

1 F.S., relating to a public-records exemption;
2 specifying that such provision does not
3 prohibit an enrollee's parent or legal guardian
4 from obtaining confirmation of coverage and
5 dates of coverage; amending s. 624.91, F.S.;
6 conforming provisions to changes made by the
7 act; revising the powers of the Florida Healthy
8 Kids Corporation; authorizing participating
9 health and dental plans to develop marketing
10 and other promotional materials and to
11 participate in activities to promote the
12 Florida Healthy Kids Corporation; providing an
13 effective date.

14
15 Be It Enacted by the Legislature of the State of Florida:

16
17 Section 1. Section 409.811, Florida Statutes, is
18 amended to read:

19 409.811 Definitions relating to Florida KidCare
20 Act.--As used in ss. 409.810-409.820, the term:

21 (1) "Actuarially equivalent" means that:

22 (a) The aggregate value of the benefits included in
23 health benefits coverage is equal to the value of the benefits
24 in the benchmark benefit plan; and

25 (b) The benefits included in health benefits coverage
26 are substantially similar to the benefits included in the
27 benchmark benefit plan, except that preventive health services
28 must be the same as in the benchmark benefit plan.

29 (2) "Agency" means the Agency for Health Care
30 Administration.

31

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

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

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

8 (6) "Child with special health care needs" means a
9 child whose serious or chronic physical or developmental
10 condition requires extensive preventive and maintenance care
11 beyond that required by typically healthy children. Health
12 care utilization by such a child exceeds the statistically
13 expected usage of the normal child adjusted for chronological
14 age, and such a child often needs complex care requiring
15 multiple providers, rehabilitation services, and specialized
16 equipment in a number of different settings.

17 (7) "Children's Medical Services Network" or "network"
18 means a statewide managed care service system as defined in s.
19 391.021(1).

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

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

25 (10) "Enrollee" means a child who has been determined
26 eligible for and is receiving coverage under ss.
27 409.810-409.820.

28 (11) "Enrollment ceiling" means the maximum number of
29 children receiving premium assistance payments, excluding
30 children enrolled in Medicaid, that may be enrolled at any
31 time in the Florida KidCare program. The maximum number shall

1 | be established annually in the General Appropriations Act or
2 | by general law.

3 | (12) "Family" means the group or the individuals whose
4 | income is considered in determining eligibility for the
5 | Florida KidCare program. The family includes a child with a
6 | custodial parent or caretaker relative who resides in the same
7 | house or living unit or, in the case of a child whose
8 | disability of nonage has been removed under chapter 743, the
9 | child. The family may also include other individuals whose
10 | income and resources are considered in whole or in part in
11 | determining eligibility of the child.

12 | (13) "Family income" means cash received at periodic
13 | intervals from any source, such as wages, benefits,
14 | contributions, or rental property. Income also may include any
15 | money that would have been counted as income under the Aid to
16 | Families with Dependent Children (AFDC) state plan in effect
17 | prior to August 22, 1996.

18 | (14) "Florida KidCare program," "KidCare program," or
19 | "program" means the health benefits program administered
20 | through ss. 409.810-409.820.

21 | (15) "Guarantee issue" means that health benefits
22 | coverage must be offered to an individual regardless of the
23 | individual's health status, preexisting condition, or claims
24 | history.

25 | (16) "Health benefits coverage" means protection that
26 | provides payment of benefits for covered health care services
27 | or that otherwise provides, either directly or through
28 | arrangements with other persons, covered health care services
29 | on a prepaid per capita basis or on a prepaid aggregate
30 | fixed-sum basis.

31 |

1 (17) "Health insurance plan" means health benefits
2 coverage under the following:

3 (a) A health plan offered by any certified health
4 maintenance organization or authorized health insurer, except
5 a plan that is limited to the following: a limited benefit,
6 specified disease, or specified accident; hospital indemnity;
7 accident only; limited benefit convalescent care; Medicare
8 supplement; credit disability; dental; vision; long-term care;
9 disability income; coverage issued as a supplement to another
10 health plan; workers' compensation liability or other
11 insurance; or motor vehicle medical payment only; or

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

15 (18) "Healthy Kids" means a component of the Florida
16 KidCare program of medical assistance for children 5 through
17 18 years of age as authorized under s. 624.91 and administered
18 by the Florida Healthy Kids Corporation.

