

1                   A bill to be entitled  
2           An act relating to Florida Kidcare; amending ss. 408.915  
3           and 409.1451, F.S.; conforming provisions to changes made  
4           by the act; amending s. 409.811, F.S.; revising and  
5           deleting definitions; amending s. 409.812, F.S.; providing  
6           for the Florida Kidcare program to provide health benefits  
7           to certain uninsured children; amending s. 409.813, F.S.;  
8           specifying components of the program; providing that no  
9           cause of action shall arise against the Florida Healthy  
10          Kids Corporation for failure to make certain services  
11          available; repealing s. 409.8132, F.S., relating to the  
12          Medikids program component; amending s. 409.8134, F.S.;  
13          revising provisions relating to enrollment in the program;  
14          amending s. 409.814, F.S.; revising eligibility  
15          requirements for the program; creating s. 409.8141, F.S.;  
16          authorizing the program to provide premium assistance to  
17          certain children under certain circumstances; providing  
18          for verification of assistance eligibility; creating s.  
19          409.8142, F.S.; requiring the program to withhold benefits  
20          under specified circumstances; providing penalties for  
21          certain actions; creating s. 409.8149, F.S.; providing for  
22          enrollment, plan choice, and choice counseling; amending  
23          s. 409.815, F.S.; requiring health benefits coverage under  
24          the Florida Kidcare program to meet specified Medicaid  
25          standards; deleting provisions relating to benchmark and  
26          minimum benefits included in the program; amending s.  
27          409.816, F.S.; providing premium funding sources;  
28          providing rate-setting requirements; providing for

29 | seamless transition of premium assistance; revising  
30 | limitations on premiums and cost sharing; amending s.  
31 | 409.817, F.S.; revising requirements for certain health  
32 | insurance coverage to qualify for premium assistance;  
33 | amending s. 409.8177, F.S.; conforming provisions to  
34 | changes made by the act; amending s. 409.818, F.S.;  
35 | revising duties of the Department of Children and Family  
36 | Services, the Department of Health, the Agency for Health  
37 | Care Administration, the Office of Insurance Regulation,  
38 | and the Florida Healthy Kids Corporation relating to  
39 | implementation and administration of the program; amending  
40 | s. 409.821, F.S., relating to the program's public records  
41 | exemption; revising applicability of consent provisions;  
42 | requiring the enrollee or parent or guardian of the  
43 | enrollee to provide written consent for release of certain  
44 | identifying information; creating s. 409.822, F.S.;  
45 | providing legislative intent; providing for consolidation  
46 | of the Florida Kidcare program; requiring the agency to  
47 | submit a consolidation plan to the Governor and  
48 | Legislature; defining duties of the Agency for Health Care  
49 | Administration and the Department of Children and Family  
50 | Services; requiring the Agency for Health Care  
51 | Administration to seek federal Medicaid waivers and state  
52 | plan amendments; providing for an evaluation of policy  
53 | changes; authorizing the appointment of a legislative  
54 | advisory committee; amending s. 624.91, F.S.; revising  
55 | legislative intent regarding the Florida Healthy Kids  
56 | Corporation; revising provisions relating to eligibility

57 | for state-funded assistance; revising duties of the  
 58 | corporation; requiring the corporation to establish  
 59 | penalties or waiting periods for reinstatement of coverage  
 60 | under certain circumstances; specifying venue for civil  
 61 | and administrative actions against the corporation;  
 62 | providing for future repeal; providing appropriations;  
 63 | providing an effective date.

64 |

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

66 |

67 | Section 1. Subsection (4) of section 408.915, Florida  
 68 | Statutes, is amended to read:

69 | 408.915 Eligibility pilot project.--The Agency for Health  
 70 | Care Administration, in consultation with the steering committee  
 71 | established in s. 408.916, shall develop and implement a pilot  
 72 | project to integrate the determination of eligibility for health  
 73 | care services with information and referral services.

74 | (4) The pilot project shall include eligibility  
 75 | determinations for the following programs:

76 | (a) Medicaid under Title XIX of the Social Security Act.

77 | ~~(b) Medikids as created in s. 409.8132.~~

78 | (b) ~~(e)~~ Florida Healthy Kids as described in s. 624.91 and  
 79 | within eligibility guidelines provided in s. 409.814.

80 | (c) ~~(d)~~ Eligibility for Florida Kidcare services outside of  
 81 | the scope of Title XIX or Title XXI of the Social Security Act  
 82 | as provided in s. 409.814.

83        ~~(d)(e)~~ State and local publicly funded health and social  
 84 services programs as determined appropriate by the steering  
 85 committee.

86        Section 2. Paragraph (a) of subsection (9) of section  
 87 409.1451, Florida Statutes, is amended to read:

88        409.1451 Independent living transition services.--

89        (9) MEDICAL ASSISTANCE FOR YOUNG ADULTS FORMERLY IN FOSTER  
 90 CARE.--The department shall enroll in the Florida Kidcare  
 91 program, outside the open enrollment period, each young adult  
 92 who is eligible as described in paragraph (2) (b) and who has not  
 93 yet reached his or her 19th birthday.

94        (a) A young adult who was formerly in foster care at the  
 95 time of his or her 18th birthday and who is 18 years of age but  
 96 not yet 19~~7~~ shall pay the premium for the Florida Kidcare  
 97 program as required in s. 409.8141 ~~409.814~~.

98        Section 3. Section 409.811, Florida Statutes, is amended  
 99 to read:

100        409.811 Definitions relating to Florida Kidcare Act.--As  
 101 used in ss. 409.810-409.820, the term:

102        ~~(1) "Actuarially equivalent" means that:~~

103        ~~(a) The aggregate value of the benefits included in health~~  
 104 ~~benefits coverage is equal to the value of the benefits in the~~  
 105 ~~benchmark benefit plan; and~~

106        ~~(b) The benefits included in health benefits coverage are~~  
 107 ~~substantially similar to the benefits included in the benchmark~~  
 108 ~~benefit plan, except that preventive health services must be the~~  
 109 ~~same as in the benchmark benefit plan.~~

110        ~~(1)-(2)~~ "Agency" means the Agency for Health Care  
111 Administration.

