## 1-1466B-06

| 1  | A bill to be entitled  |
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| 2  | An act relating to children's health insurance;                |
| 3  | creating s. 409.8195, F.S.; directing the                      |
| 4  | Department of Health, in conjunction with the                  |
| 5  | Department of Education, the Department of                     |
| 6  | Children and Family Services, the Agency for                   |
| 7  | Health Care Administration, the Florida Healthy                |
| 8  | Kids Corporation, local governments, employers,                |
| 9  | and others to develop a program concerning                     |
| 10 | identification and referral of children to the                 |
| 11 | Florida KidCare program; amending s. 409.908,                  |
| 12 | F.S.; providing for reimbursement of certain                   |
| 13 | physician and dental services under the                        |
| 14 | Medicaid program by the Agency for Health Care                 |
| 15 | Administration; amending s. 624.91, F.S.;                      |
| 16 | authorizing the Florida Healthy Kids                           |
| 17 | Corporation to enter into contracts with local                 |
| 18 | school boards or other agencies; providing an                  |
| 19 | effective date.  |
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| 21 | Be It Enacted by the Legislature of the State of Florida:      |
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| 23 | Section 1. Section 409.8195, Florida Statutes, is              |
| 24 | created to read:   |
| 25 | 409.8195 Identification of low-income, uninsured               |
| 26 | children; determination of eliqibility for the Florida KidCare |
| 27 | program; alternative health care information The Department    |
| 28 | of Health shall develop a program, in conjunction with the     |
| 29 | Department of Education, the Department of Children and Family |
| 30 | Services, the Agency for Health Care Administration, the       |
| 31 | Florida Healthy Kids Corporation, local governments,           |

employers, and other stakeholders to identify low-income, uninsured children and, to the extent possible and subject to 2 appropriation, refer them to the Department of Children and 3 4 Family Services for the purpose of providing parents with information concerning the choices of health care benefits 5 6 which are provided under the Florida KidCare program and for 7 the purpose of determining eligibility for coverage. These 8 activities shall include, but need not be limited to, training community providers in effective methods of outreach; 9 10 conducting public information campaigns designed to publicize the Florida KidCare program, the eliqibility requirements of 11 12 the program, and the procedures for enrolling in the program; 13 and maintaining public awareness of the Florida KidCare program. Special emphasis shall be placed on identifying 14 minority children for referral to and participation in the 15 16 Florida KidCare program. 17 Section 2. Paragraph (d) is added to subsection (12) 18 of section 409.908, Florida Statutes, to read: 409.908 Reimbursement of Medicaid providers. -- Subject 19 to specific appropriations, the agency shall reimburse 20 21 Medicaid providers, in accordance with state and federal law, 22 according to methodologies set forth in the rules of the 23 agency and in policy manuals and handbooks incorporated by reference therein. These methodologies may include fee 2.4 schedules, reimbursement methods based on cost reporting, 2.5 26 negotiated fees, competitive bidding pursuant to s. 287.057, 27 and other mechanisms the agency considers efficient and 2.8 effective for purchasing services or goods on behalf of 29 recipients. If a provider is reimbursed based on cost reporting and submits a cost report late and that cost report 30 would have been used to set a lower reimbursement rate for a

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rate semester, then the provider's rate for that semester 2 shall be retroactively calculated using the new cost report, and full payment at the recalculated rate shall be effected 3 retroactively. Medicare-granted extensions for filing cost 4 reports, if applicable, shall also apply to Medicaid cost 5 6 reports. Payment for Medicaid compensable services made on 7 behalf of Medicaid eligible persons is subject to the 8 availability of moneys and any limitations or directions provided for in the General Appropriations Act or chapter 216. 9 Further, nothing in this section shall be construed to prevent 10 or limit the agency from adjusting fees, reimbursement rates, 11 12 lengths of stay, number of visits, or number of services, or 13 making any other adjustments necessary to comply with the availability of moneys and any limitations or directions 14 provided for in the General Appropriations Act, provided the 15 16 adjustment is consistent with legislative intent. 17 (12)18 (d) Notwithstanding any other provision of this subsection, the agency shall provide reimbursement for 19

(d) Notwithstanding any other provision of this subsection, the agency shall provide reimbursement for physician and dental services provided to children younger than 21 years of age which is at least at the level provided by federal law for reimbursing physicians for those services under the Medicare program.

Section 3. Paragraph (b) of subsection (5) of section 624.91, Florida Statutes, is amended, to read:

624.91 The Florida Healthy Kids Corporation Act.--

- (5) CORPORATION AUTHORIZATION, DUTIES, POWERS.--
- (b) The Florida Healthy Kids Corporation shall:
- 29 1. Arrange for the collection of any family, local 30 contributions, or employer payment or premium, in an amount to 31 be determined by the board of directors, to provide for

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payment of premiums for comprehensive insurance coverage and for the actual or estimated administrative expenses.

- 2. 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 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.

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- 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 such standards for rural areas 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.
- 9. Establish enrollment criteria 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.

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

- 11. Establish disenvollment 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.
- 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

| Т  | President, Speaker of the House of Representatives, and  |
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| 2  | Minority Leaders of the Senate and the House of  |
| 3  | Representatives.   |
| 4  | 15. Establish benefit packages which conform to the  |
| 5  | provisions of the Florida KidCare program, as created in ss.   |
| 6  | 409.810-409.820.   |
| 7  | 16. As appropriate, enter into contracts with local  |
| 8  | school boards or other agencies to provide onsite information,   |
| 9  | enrollment, and other services necessary to the operation of   |
| 10 | the corporation.   |
| 11 | Section 4. This act shall take effect July 1, 2006.  |
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| 14 | SENATE SUMMARY   |
| 15 | Directs the Department of Health, in conjunction with the<br>Department of Education, the Department of Children and |
| 16 | Family Services, the Agency for Health Care Administration, the Florida Healthy Kids Corporation,                    |
| 17 | local governments, employers, and others to develop a program to identify and refer children to the Florida          |
| 18 | KidCare program. Provides for reimbursement of certain physician and dental services under the Medicaid program.     |
| 19 | Authorizes the Florida Healthy Kids Corporation to enter into contracts with local school boards or other            |
| 20 | agencies.  |
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