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

23 ~~(20)~~~~(18)~~ "Medicaid" means the medical assistance
24 program authorized by Title XIX of the Social Security Act,
25 and regulations thereunder, and ss. 409.901-409.920, as
26 administered in this state by the agency.

27 ~~(21)~~~~(19)~~ "Medically necessary" means the use of any
28 medical treatment, service, equipment, or supply necessary to
29 palliate the effects of a terminal condition, or to prevent,
30 diagnose, correct, cure, alleviate, or preclude deterioration
31

1 of a condition that threatens life, causes pain or suffering,
2 or results in illness or infirmity and which is:

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

5 (b) Provided in accordance with generally accepted
6 standards of medical practice;

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

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

12 (e) Approved by the appropriate medical body or health
13 care specialty involved as effective, appropriate, and
14 essential for the care and treatment of the enrollee's
15 condition.

16 ~~(22)(20)~~ "Medikids" means a component of the Florida
17 KidCare program of medical assistance authorized by ~~Title XXI~~
18 ~~of the Social Security Act, and regulations thereunder, and s.~~
19 409.8132, as administered in the state by the agency.

20 ~~(23)(21)~~ "Preexisting condition exclusion" means, with
21 respect to coverage, a limitation or exclusion of benefits
22 relating to a condition based on the fact that the condition
23 was present before the date of enrollment for such coverage,
24 whether or not any medical advice, diagnosis, care, or
25 treatment was recommended or received before such date.

26 ~~(24)(22)~~ "Premium" means the entire cost of a health
27 insurance plan, including the administration fee or the risk
28 assumption charge.

29 ~~(25)(23)~~ "Premium assistance payment" means the
30 monthly consideration paid by the agency per enrollee in the
31 Florida KidCare program towards health insurance premiums.

1 ~~(26)(24)~~ "Qualified alien" means an alien as defined
2 in s. 431 of the Personal Responsibility and Work Opportunity
3 Reconciliation Act of 1996, as amended, Pub. L. No. 104-193.

4 ~~(27)(25)~~ "Resident" means a United States citizen, or
5 qualified alien, who is domiciled in this state.

6 ~~(28)(26)~~ "Rural county" means a county having a
7 population density of less than 100 persons per square mile,
8 or a county defined by the most recent United States Census as
9 rural, in which there is no prepaid health plan participating
10 in the Medicaid program as of July 1, 1998.

11 ~~(29)(27)~~ "Substantially similar" means that, with
12 respect to additional services as defined in s. 2103(c)(2) of
13 Title XXI of the Social Security Act, these services must have
14 an actuarial value equal to at least 75 percent of the
15 actuarial value of the coverage for that service in the
16 benchmark benefit plan and, with respect to the basic services
17 as defined in s. 2103(c)(1) of Title XXI of the Social
18 Security Act, these services must be the same as the services
19 in the benchmark benefit plan.

20 Section 2. Subsections (6) and (7) of section
21 409.8132, Florida Statutes, are amended to read:

22 409.8132 Medikids program component.--

23 (6) ELIGIBILITY.--

24 (a) A child who has attained the age of 1 year but who
25 is under the age of 5 years is eligible to enroll in the
26 Medikids program component of the Florida KidCare program, if
27 the child is a member of a family that has a family income
28 which exceeds the Medicaid applicable income level as
29 specified in s. 409.903, but which is equal to or below the
30 maximum income threshold ~~200 percent of the current federal~~
31 ~~poverty level~~. In determining the eligibility of ~~such~~ a

1 child, an assets test is not required. A child who is eligible
2 for Medikids may elect to enroll in Florida Healthy Kids
3 coverage or employer-sponsored group coverage. However, a
4 child who is eligible for Medikids may participate in the
5 Florida Healthy Kids program only if the child has a sibling
6 participating in the Florida Healthy Kids program and the
7 child's county of residence permits such enrollment.

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

10 (7) ENROLLMENT.--Enrollment in the Medikids program
11 component may occur at any time throughout the year. A child
12 may not receive services under the Medikids program until the
13 child is enrolled in a managed care plan or MediPass. Once
14 determined eligible, an applicant may receive choice
15 counseling and select a managed care plan or MediPass. The
16 agency may initiate mandatory assignment for a Medikids
17 applicant who has not chosen a managed care plan or MediPass
18 provider after the applicant's voluntary choice period ends.
19 An applicant may select MediPass under the Medikids program
20 component only in counties that have fewer than two managed
21 care plans available to serve Medicaid recipients and only if
22 the federal Centers for Medicare and Medicaid Services Health
23 ~~Care Financing Administration~~ determines that MediPass
24 constitutes "health insurance coverage" as defined in Title
25 XXI of the Social Security Act.