112        ~~(2)-(3)~~ "Applicant" means a parent or guardian of a child  
113 or a child whose disability of nonage has been removed under  
114 chapter 743, who applies for determination of eligibility for  
115 health benefits coverage under ss. 409.810-409.820.

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

118        ~~(3)-(5)~~ "Child" means any person under 19 years of age.

119        ~~(4)-(6)~~ "Child with special health care needs" means a  
120 child who has chronic physical, developmental, behavioral, or  
121 emotional conditions and who also requires health care and  
122 related services of a type or amount beyond that which is  
123 generally required by a child ~~whose serious or chronic physical~~  
124 ~~or developmental condition requires extensive preventive and~~  
125 ~~maintenance care beyond that required by typically healthy~~  
126 ~~children. Health care utilization by such a child exceeds the~~  
127 ~~statistically expected usage of the normal child adjusted for~~  
128 ~~chronological age, and such a child often needs complex care~~  
129 ~~requiring multiple providers, rehabilitation services, and~~  
130 ~~specialized equipment in a number of different settings.~~

131        ~~(5)-(7)~~ "Children's Medical Services Network" or "network"  
132 means a statewide managed care service system as defined in s.  
133 391.021(1).

134        ~~(6)-(8)~~ "Community rate" means a method used to develop  
135 premiums for a health insurance plan that spreads financial risk  
136 across a large population and allows adjustments only for age,  
137 gender, family composition, and geographic area.

138        (7)~~(9)~~ "Department" means the Department of Health.

139        (8)~~(10)~~ "Enrollee" means a child who has been determined  
 140 eligible for and is receiving coverage under ss. 409.810-  
 141 409.820.

142        (9)~~(11)~~ "Family" means the group or the individuals whose  
 143 income is considered in determining eligibility for the Florida  
 144 Kidcare program. The family includes a child with a custodial  
 145 parent or caretaker relative who resides in the same house or  
 146 living unit or, in the case of a child whose disability of  
 147 nonage has been removed under chapter 743, the child. The family  
 148 may also include other individuals whose income and resources  
 149 are considered in whole or in part in determining eligibility of  
 150 the child.

151        (10)~~(12)~~ "Family income" means cash received at periodic  
 152 intervals from any source, such as wages, benefits,  
 153 contributions, or rental property. Income also may include any  
 154 money that would have been counted as income under the Aid to  
 155 Families with Dependent Children (AFDC) state plan in effect  
 156 prior to August 22, 1996.

157        (11)~~(13)~~ "Florida Kidcare program," "Kidcare program," or  
 158 "program" means the health benefits program administered through  
 159 ss. 409.810-409.820.

160        (12)~~(14)~~ "Guarantee issue" means that health benefits  
 161 coverage must be offered to an individual regardless of the  
 162 individual's health status, preexisting condition, or claims  
 163 history.

164        (13)~~(15)~~ "Health benefits coverage" means protection that  
 165 provides payment of benefits for covered health care services or

166 that otherwise provides, either directly or through arrangements  
 167 with other persons, covered health care services on a prepaid  
 168 per capita basis or on a prepaid aggregate fixed-sum basis.

169 (14)~~(16)~~ "Health insurance plan" means health benefits  
 170 coverage under the following:

171 (a) A health plan offered by any certified health  
 172 maintenance organization or authorized health insurer, except a  
 173 plan that is limited to the following: a limited benefit,  
 174 specified disease, or specified accident; hospital indemnity;  
 175 accident only; limited benefit convalescent care; Medicare  
 176 supplement; credit disability; dental; vision; long-term care;  
 177 disability income; coverage issued as a supplement to another  
 178 health plan; workers' compensation liability or other insurance;  
 179 or motor vehicle medical payment only; or

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

183 (15)~~(17)~~ "Medicaid" means the medical assistance program  
 184 authorized by Title XIX of the Social Security Act, and  
 185 regulations thereunder, and ss. 409.901-409.920, as administered  
 186 in this state by the agency.

187 (16)~~(18)~~ "Medically necessary" means the use of any  
 188 medical treatment, service, equipment, or supply necessary to  
 189 palliate the effects of a terminal condition, or to prevent,  
 190 diagnose, correct, cure, alleviate, or preclude deterioration of  
 191 a condition that threatens life, causes pain or suffering, or  
 192 results in illness or infirmity and which is:

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

195 (b) Provided in accordance with generally accepted  
 196 standards of medical practice;

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

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

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

204 ~~(19) "Medikids" means a component of the Florida Kidcare~~  
 205 ~~program of medical assistance authorized by Title XXI of the~~  
 206 ~~Social Security Act, and regulations thereunder, and s.~~  
 207 ~~409.8132, as administered in the state by the agency.~~

208 (17) ~~(20)~~ "Preexisting condition exclusion" means, with  
 209 respect to coverage, a limitation or exclusion of benefits  
 210 relating to a condition based on the fact that the condition was  
 211 present before the date of enrollment for such coverage, whether  
 212 or not any medical advice, diagnosis, care, or treatment was  
 213 recommended or received before such date.

214 (18) ~~(21)~~ "Premium" means the entire cost of a health  
 215 insurance plan, including the administration fee or the risk  
 216 assumption charge.

217 (19) ~~(22)~~ "Premium assistance payment" means the monthly  
 218 consideration paid by the agency per enrollee in the Florida  
 219 Kidcare program towards health insurance premiums.



220        ~~(20)-(23)~~ "Qualified alien" means an alien as defined in s.  
 221 431 of the Personal Responsibility and Work Opportunity  
 222 Reconciliation Act of 1996, as amended, Pub. L. No. 104-193.

