eligible for the Medicaid program is eligible for coverage for 12 months without a redetermination or reverification of eligibility.

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Section 2. Paragraph (a) of subsection (1) of section 409.818, Florida Statutes, is amended to read:

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to read:

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

- (1) The Department of Children and Family Services shall:
- Develop a simplified eliqibility application process, including the use of mail-in forms and electronic information intake methods, mail-in form to be used for determining the eligibility of children for coverage under the Florida KidCare program, in consultation with the agency, the Department of Health, and the Florida Healthy Kids Corporation. The simplified eligibility application process form must include an item that provides an opportunity for the applicant to indicate whether coverage is being sought for a child with special health care needs. Families applying for children's Medicaid coverage must also be able to use the simplified application form without having to pay a premium. When a child is found ineligible due to income for Medicaid, the department shall forward all of the child's information, including the date the child was enrolled in the Medicaid program and the income level of the family when the child was determined to be ineligible due to income, to the Healthy Kids Corporation. The child's information shall be processed for enrollment in another KidCare program component without requiring an additional KidCare application. Section 3. Section 409.821, Florida Statutes, is amended

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409.821 Florida KidCare program public records exemption. -- Notwithstanding any other law to the contrary, any information identifying a Florida KidCare program applicant or enrollee, as defined in s. 409.811, held by the Agency for Health Care Administration, the Department of Children and Family Services, the Department of Health, or the Florida Healthy Kids Corporation is confidential and exempt from s. 119.07(1) and s. 24(a), Art. I of the State Constitution. Such information may be disclosed to another governmental entity only if disclosure is necessary for the entity to perform its duties and responsibilities under the Florida KidCare program and shall be disclosed to the Department of Revenue for purposes of administering the state Title IV-D program. The receiving governmental entity must maintain the confidential and exempt status of such information. Furthermore, such information may not be released to any person without the written consent of the program applicant. This exemption applies to any information identifying a Florida KidCare program applicant or enrollee held by the Agency for Health Care Administration, the Department of Children and Family Services, the Department of Health, or the Florida Healthy Kids Corporation before, on, or after the effective date of this exemption. A violation of this section is a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083. This section does not prohibit an enrollee's parent or legal guardian from obtaining confirmation of coverage and dates of coverage. Subsection (5) of section 624.91, Florida Section 4.

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Statutes, is amended to read:

134 624.91 The Florida Healthy Kids Corporation Act.--

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- (5) CORPORATION AUTHORIZATION, DUTIES, <u>PROMOTION</u>, POWERS.--
 - (a) There is created the Florida Healthy Kids Corporation, a not-for-profit corporation.
 - (b) The Florida Healthy Kids Corporation shall:
 - 1. Arrange for the collection of any family, local contributions, or employer payment or premium, in an amount to be determined by the board of directors, to provide for payment of premiums for comprehensive insurance coverage and for the actual or estimated administrative expenses.
 - Arrange for the collection of any voluntary contributions to provide for payment of premiums for children who are not eliqible for medical assistance under Title XXI of the Social Security Act. Each fiscal year, the corporation shall establish a local match policy for the enrollment of non-Title-XXI-eligible children in the Healthy Kids program. By May 1 of each year, the corporation shall provide written notification of the amount to be remitted to the corporation for the following fiscal year under that policy. Local match sources may include, but are not limited to, funds provided by municipalities, counties, school boards, hospitals, health care providers, charitable organizations, special taxing districts, and private organizations. The minimum local match cash contributions required each fiscal year and local match credits shall be determined by the General Appropriations Act. The corporation shall calculate a county's local match rate based upon that county's percentage of the state's total non-Title-XXI

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

- 3. Subject to the provisions of s. 409.8134, accept voluntary supplemental local match contributions that comply with the requirements of Title XXI of the Social Security Act for the purpose of providing additional coverage in contributing counties under Title XXI.
- 4. Establish the administrative and accounting procedures for the operation of the corporation.
- 5. Establish, with consultation from appropriate professional organizations, standards for preventive health services and providers and comprehensive insurance benefits appropriate to children, provided that the such standards for rural areas do shall not limit primary care providers to board-certified pediatricians.
- 6. Determine eligibility for children seeking to participate in the Title XXI-funded components of the Florida KidCare program consistent with the requirements specified in s. 409.814, as well as the non-Title-XXI-eligible children as provided in subsection (3).
- 7. Establish procedures under which providers of local match to, applicants to and participants in the program may have grievances reviewed by an impartial body and reported to the board of directors of the corporation.

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

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- 9. Establish enrollment criteria that which shall include penalties or waiting periods of not fewer than 60 days for reinstatement of coverage upon voluntary cancellation for nonpayment of family premiums.
- 10. Contract with authorized insurers or any provider of health care services, meeting standards established by the corporation, for the provision of comprehensive insurance coverage to participants. Such standards shall include criteria under which the corporation may contract with more than one provider of health care services in program sites. Health plans shall be selected through a competitive bid process. The Florida Healthy Kids Corporation shall purchase goods and services in the most cost-effective manner consistent with the delivery of quality medical care. The maximum administrative cost for a Florida Healthy Kids Corporation contract shall be 15 percent. For health care contracts, the minimum medical loss ratio for a Florida Healthy Kids Corporation contract shall be 85 percent. For dental contracts, the remaining compensation to be paid to the authorized insurer or provider under a Florida Healthy Kids Corporation contract shall be no less than an amount which is 85 percent of premium; to the extent any contract provision does not provide for this minimum compensation, this section shall prevail. The health plan selection criteria and scoring system,

and the scoring results, shall be available upon request for inspection after the bids have been awarded.

- 11. Establish disenrollment criteria in the event local matching funds are insufficient to cover enrollments.
- 12. Develop and implement a plan to publicize the Florida Healthy Kids Corporation, the eligibility requirements of the program, and the procedures for enrollment in the program and to maintain public awareness of the corporation and the program.

 Participating health and dental plans may develop marketing and other promotional materials and participate in activities, such as health fairs and public events, as approved by the corporation. The health and dental plans may also contact their enrollees and former enrollees to encourage continued participation in the plan.
- 13. Secure staff necessary to properly administer the corporation. Staff costs shall be funded from state and local matching funds and such other private or public funds as become available. The board of directors shall determine the number of staff members necessary to administer the corporation.
- 14. Provide a report annually to the Governor, Chief Financial Officer, Commissioner of Education, Senate President, Speaker of the House of Representatives, and Minority Leaders of the Senate and the House of Representatives.
- 15. Establish benefit packages which conform to the provisions of the Florida KidCare program, as created in ss. 409.810-409.820.
- (c) Coverage under the corporation's program is secondary to any other available private coverage held by, or applicable Page 9 of 10

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to, the participant child or family member. Insurers under contract with the corporation are the payors of last resort and must coordinate benefits with any other third-party payor that may be liable for the participant's medical care.

- (d) The Florida Healthy Kids Corporation shall be a private corporation not for profit, organized <u>under pursuant to</u> chapter 617, and shall have all powers necessary to carry out the purposes of this act, including, but not limited to, the power to receive and accept grants, loans, or advances of funds from any public or private agency and to receive and accept from any source contributions of money, property, labor, or any other thing of value, to be held, used, and applied for the purposes of this <u>section</u> act.
- Section 5. The Agency for Health Care Administration shall begin enrollment under s. 409.814(5), Florida Statutes, as amended by this act, by July 1, 2006.
- Section 6. This act shall take effect July 1, 2006.