26 Section 3. Subsection (2) of section 409.8134, Florida
27 Statutes, is amended to read:

28 409.8134 Program enrollment and expenditure
29 ceilings.--

30 (2) The Florida KidCare program may conduct enrollment
31 at any time throughout the year for the purpose of enrolling

1 children eligible for all program components listed in s.
2 409.813 except Medicaid. The four Florida KidCare
3 administrators shall work together to ensure that the
4 year-round enrollment period is announced statewide. Eligible
5 children shall be enrolled on a first-come, first-served basis
6 using the date the enrollment application is received.
7 Enrollment shall immediately cease when the enrollment ceiling
8 is reached. Year-round enrollment shall only be held if the
9 Social Services Estimating Conference determines that
10 sufficient ~~federal and state~~ funds will be available to
11 finance the increased enrollment ~~through federal fiscal year~~
12 ~~2007~~. Any individual who is not enrolled must reapply by
13 submitting a new application. The application for the Florida
14 KidCare program is ~~shall be~~ valid for a period of 120 days
15 after the date it was received. At the end of the 120-day
16 period, if the applicant has not been enrolled in the program,
17 the application is ~~shall be~~ invalid and the applicant shall be
18 notified of the action. The applicant may resubmit the
19 application after notification of the action taken by the
20 program. Except for the Medicaid program, whenever the Social
21 Services Estimating Conference determines that there are
22 presently, or will be by the end of the current fiscal year,
23 insufficient funds to finance the current or projected
24 enrollment in the Florida KidCare program, all additional
25 enrollment must cease and additional enrollment may not resume
26 until sufficient funds are available to finance the ~~such~~
27 enrollment.

28 Section 4. Section 409.814, Florida Statutes, is
29 amended to read:

30 409.814 Eligibility.--A child who has not reached 19
31 years of age whose family income is equal to or below the

1 ~~maximum income threshold 200 percent of the federal poverty~~
2 ~~level~~ is eligible for the Florida KidCare program as provided
3 in this section. For enrollment in the Children's Medical
4 Services Network, a complete application includes the medical
5 or behavioral health screening. If, subsequently, an
6 individual is determined to be ineligible for coverage, he or
7 she must immediately be disenrolled from the respective
8 Florida KidCare program component.

9 (1) A child who is eligible for Medicaid coverage
10 under s. 409.903 or s. 409.904 must be enrolled in Medicaid
11 and is not eligible to receive health benefits under any other
12 health benefits coverage authorized under the Florida KidCare
13 program.

14 (2) A child who is not eligible for Medicaid, but who
15 is eligible for the Florida KidCare program, may obtain health
16 benefits coverage under any of the other components listed in
17 s. 409.813 if such coverage is approved and available in the
18 county in which the child resides. However, a child who is
19 eligible for Medikids may participate in the Florida Healthy
20 Kids program only if the child has a sibling participating in
21 the Florida Healthy Kids program and the child's county of
22 residence permits such enrollment.

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

28 (4) The following children are not eligible to receive
29 federal premium assistance for health benefits coverage under
30 the Florida KidCare program, except under Medicaid if the
31

1 child would have been eligible for Medicaid under s. 409.903
2 or s. 409.904 as of June 1, 1997:

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

6 (b) A child who is currently eligible for or covered
7 under a family member's group health benefit plan or under
8 other employer health insurance coverage, excluding coverage
9 provided under the Florida Healthy Kids Corporation as
10 established under s. 624.91, provided that the cost of the
11 child's participation is not greater than 5 percent of the
12 family's income. This provision shall be applied during
13 redetermination for children who were enrolled prior to July
14 1, 2004. These enrollees shall have 6 months of eligibility
15 following redetermination to allow for a transition to the
16 other health benefit plan.

17 (c) A child who is seeking premium assistance for the
18 Florida KidCare program through employer-sponsored group
19 coverage, if the child has been covered by the same employer's
20 group coverage during the 6 months prior to the family's
21 submitting an application for determination of eligibility
22 under the program.

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

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

27 (f) A child who has had his or her coverage in an
28 employer-sponsored health benefit plan voluntarily canceled in
29 the last 6 months, except those children who were on the
30 waiting list prior to March 12, 2004.