223        ~~(21)-(24)~~ "Resident" means a United States citizen, or  
 224 qualified alien, who is domiciled in this state.

225        ~~(22)-(25)~~ "Rural county" means a county having a population  
 226 density of fewer ~~less~~ than 100 persons per square mile, or a  
 227 county defined by the most recent United States Census as rural,  
 228 ~~in which there is no prepaid health plan participating in the~~  
 229 ~~Medicaid program as of July 1, 1998.~~

230        ~~(26)~~ ~~"Substantially similar" means that, with respect to~~  
 231 ~~additional services as defined in s. 2103(c)(2) of Title XXI of~~  
 232 ~~the Social Security Act, these services must have an actuarial~~  
 233 ~~value equal to at least 75 percent of the actuarial value of the~~  
 234 ~~coverage for that service in the benchmark benefit plan and,~~  
 235 ~~with respect to the basic services as defined in s. 2103(c)(1)~~  
 236 ~~of Title XXI of the Social Security Act, these services must be~~  
 237 ~~the same as the services in the benchmark benefit plan.~~

238        Section 4. Section 409.812, Florida Statutes, is amended  
 239 to read:

240        409.812 Program created; purpose.--The Florida Kidcare  
 241 program is created to provide a defined set of health benefits  
 242 to ~~previously~~ uninsured, low-income children through the  
 243 establishment of a variety of affordable health benefits  
 244 coverage options from which families may select coverage and  
 245 through which families may contribute financially to the health  
 246 care of their children.

247 Section 5. Section 409.813, Florida Statutes, is amended  
 248 to read:

249 409.813 Program components; entitlement and  
 250 nonentitlement.--The Florida Kidcare program includes health  
 251 benefits coverage provided to children through the following  
 252 program components, which shall be marketed as the Florida  
 253 Kidcare program:

254 (1) Medicaid;

255 ~~(2) Medikids as created in s. 409.8132;~~

256 (2)(3) The Florida Healthy Kids Corporation as created in  
 257 s. 624.91; and

258 ~~(4) Employer sponsored group health insurance plans~~  
 259 ~~approved under ss. 409.810-409.820; and~~

260 (3)(5) The Children's Medical Services network established  
 261 in chapter 391.

262  
 263 Except for Title XIX-funded Florida Kidcare coverage ~~under the~~  
 264 ~~Medicaid program~~, coverage under the Florida Kidcare program is  
 265 not an entitlement. No cause of action shall arise against the  
 266 state, the department, the Department of Children and Family  
 267 Services, ~~or the agency,~~ or the Florida Healthy Kids Corporation  
 268 for failure to make health services available to any person  
 269 under ss. 409.810-409.820.

270 Section 6. Section 409.8132, Florida Statutes, is  
 271 repealed.

272 Section 7. Subsection (2) of section 409.8134, Florida  
 273 Statutes, is amended to read:

274 409.8134 Program expenditure ceiling.--

275           (2) ~~The Florida Kidcare program may conduct enrollment at~~  
276 ~~any time throughout the year for the purpose of enrolling~~  
277 ~~children eligible for all program components listed in s.~~  
278 ~~409.813 except Medicaid. The four Florida Kidcare administrators~~  
279 ~~shall work together to ensure that the year-round enrollment~~  
280 ~~period is announced statewide. Eligible children shall be~~  
281 ~~enrolled on a first come, first served basis using the date the~~  
282 ~~enrollment application is received. Enrollment shall immediately~~  
283 ~~cease when the expenditure ceiling is reached. Year-round~~  
284 ~~enrollment shall only be held if the Social Services Estimating~~  
285 ~~Conference determines that sufficient federal and state funds~~  
286 ~~will be available to finance the increased enrollment through~~  
287 ~~federal fiscal year 2007. Any individual who is not enrolled~~  
288 ~~must reapply by submitting a new application. The application~~  
289 ~~for the Florida Kidcare program shall be valid for a period of~~  
290 ~~120 days after the date it was received. At the end of the 120-~~  
291 ~~day period, if the applicant has not been enrolled in the~~  
292 ~~program, the application shall be invalid and the applicant~~  
293 ~~shall be notified of the action. The applicant may resubmit the~~  
294 ~~application after notification of the action taken by the~~  
295 ~~program.~~ Except for the Medicaid program, whenever the Social  
296 Services Estimating Conference determines that there are  
297 presently, or will be by the end of the current fiscal year,  
298 insufficient funds to finance the current or projected  
299 enrollment in the Florida Kidcare program, all ~~additional~~  
300 enrollment must cease and ~~additional enrollment~~ may not resume  
301 until sufficient funds are available to finance the ~~such~~  
302 enrollment.

303 Section 8. Section 409.814, Florida Statutes, is amended  
 304 to read:

305 (Substantial rewording of section. See s. 409.814, F.S.,  
 306 for present text.)

307 409.814 Eligibility.--

308 (1) ELIGIBILITY FOR THE FLORIDA KIDCARE PROGRAM.--

309 (a) To be eligible for the Florida Kidcare program, a  
 310 child must be:

311 1. A resident of the state.

312 2. Under 19 years of age.

313 3. Uninsured at the time of application.

314 (b) Once a child is enrolled in the Florida Kidcare  
 315 program, the child is eligible for coverage under the program  
 316 for 12 months without redetermination or reverification of  
 317 eligibility.

318 (2) ELIGIBILITY FOR CHILDREN'S MEDICAL SERVICES.--To be  
 319 eligible for the Children's Medical Services component of the  
 320 Florida Kidcare program, a child must meet the requirements of  
 321 subsection (1) and must be a child with special health care  
 322 needs as determined through clinical eligibility screening by  
 323 the Department of Health pursuant to s. 409.818(2).