31

1 (g) A child who is otherwise eligible for KidCare and
2 who has a preexisting condition that prevents coverage under
3 another insurance plan as described in paragraph (b) which
4 would have disqualified the child for KidCare if the child
5 were able to enroll in the plan shall be eligible for KidCare
6 coverage when enrollment is possible.

7 (5) Subject to a specific appropriation for this
8 purpose, the following children are eligible to receive
9 nonfederal premium assistance for health benefits coverage
10 under the Florida KidCare program, except under Medicaid, if
11 the child would have been eligible for Medicaid under s.
12 409.903 or s. 409.904 as of June 1, 1997:

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

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

18 (6)(5) A child whose family income is above the
19 maximum income threshold ~~200 percent of the federal poverty~~
20 level or a child who is excluded under the provisions of
21 subsection (4) may participate in the Florida KidCare program,
22 excluding the Medicaid program, but is subject to the
23 following provisions:

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

27 (b) The agency is authorized to place limits on
28 enrollment in Medikids by these children in order to avoid
29 adverse selection. The number of children participating in
30 Medikids whose family income exceeds the maximum income
31

1 ~~threshold 200 percent of the federal poverty level~~ must not
2 exceed 10 percent of total enrollees in the Medikids program.

3 (c) The board of directors of the Florida Healthy Kids
4 Corporation is authorized to place limits on enrollment of
5 these children in order to avoid adverse selection. In
6 addition, the board is authorized to offer a reduced benefit
7 package to these children in order to limit program costs for
8 such families. The number of children participating in the
9 Florida Healthy Kids program whose family income exceeds the
10 maximum income threshold ~~200 percent of the federal poverty~~
11 ~~level~~ must not exceed 10 percent of total enrollees in the
12 Florida Healthy Kids program.

13 (d) Children described in this subsection are not
14 counted in the annual enrollment ceiling for the Florida
15 KidCare program.

16 ~~(7)(6)~~ Once a child is enrolled in the Florida KidCare
17 program, the child is eligible for coverage under the program
18 for 12 months without a redetermination or reverification of
19 eligibility, if the family continues to pay the applicable
20 premium. Eligibility for program components funded through
21 Title XXI of the Social Security Act shall terminate when a
22 child attains the age of 19. Effective January 1, 1999, a
23 child who has not attained the age of 5 and who has been
24 determined eligible for the Medicaid program is eligible for
25 coverage for 12 months without a redetermination or
26 reverification of eligibility.

27 ~~(8)(7)~~ When determining or reviewing a child's
28 eligibility under the Florida KidCare program, the applicant
29 shall be provided with reasonable notice of changes in
30 eligibility which may affect enrollment in one or more of the
31 program components. When a transition from one program

1 component to another is authorized, there shall be cooperation
2 between the program components and the affected family which
3 promotes continuity of health care coverage. Any authorized
4 transfers must be managed within the program's overall
5 appropriated or authorized levels of funding. Each component
6 of the program shall establish a reserve to ensure that
7 transfers between components will be accomplished within
8 current year appropriations. These reserves shall be reviewed
9 by each convening of the Social Services Estimating Conference
10 to determine the adequacy of such reserves to meet actual
11 experience.

12 (9)~~(8)~~ In determining the eligibility of a child, an
13 assets test is not required. Each applicant shall provide
14 written documentation during the application process and the
15 redetermination process, including, but not limited to, the
16 following:

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

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

23 1. Their employer does not sponsor a health benefit
24 plan for employees; or

25 2. The potential enrollee is not covered by the
26 employer-sponsored health benefit plan because the potential
27 enrollee is not eligible for coverage, or, if the potential
28 enrollee is eligible but not covered, a statement of the cost
29 to enroll the potential enrollee in the employer-sponsored
30 health benefit plan.
31

1 ~~(10)~~(9) Subject to paragraph (4)(b) and s. 624.91(3),
2 the Florida KidCare program shall withhold benefits from an
3 enrollee if the program obtains evidence that the enrollee is
4 no longer eligible, submitted incorrect or fraudulent
5 information in order to establish eligibility, or failed to
6 provide verification of eligibility. The applicant or enrollee
7 shall be notified that because of such evidence program
8 benefits will be withheld unless the applicant or enrollee
9 contacts a designated representative of the program by a
10 specified date, which must be within 10 days after the date of
11 notice, to discuss and resolve the matter. The program shall
12 make every effort to resolve the matter within a timeframe
13 that will not cause benefits to be withheld from an eligible
14 enrollee.