324 Section 9. Section 409.8141, Florida Statutes, is created  
 325 to read:

326 409.8141 Premium assistance.--

327 (1) The Florida Kidcare program may provide premium  
 328 assistance to certain children enrolled in the program. To be  
 329 eligible for premium assistance, the child must meet the  
 330 requirements of s. 409.814 and must:

331 (a) Reside in a household where the family income is equal  
332 to or less than 200 percent of the federal poverty level; and

333 (b) Be a United States citizen or a qualified alien as  
334 defined in s. 409.811(22).

335 (2) The Florida Kidcare program may provide premium  
336 assistance for enrollees who do not reside in a household where  
337 the family income is equal to or less than 200 percent of the  
338 federal poverty level, who are noncitizens, who are not  
339 qualified aliens, or who are children of state employees. Such  
340 premium assistance may be funded by general revenue or local  
341 contributions pursuant to s. 624.91 and is subject to specific  
342 appropriation. If the program does not provide such premium  
343 assistance, enrollees not meeting the eligibility requirements  
344 of subsection (1) shall pay the full cost of the premium and are  
345 not required to document income.

346 (3) Eligibility for premium assistance shall be verified  
347 for each applicant and enrollee during the application and  
348 reverification processes based on:

349 (a) Family income verified electronically. If electronic  
350 verification of income eligibility is not available, family  
351 income shall be documented with a copy of the applicant's most  
352 recent federal income tax return. In the absence of a federal  
353 income tax return, an applicant's wages and earnings statements,  
354 W-2 forms, or other appropriate documentation obtained from  
355 other government sources, including electronic records, may be  
356 considered. An assets test is not required.

357        (b) A statement from the applicant or enrollee that the  
358 child is not currently insured by an employer-sponsored or other  
359 benefit plan.

360        (4) Once a child is found eligible for premium assistance,  
361 the child shall receive premium assistance for 12 months without  
362 reverification of eligibility if the family continues to  
363 participate in any applicable cost-sharing pursuant to s.  
364 409.816. The Florida Kidcare program shall conduct an annual  
365 eligibility reverification for each enrollee eligible for  
366 premium assistance.

367        Section 10. Section 409.8142, Florida Statutes, is created  
368 to read:

369        409.8142 Penalties.--

370        (1) Subject to s. 624.91(4), the Florida Kidcare program  
371 shall withhold benefits from an enrollee if the program obtains  
372 evidence that the enrollee is no longer eligible, submitted  
373 incorrect or fraudulent information in order to establish  
374 eligibility, or failed to provide verification of eligibility.  
375 The applicant or enrollee shall be notified that, because of  
376 such evidence, program benefits will be withheld unless the  
377 applicant or enrollee contacts a designated representative of  
378 the program by a specified date, which must be within 10 days  
379 after the date of notice, to discuss and resolve the matter. The  
380 program shall make every effort to resolve the matter within a  
381 timeframe that will not cause benefits to be withheld from an  
382 eligible enrollee.

383        (2) The following individuals may be subject to  
384 prosecution in accordance with s. 414.39:

385       (a) An applicant obtaining or attempting to obtain  
386 benefits for a potential enrollee under the Florida Kidcare  
387 program when the applicant knows or should have known the  
388 potential enrollee does not qualify for the Florida Kidcare  
389 program.

390       (b) An individual who assists an applicant in obtaining or  
391 attempting to obtain benefits for a potential enrollee under the  
392 Florida Kidcare program when the individual knows or should have  
393 known the potential enrollee does not qualify for the Florida  
394 Kidcare program.

395       Section 11. Section 409.8149, Florida Statutes, is created  
396 to read:

397       409.8149 Enrollment; plan choice; choice counseling.--

398       (1) ENROLLMENT.--The Florida Kidcare program may conduct  
399 enrollment at any time throughout the year for the purpose of  
400 enrolling children eligible for all program components listed in  
401 s. 409.813 except Medicaid. The four Florida Kidcare  
402 administrators shall work together to ensure that the year-round  
403 enrollment period is announced statewide. Eligible children  
404 shall be enrolled on a first-come, first-served basis, based  
405 upon the date the enrollment application is received. The  
406 application for the Florida Kidcare program is valid for a  
407 period of 120 days after the date the application is received.  
408 At the end of the 120-day period, if the applicant has not been  
409 enrolled in the program, the application is invalid and the  
410 applicant shall be notified of the action. The applicant may  
411 resubmit the application after notification of the action taken  
412 by the program.

413 (2) PLAN CHOICE.--

414 (a) Each enrollee shall have 30 days after the date of  
415 enrollment to voluntarily choose a benefit plan. A child with  
416 special health care needs as determined through clinical  
417 eligibility screening by the Department of Health pursuant to s.  
418 409.818(2) shall be assigned to the Children's Medical Services  
419 Network and may opt out of the Children's Medical Services  
420 Network. Enrollees may choose the Children's Medical Services  
421 Network or any managed care plan operating in the Medicaid  
422 program or any plan selected pursuant to s. 624.91 in the  
423 geographical area in which the enrollee resides. An enrollee  
424 eligible for Medicaid may also choose the Medicaid fee-for-  
425 service program.

426 (b) Enrollees who do not voluntarily choose a benefit plan  
427 shall be assigned to a managed care plan by the Florida Kidcare  
428 program. The program shall assign enrollees eligible for  
429 Medicaid to a Medicaid managed care plan or to the Medicaid fee-  
430 for-service program if a Medicaid managed care plan does not  
431 exist in the geographical area in which the enrollee resides.  
432 The program shall assign all other enrollees to plans selected  
433 pursuant to s. 624.91 in the geographical area in which each  
434 enrollee resides.

435 (c) Upon selection or assignment, an enrollee shall have  
436 90 days during which to voluntarily disenroll from a benefit  
437 plan and select another.

438 (d) Upon the anniversary of enrollment, each enrollee may  
439 voluntarily select another benefit plan. The Florida Kidcare



440 program shall notify enrollees of their annual open enrollment  
 441 options 60 days prior to the anniversary of initial enrollment.