15 ~~(11)~~(10) The following individuals may be subject to
16 prosecution in accordance with s. 414.39:

17 (a) An applicant obtaining or attempting to obtain
18 benefits for a potential enrollee under the Florida KidCare
19 program when the applicant knows or should have known the
20 potential enrollee does not qualify for the Florida KidCare
21 program.

22 (b) An individual who assists an applicant in
23 obtaining or attempting to obtain benefits for a potential
24 enrollee under the Florida KidCare program when the individual
25 knows or should have known the potential enrollee does not
26 qualify for the Florida KidCare program.

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

29 409.816 Limitations on premiums and cost-sharing.--The
30 following limitations on premiums and cost-sharing are
31 established for the program.

1 (3) Enrollees in families with a family income above
2 150 percent of the federal poverty level, who are not
3 receiving coverage under the Medicaid program or who are not
4 eligible under s. 409.814(6) ~~s. 409.814(5)~~, may be required to
5 pay enrollment fees, premiums, copayments, deductibles,
6 coinsurance, or similar charges on a sliding scale related to
7 income, except that the total annual aggregate cost-sharing
8 with respect to all children in a family may not exceed 5
9 percent of the family's income. However, copayments,
10 deductibles, coinsurance, or similar charges may not be
11 imposed for preventive services, including well-baby and
12 well-child care, age-appropriate immunizations, and routine
13 hearing and vision screenings.

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

16 409.818 Administration.--In order to implement ss.
17 409.810-409.820, the following agencies shall have the
18 following duties:

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

21 (a) Calculate the premium assistance payment necessary
22 to comply with the premium and cost-sharing limitations
23 specified in s. 409.816. The premium assistance payment for
24 each enrollee in a health insurance plan participating in the
25 Florida Healthy Kids Corporation shall equal the premium
26 approved by the Florida Healthy Kids Corporation and the
27 Office of Insurance Regulation of the Financial Services
28 Commission pursuant to ss. 627.410 and 641.31, less any
29 enrollee's share of the premium established within the
30 limitations specified in s. 409.816. The premium assistance
31 payment for each enrollee in an employer-sponsored health

1 | insurance plan approved under ss. 409.810-409.820 shall equal
2 | the premium for the plan adjusted for any benchmark benefit
3 | plan actuarial equivalent benefit rider approved by the Office
4 | of Insurance Regulation pursuant to ss. 627.410 and 641.31,
5 | less any enrollee's share of the premium established within
6 | the limitations specified in s. 409.816. In calculating the
7 | premium assistance payment levels for children with family
8 | coverage, the agency shall set the premium assistance payment
9 | levels for each child proportionately to the total cost of
10 | family coverage.

11 | (b) Annually calculate the program enrollment ceiling
12 | based on estimated per child premium assistance payments and
13 | the estimated appropriation available for the program.

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

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

27 | (e) Establish a mechanism for investigating and
28 | resolving complaints and grievances from program applicants,
29 | enrollees, and health benefits coverage providers, and
30 | maintain a record of complaints and confirmed problems. In the
31 | case of a child who is enrolled in a health maintenance

1 organization, the agency must use the provisions of s. 641.511
2 to address grievance reporting and resolution requirements.

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

6 (g) Adopt rules necessary for calculating premium
7 assistance payment levels, calculating the program enrollment
8 ceiling, making premium assistance payments, monitoring access
9 and quality assurance standards, investigating and resolving
10 complaints and grievances, administering the Medikids program,
11 and approving health benefits coverage.

12

13 The agency is designated the lead state agency for Title XXI
14 of the Social Security Act for purposes of receipt of federal
15 funds, for reporting purposes, and for ensuring compliance
16 with federal and state regulations and rules. The agency shall
17 seek approval from the federal Centers for Medicare and
18 Medicaid Services for the highest maximum income threshold of
19 up to 300 percent of the most recently stated federal poverty
20 limit. Until the federal agency approves the request, the
21 maximum income threshold used for the Florida KidCare program
22 shall be 200 percent of the most recently stated federal
23 poverty limit or the highest income threshold allowed under
24 current federal law. Any such expansion under this subsection
25 is subject to a specified appropriation for such purpose.

26 Section 7. Section 409.821, Florida Statutes, is
27 amended to read:

28 409.821 Florida KidCare program public records
29 exemption.--Notwithstanding any other law to the contrary, any
30 information identifying a Florida KidCare program applicant or
31 enrollee, as defined in s. 409.811, held by the Agency for

1 Health Care Administration, the Department of Children and
2 Family Services, the Department of Health, or the Florida
3 Healthy Kids Corporation is confidential and exempt from s.
4 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
5 information may be disclosed to another governmental entity
6 only if disclosure is necessary for the entity to perform its
7 duties and responsibilities under the Florida KidCare program
8 and shall be disclosed to the Department of Revenue for
9 purposes of administering the state Title IV-D program. The
10 receiving governmental entity must maintain the confidential
11 and exempt status of such information. Furthermore, such
12 information may not be released to any person without the
13 written consent of the program applicant. This exemption
14 applies to any information identifying a Florida KidCare
15 program applicant or enrollee held by the Agency for Health
16 Care Administration, the Department of Children and Family
17 Services, the Department of Health, or the Florida Healthy
18 Kids Corporation before, on, or after the effective date of
19 this exemption. A violation of this section is a misdemeanor
20 of the second degree, punishable as provided in s. 775.082 or
21 s. 775.083. This section does not prohibit an enrollee's
22 parent or legal guardian from obtaining confirmation of
23 coverage and dates of coverage.

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

26 624.91 The Florida Healthy Kids Corporation Act.--
27 (3) ELIGIBILITY FOR ~~NONFEDERAL STATE FUNDED~~
28 ASSISTANCE.--Only residents of this state between 5 and 18
29 years of age who meet the qualifications for the Florida
30 KidCare program under s. 409.814 are eligible for nonfederal
31 assistance in the Florida Healthy Kids program. ~~the following~~

1 ~~individuals are eligible for state funded assistance in paying~~
2 ~~Florida Healthy Kids premiums:~~

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

5 ~~(b) Notwithstanding s. 409.814, legal aliens who are~~
6 ~~enrolled in the Florida Healthy Kids program as of January 31,~~
7 ~~2004, who do not qualify for Title XXI federal funds because~~
8 ~~they are not qualified aliens as defined in s. 409.811.~~

9 ~~(c) Notwithstanding s. 409.814, individuals who have~~
10 ~~attained the age of 19 as of March 31, 2004, who were~~
11 ~~receiving Florida Healthy Kids benefits prior to the enactment~~
12 ~~of the Florida KidCare program. This paragraph shall be~~
13 ~~repealed March 31, 2005.~~

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

18 (5) CORPORATION AUTHORIZATION, DUTIES, PROMOTION,
19 POWERS.--

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

22 (b) The Florida Healthy Kids Corporation shall:

23 1. Arrange for the collection of any family, local
24 contributions, or employer payment or premium, in an amount to
25 be determined by the board of directors, to provide for
26 payment of premiums for comprehensive insurance coverage and
27 for the actual or estimated administrative expenses.

28 ~~2. Arrange for the collection of any voluntary~~
29 ~~contributions to provide for payment of premiums for children~~
30 ~~who are not eligible for medical assistance under Title XXI of~~
31 ~~the Social Security Act. Each fiscal year, the corporation~~

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

20 ~~2.3-~~ Subject to the provisions of s. 409.8134, accept
21 voluntary supplemental local match contributions that comply
22 with the requirements of Title XXI of the Social Security Act
23 for the purpose of providing additional coverage in
24 contributing counties under Title XXI.

25 ~~3.4-~~ Establish the administrative and accounting
26 procedures for the operation of the corporation.

27 ~~4.5-~~ Establish, with consultation from appropriate
28 professional organizations, standards for preventive health
29 services and providers and comprehensive insurance benefits
30 appropriate to children, provided that the ~~such~~ standards for
31

1 rural areas ~~do shall~~ not limit primary care providers to
2 board-certified pediatricians.

3 ~~5.6.~~ Determine eligibility for children seeking to
4 participate in the ~~Title XXI funded components of the Florida~~
5 KidCare program consistent with the requirements specified in
6 s. 409.814, ~~as well as the non Title XXI eligible children as~~
7 ~~provided in subsection (3).~~

8 ~~6.7.~~ Establish procedures under which ~~providers of~~
9 ~~local match to,~~ applicants to and participants in the program
10 may have grievances reviewed by an impartial body and reported
11 to the board of directors of the corporation.