442 (3) CHOICE COUNSELING.--The Florida Kidcare program shall  
 443 provide education on the available benefit plans pursuant to s.  
 444 409.818(4). The program shall provide choice counseling upon  
 445 initial enrollment and prior to an enrollee's annual optional  
 446 reselection. The program shall coordinate with Medicaid to  
 447 provide choice counseling regarding Medicaid fee-for-service and  
 448 managed care options.

449 Section 12. Section 409.815, Florida Statutes, is amended  
 450 to read:

451 409.815 Health benefits coverage, ~~limitations~~.--

452 (1) ~~MEDICAID BENEFITS.--For purposes of the Florida~~  
 453 ~~Kidcare program,~~ Benefits available under all Florida Kidcare  
 454 components shall meet the federal Medicaid Early and Periodic  
 455 Screening, Diagnosis, and Treatment (EPSDT) program standards  
 456 ~~and Medikids~~ include those goods and services provided under the  
 457 medical assistance program authorized by Title XIX of the Social  
 458 Security Act, and regulations thereunder, as administered in  
 459 this state by the agency. This includes those mandatory Medicaid  
 460 services authorized under s. 409.905 and optional Medicaid  
 461 services authorized under s. 409.906, rendered on behalf of  
 462 eligible individuals by qualified providers, in accordance with  
 463 federal requirements for Title XIX, subject to any limitations  
 464 or directions provided for in the General Appropriations Act or  
 465 chapter 216, and according to methodologies and limitations set  
 466 forth in agency rules and policy manuals and handbooks  
 467 incorporated by reference thereto.

468           ~~(2) BENCHMARK BENEFITS. In order for health benefits~~  
469 ~~coverage to qualify for premium assistance payments for an~~  
470 ~~eligible child under ss. 409.810-409.820, the health benefits~~  
471 ~~coverage, except for coverage under Medicaid and Medikids, must~~  
472 ~~include the following minimum benefits, as medically necessary.~~  
473           ~~(a) Preventive health services. Covered services include:~~  
474           ~~1. Well child care, including services recommended in the~~  
475 ~~Guidelines for Health Supervision of Children and Youth as~~  
476 ~~developed by the American Academy of Pediatrics;~~  
477           ~~2. Immunizations and injections;~~  
478           ~~3. Health education counseling and clinical services;~~  
479           ~~4. Vision screening; and~~  
480           ~~5. Hearing screening.~~  
481           ~~(b) Inpatient hospital services. All covered services~~  
482 ~~provided for the medical care and treatment of an enrollee who~~  
483 ~~is admitted as an inpatient to a hospital licensed under part I~~  
484 ~~of chapter 395, with the following exceptions:~~  
485           ~~1. All admissions must be authorized by the enrollee's~~  
486 ~~health benefits coverage provider.~~  
487           ~~2. The length of the patient stay shall be determined~~  
488 ~~based on the medical condition of the enrollee in relation to~~  
489 ~~the necessary and appropriate level of care.~~  
490           ~~3. Room and board may be limited to semiprivate~~  
491 ~~accommodations, unless a private room is considered medically~~  
492 ~~necessary or semiprivate accommodations are not available.~~  
493           ~~4. Admissions for rehabilitation and physical therapy are~~  
494 ~~limited to 15 days per contract year.~~

495 ~~(c) Emergency services. Covered services include visits~~  
 496 ~~to an emergency room or other licensed facility if needed~~  
 497 ~~immediately due to an injury or illness and delay means risk of~~  
 498 ~~permanent damage to the enrollee's health. Health maintenance~~  
 499 ~~organizations shall comply with the provisions of s. 641.513.~~

500 ~~(d) Maternity services. Covered services include~~  
 501 ~~maternity and newborn care, including prenatal and postnatal~~  
 502 ~~care, with the following limitations:~~

503 ~~1. Coverage may be limited to the fee for vaginal~~  
 504 ~~deliveries; and~~

505 ~~2. Initial inpatient care for newborn infants of enrolled~~  
 506 ~~adolescents shall be covered, including normal newborn care,~~  
 507 ~~nursery charges, and the initial pediatric or neonatal~~  
 508 ~~examination, and the infant may be covered for up to 3 days~~  
 509 ~~following birth.~~

510 ~~(e) Organ transplantation services. Covered services~~  
 511 ~~include pretransplant, transplant, and postdischarge services~~  
 512 ~~and treatment of complications after transplantation for~~  
 513 ~~transplants deemed necessary and appropriate within the~~  
 514 ~~guidelines set by the Organ Transplant Advisory Council under s.~~  
 515 ~~765.53 or the Bone Marrow Transplant Advisory Panel under s.~~  
 516 ~~627.4236.~~

517 ~~(f) Outpatient services. Covered services include~~  
 518 ~~preventive, diagnostic, therapeutic, palliative care, and other~~  
 519 ~~services provided to an enrollee in the outpatient portion of a~~  
 520 ~~health facility licensed under chapter 395, except for the~~  
 521 ~~following limitations:~~

522           ~~1. Services must be authorized by the enrollee's health~~  
 523 ~~benefits coverage provider; and~~

524           ~~2. Treatment for temporomandibular joint disease (TMJ) is~~  
 525 ~~specifically excluded.~~

526           ~~(g) Behavioral health services.~~

527           ~~1. Mental health benefits include:~~

528           ~~a. Inpatient services, limited to not more than 30~~  
 529 ~~inpatient days per contract year for psychiatric admissions, or~~  
 530 ~~residential services in facilities licensed under s. 394.875(8)~~  
 531 ~~or s. 395.003 in lieu of inpatient psychiatric admissions;~~  
 532 ~~however, a minimum of 10 of the 30 days shall be available only~~  
 533 ~~for inpatient psychiatric services when authorized by a~~  
 534 ~~physician; and~~

535           ~~b. Outpatient services, including outpatient visits for~~  
 536 ~~psychological or psychiatric evaluation, diagnosis, and~~  
 537 ~~treatment by a licensed mental health professional, limited to a~~  
 538 ~~maximum of 40 outpatient visits each contract year.~~

539           ~~2. Substance abuse services include:~~

540           ~~a. Inpatient services, limited to not more than 7~~  
 541 ~~inpatient days per contract year for medical detoxification only~~  
 542 ~~and 30 days of residential services; and~~

543           ~~b. Outpatient services, including evaluation, diagnosis,~~  
 544 ~~and treatment by a licensed practitioner, limited to a maximum~~  
 545 ~~of 40 outpatient visits per contract year.~~

546           ~~(h) Durable medical equipment. Covered services include~~  
 547 ~~equipment and devices that are medically indicated to assist in~~  
 548 ~~the treatment of a medical condition and specifically prescribed~~  
 549 ~~as medically necessary, with the following limitations:~~

- 550           ~~1. Low vision and telescopic aides are not included.~~
- 551           ~~2. Corrective lenses and frames may be limited to one pair~~  
552 ~~every 2 years, unless the prescription or head size of the~~  
553 ~~enrollee changes.~~
- 554           ~~3. Hearing aids shall be covered only when medically~~  
555 ~~indicated to assist in the treatment of a medical condition.~~
- 556           ~~4. Covered prosthetic devices include artificial eyes and~~  
557 ~~limbs, braces, and other artificial aids.~~
- 558           ~~(i) Health practitioner services. Covered services~~  
559 ~~include services and procedures rendered to an enrollee when~~  
560 ~~performed to diagnose and treat diseases, injuries, or other~~  
561 ~~conditions, including care rendered by health practitioners~~  
562 ~~acting within the scope of their practice, with the following~~  
563 ~~exceptions:~~
- 564           ~~1. Chiropractic services shall be provided in the same~~  
565 ~~manner as in the Florida Medicaid program.~~
- 566           ~~2. Podiatric services may be limited to one visit per day~~  
567 ~~totaling two visits per month for specific foot disorders.~~
- 568           ~~(j) Home health services. Covered services include~~  
569 ~~prescribed home visits by both registered and licensed practical~~  
570 ~~nurses to provide skilled nursing services on a part-time~~  
571 ~~intermittent basis, subject to the following limitations:~~
- 572           ~~1. Coverage may be limited to include skilled nursing~~  
573 ~~services only;~~
- 574           ~~2. Meals, housekeeping, and personal comfort items may be~~  
575 ~~excluded; and~~
- 576           ~~3. Private duty nursing is limited to circumstances where~~  
577 ~~such care is medically necessary.~~

578 ~~(k) Hospice services. Covered services include reasonable~~  
579 ~~and necessary services for palliation or management of an~~  
580 ~~enrollee's terminal illness, with the following exceptions:~~

581 ~~1. Once a family elects to receive hospice care for an~~  
582 ~~enrollee, other services that treat the terminal condition will~~  
583 ~~not be covered; and~~

584 ~~2. Services required for conditions totally unrelated to~~  
585 ~~the terminal condition are covered to the extent that the~~  
586 ~~services are included in this section.~~

587 ~~(l) Laboratory and X ray services. Covered services~~  
588 ~~include diagnostic testing, including clinical radiologic,~~  
589 ~~laboratory, and other diagnostic tests.~~

590 ~~(m) Nursing facility services. Covered services include~~  
591 ~~regular nursing services, rehabilitation services, drugs and~~  
592 ~~biologicals, medical supplies, and the use of appliances and~~  
593 ~~equipment furnished by the facility, with the following~~  
594 ~~limitations:~~

595 ~~1. All admissions must be authorized by the health~~  
596 ~~benefits coverage provider.~~

597 ~~2. The length of the patient stay shall be determined~~  
598 ~~based on the medical condition of the enrollee in relation to~~  
599 ~~the necessary and appropriate level of care, but is limited to~~  
600 ~~not more than 100 days per contract year.~~

601 ~~3. Room and board may be limited to semiprivate~~  
602 ~~accommodations, unless a private room is considered medically~~  
603 ~~necessary or semiprivate accommodations are not available.~~

604 ~~4. Specialized treatment centers and independent kidney~~  
605 ~~disease treatment centers are excluded.~~

606 ~~5. Private duty nurses, television, and custodial care are~~  
607 ~~excluded.~~

608 ~~6. Admissions for rehabilitation and physical therapy are~~  
609 ~~limited to 15 days per contract year.~~

610 ~~(n) Prescribed drugs.~~

611 ~~1. Coverage shall include drugs prescribed for the~~  
612 ~~treatment of illness or injury when prescribed by a licensed~~  
613 ~~health practitioner acting within the scope of his or her~~  
614 ~~practice.~~

615 ~~2. Prescribed drugs may be limited to generics if~~  
616 ~~available and brand name products if a generic substitution is~~  
617 ~~not available, unless the prescribing licensed health~~  
618 ~~practitioner indicates that a brand name is medically necessary.~~

619 ~~3. Prescribed drugs covered under this section shall~~  
620 ~~include all prescribed drugs covered under the Florida Medicaid~~  
621 ~~program.~~

622 ~~(o) Therapy services. Covered services include~~  
623 ~~rehabilitative services, including occupational, physical,~~  
624 ~~respiratory, and speech therapies, with the following~~  
625 ~~limitations:~~

626 ~~1. Services must be for short-term rehabilitation where~~  
627 ~~significant improvement in the enrollee's condition will result,~~  
628 ~~and~~

629 ~~2. Services shall be limited to not more than 24 treatment~~  
630 ~~sessions within a 60-day period per episode or injury, with the~~  
631 ~~60-day period beginning with the first treatment.~~