12 ~~7.8.~~ Establish participation criteria and, if
13 appropriate, contract with an authorized insurer, health
14 maintenance organization, or third-party administrator to
15 provide administrative services to the corporation.

16 ~~8.9.~~ Establish enrollment criteria that ~~which shall~~
17 include penalties or waiting periods of not fewer than 60 days
18 for reinstatement of coverage upon voluntary cancellation for
19 nonpayment of family premiums.

20 ~~9.10.~~ Contract with authorized insurers or any
21 provider of health care services, meeting standards
22 established by the corporation, for the provision of
23 comprehensive insurance coverage to participants. Such
24 standards shall include criteria under which the corporation
25 may contract with more than one provider of health care
26 services in program sites. Health plans shall be selected
27 through a competitive bid process. The Florida Healthy Kids
28 Corporation shall purchase goods and services in the most
29 cost-effective manner consistent with the delivery of quality
30 medical care. The maximum administrative cost for a Florida
31 Healthy Kids Corporation contract shall be 15 percent. For

1 health care contracts, the minimum medical loss ratio for a
2 Florida Healthy Kids Corporation contract shall be 85 percent.
3 For dental contracts, the remaining compensation to be paid to
4 the authorized insurer or provider under a Florida Healthy
5 Kids Corporation contract shall be no less than an amount
6 which is 85 percent of premium; to the extent any contract
7 provision does not provide for this minimum compensation, this
8 section shall prevail. The health plan selection criteria and
9 scoring system, and the scoring results, shall be available
10 upon request for inspection after the bids have been awarded.

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

13 10.12. Develop and implement a plan to publicize the
14 Florida Healthy Kids Corporation, the eligibility requirements
15 of the program, and the procedures for enrollment in the
16 program and to maintain public awareness of the corporation
17 and the program. Participating health and dental plans may
18 develop marketing and other promotional materials and
19 participate in activities, such as health fairs and public
20 events, as approved by the corporation. The health and dental
21 plans may also contact their enrollees and former enrollees to
22 encourage continued participation in the plan.

23 ~~11.13.~~ Secure staff necessary to properly administer
24 the corporation. Staff costs shall be funded from state and
25 local matching funds and such other private or public funds as
26 become available. The board of directors shall determine the
27 number of staff members necessary to administer the
28 corporation.

29 12.14. Provide a report annually to the Governor,
30 Chief Financial Officer, Commissioner of Education, Senate
31 President, Speaker of the House of Representatives, and

1 Minority Leaders of the Senate and the House of
2 Representatives.

3 ~~13.15.~~ Establish benefit packages which conform to the
4 provisions of the Florida KidCare program, as created in ss.
5 409.810-409.820.

6 (c) Coverage under the corporation's program is
7 secondary to any other available private coverage held by, or
8 applicable to, the participant child or family member.
9 Insurers under contract with the corporation are the payors of
10 last resort and must coordinate benefits with any other
11 third-party payor that may be liable for the participant's
12 medical care.

13 (d) The Florida Healthy Kids Corporation shall be a
14 private corporation not for profit, organized under ~~pursuant~~
15 ~~to~~ chapter 617, and shall have all powers necessary to carry
16 out the purposes of this act, including, but not limited to,
17 the power to receive and accept grants, loans, or advances of
18 funds from any public or private agency and to receive and
19 accept from any source contributions of money, property,
20 labor, or any other thing of value, to be held, used, and
21 applied for the purposes of this section ~~act~~.

22 Section 9. This act shall take effect July 1, 2006.
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
Senate Bill 2050

The committee substitute changes eligibility requirements in the Florida KidCare Program to allow a child who is an alien and a child who is eligible for coverage under a state health benefit plan to receive non-federal premium assistance. The bill also repeals the requirement of local match for non-federal premium assistance.

The bill directs the Agency for Health Care Administration to pursue a federal waiver to increase the financial eligibility threshold for Title XXI premium assistance to up to 300 percent of the federal poverty level. The bill defines the maximum income threshold for federal premium assistance at a minimum of 200 percent of the federal poverty level until an approved federal waiver authorizes a higher threshold.

The bill allows health and dental plans participating in the Healthy Kids Program to market the program and clarifies that Florida Healthy Kids Corporation may release certain information concerning a child's application to parents or legal guardians.