632 ~~(p) Transportation services. Covered services include~~  
 633 ~~emergency transportation required in response to an emergency~~  
 634 ~~situation.~~

635 ~~(q) Dental services. Dental services shall be covered and~~  
 636 ~~may include those dental benefits provided to children by the~~  
 637 ~~Florida Medicaid program under s. 409.906(6).~~

638 ~~(r) Lifetime maximum. Health benefits coverage obtained~~  
 639 ~~under ss. 409.810-409.820 shall pay an enrollee's covered~~  
 640 ~~expenses at a lifetime maximum of \$1 million per covered child.~~

641 ~~(s) Cost sharing. Cost sharing provisions must comply~~  
 642 ~~with s. 409.816.~~

643 ~~(t) Exclusions.~~

644 ~~1. Experimental or investigational procedures that have~~  
 645 ~~not been clinically proven by reliable evidence are excluded;~~

646 ~~2. Services performed for cosmetic purposes only or for~~  
 647 ~~the convenience of the enrollee are excluded; and~~

648 ~~3. Abortion may be covered only if necessary to save the~~  
 649 ~~life of the mother or if the pregnancy is the result of an act~~  
 650 ~~of rape or incest.~~

651 ~~(2)(u) ENHANCEMENTS TO BENEFITS minimum requirements.--~~

652 ~~(a)1. This section sets the minimum benefits that must be~~  
 653 ~~included in any health benefits coverage, other than Medicaid or~~  
 654 ~~Medikids coverage, offered under ss. 409.810-409.820. Health~~  
 655 ~~benefits coverage may include additional benefits not included~~  
 656 ~~under this subsection (1), but may not include benefits excluded~~  
 657 ~~under paragraph (s).~~

658 ~~(b)2. Health benefits coverage may extend any limitations~~  
 659 ~~beyond the minimum benefits described in this section.~~



660  
661 Except for the Children's Medical Services Network, the agency  
662 may not increase the premium assistance payment for either  
663 additional benefits provided beyond the minimum benefits  
664 described in this section or the imposition of less restrictive  
665 service limitations.

666 (3)~~(v)~~ APPLICABILITY OF OTHER STATE LAWS.--Health  
667 insurers, health maintenance organizations, and their agents are  
668 subject to the provisions of the Florida Insurance Code, except  
669 for any such provisions waived in this section.

670 (a)~~1.~~ Except as expressly provided in this section, a law  
671 requiring coverage for a specific health care service or  
672 benefit, or a law requiring reimbursement, utilization, or  
673 consideration of a specific category of licensed health care  
674 practitioner, does not apply to a health insurance plan policy  
675 or contract offered or delivered under ss. 409.810-409.820  
676 unless that law is made expressly applicable to such policies or  
677 contracts.

678 (b)~~2.~~ Notwithstanding chapter 641, a health maintenance  
679 organization may issue contracts providing benefits equal to,  
680 exceeding, or actuarially equivalent to the ~~benchmark~~ benefit  
681 plan required ~~authorized~~ by this section and may pay providers  
682 located in a rural county negotiated fees or Medicaid  
683 reimbursement rates for services provided to enrollees who are  
684 residents of the rural county.

685 Section 13. Section 409.816, Florida Statutes, is amended  
686 to read:

687 (Substantial rewording of section. See s. 409.816, F.S.,  
 688 for present text.)

689 409.816 Premiums.--

690 (1) SOURCES OF FUNDING.--

691 (a) Premiums for children eligible for Medicaid shall be  
 692 funded by Medicaid.

693 (b) Premiums for children eligible for medical assistance  
 694 under Title XXI of the Social Security Act shall be funded by  
 695 Title XXI federal funds.

696 (c) Premiums for children not eligible for Medicaid or  
 697 medical assistance under Title XXI of the Social Security Act  
 698 shall be fully paid by the children's families. However, such  
 699 premiums may be funded by general revenue or local contributions  
 700 pursuant to s. 624.91 and subject to specific appropriation.

701 (2) RATES.--The Florida Kidcare program shall set premium  
 702 rates based on the age, gender, and geographic location of the  
 703 child and the child's eligibility for enrollment in the  
 704 Children's Medical Services Network.

705 (3) SEAMLESS TRANSITION.--Enrollees may participate in any  
 706 managed care plan operating under the Florida Kidcare program or  
 707 Medicaid regardless of any change in eligibility for premium  
 708 assistance. If an enrollee's eligibility for premium assistance  
 709 changes, the program shall change the premium funding source in  
 710 accordance with the enrollee's new eligibility status and  
 711 continue to apply the enrollee's premium to the chosen plan. If  
 712 an enrollee chooses a different plan during the annual plan  
 713 selection period provided under s. 409.8149, the program shall

714 ensure that the premium funding follows the enrollee to the new  
 715 plan.

716 (4) COST SHARING.--

717 (a) Enrollees who are eligible for Medicaid shall not pay  
 718 enrollment fees, premiums, copayments, deductibles, coinsurance,  
 719 or similar charges.

720 (b) Enrollees who are not eligible for Medicaid and have a  
 721 family income below 150 percent of the federal poverty level  
 722 shall pay a share of the premium cost and shall pay \$15 per  
 723 family per month. Cost sharing may be waived by the Florida  
 724 Kidcare program when required by Title XXI of the Social  
 725 Security Act.

726 (c) Enrollees who are not eligible for Medicaid and have a  
 727 family income below 200 percent of the federal poverty level  
 728 shall pay a share of the premium cost and shall pay \$20 per  
 729 family per month. Cost sharing may be waived by the Florida  
 730 Kidcare program when required by Title XXI of the Social  
 731 Security Act.

732 (d) Enrollees who are not receiving premium assistance  
 733 shall pay the full cost of the premium.

734 Section 14. Section 409.817, Florida Statutes, is amended  
 735 to read:

736 409.817 Approval of health benefits coverage; financial  
 737 assistance.--In order for health insurance coverage other than  
 738 Medicaid managed care plans to qualify for premium assistance  
 739 payments for an eligible child under ss. 409.810-409.820, the  
 740 health benefits coverage must:

741 ~~(1) Be certified by the Office of Insurance Regulation of~~  
742 ~~the Financial Services Commission under s. 409.818 as meeting,~~  
743 ~~exceeding, or being actuarially equivalent to the benchmark~~  
744 ~~benefit plan;~~

745 (1)~~(2)~~ Be guarantee issued;

746 (2)~~(3)~~ Be community rated;

747 (3)~~(4)~~ Not impose any preexisting condition exclusion for  
748 covered benefits; however, group health insurance plans may  
749 permit the imposition of a preexisting condition exclusion, but  
750 only insofar as it is permitted under s. 627.6561;

751 (4)~~(5)~~ Comply with the applicable limitations on premiums  
752 and cost-sharing in s. 409.816;

753 (5)~~(6)~~ Comply with the quality assurance and access  
754 standards developed under s. 409.820; and

755 (6)~~(7)~~ Establish periodic open enrollment periods, which  
756 may not occur more frequently than quarterly.

757 Section 15. Paragraph (i) of subsection (1) of section  
758 409.8177, Florida Statutes, is amended to read:

759 409.8177 Program evaluation.--

760 (1) The agency, in consultation with the Department of  
761 Health, the Department of Children and Family Services, and the  
762 Florida Healthy Kids Corporation, shall contract for an  
763 evaluation of the Florida Kidcare program and shall by January 1  
764 of each year submit to the Governor, the President of the  
765 Senate, and the Speaker of the House of Representatives a report  
766 of the program. In addition to the items specified under s. 2108  
767 of Title XXI of the Social Security Act, the report shall

768 include an assessment of crowd-out and access to health care, as  
 769 well as the following:

770 (i) An assessment of the effectiveness of ~~the Medikids,~~  
 771 Children's Medical Services network, and other public and  
 772 private programs in the state in increasing the availability of  
 773 affordable quality health insurance and health care for  
 774 children.

775 Section 16. Section 409.818, Florida Statutes, is amended  
 776 to read:

777 409.818 Administration.--In order to implement ss.  
 778 409.810-409.820, the following agencies shall have the following  
 779 duties:

780 (1) The Department of Children and Family Services shall:

781 (a) Develop a comprehensive, statewide outreach program  
 782 through the Community Access Network developed by the department  
 783 that increases enrollment in the Florida Kidcare program by  
 784 providing multiple access points throughout the state,  
 785 maximizing shared resources, and partnering with a broad variety  
 786 of providers, schools, community-based organizations, and local  
 787 and state agencies.

788 (b) Develop a standardized intake process for all  
 789 Community Access Network partners that informs applicants about  
 790 coverage and services available through the Florida Kidcare  
 791 program and collects all information necessary to assess  
 792 eligibility for any premium assistance.

793 (c) ~~(a)~~ Develop a simplified ~~eligibility~~ application  
 794 process ~~mail-in form to be used~~ for determining the eligibility  
 795 of children for coverage ~~through~~ ~~under~~ the Florida Kidcare

796 program, in consultation with the agency, the Department of  
797 Health, and the Florida Healthy Kids Corporation. The department  
798 shall collect all information necessary to determine eligibility  
799 for premium assistance and provide ~~simplified eligibility~~  
800 ~~application form must include an item that provides an~~  
801 opportunity for the applicant to indicate whether coverage is  
802 being sought for a child with special health care needs.  
803 ~~Families applying for children's Medicaid coverage must also be~~  
804 ~~able to use the simplified application form without having to~~  
805 ~~pay a premium.~~

806 (d) Determine eligibility for Medicaid. The department may  
807 perform this function either directly or through the services of  
808 a contracted third-party administrator. The eligibility  
809 determination process must include redetermination or  
810 reverification of eligibility every 12 months.

811 (e) Coordinate with the Florida Healthy Kids Corporation  
812 to establish a seamless eligibility process for children  
813 regardless of funding source.

814 ~~(b) Establish and maintain the eligibility determination~~  
815 ~~process under the program except as specified in subsection (5).~~  
816 ~~The department shall directly, or through the services of a~~  
817 ~~contracted third party administrator, establish and maintain a~~  
818 ~~process for determining eligibility of children for coverage~~  
819 ~~under the program. The eligibility determination process must be~~  
820 ~~used solely for determining eligibility of applicants for health~~  
821 ~~benefits coverage under the program. The eligibility~~  
822 ~~determination process must include an initial determination of~~  
823 ~~eligibility for any coverage offered under the program, as well~~

824 ~~as a redetermination or reverification of eligibility each~~  
825 ~~subsequent 6 months. Effective January 1, 1999, a child who has~~  
826 ~~not attained the age of 5 and who has been determined eligible~~  
827 ~~for the Medicaid program is eligible for coverage for 12 months~~  
828 ~~without a redetermination or reverification of eligibility. In~~  
829 ~~conducting an eligibility determination, the department shall~~  
830 ~~determine if the child has special health care needs. The~~  
831 ~~department, in consultation with the Agency for Health Care~~  
832 ~~Administration and the Florida Healthy Kids Corporation, shall~~  
833 ~~develop procedures for redetermining eligibility which enable a~~  
834 ~~family to easily update any change in circumstances which could~~  
835 ~~affect eligibility. The department may accept changes in a~~  
836 ~~family's status as reported to the department by the Florida~~  
837 ~~Healthy Kids Corporation without requiring a new application~~  
838 ~~from the family. Redetermination of a child's eligibility for~~  
839 ~~Medicaid may not be linked to a child's eligibility~~  
840 ~~determination for other programs.~~

841 (f)(e) Inform program applicants about eligibility  
842 determinations and ensure appropriate followup procedures for  
843 choice counseling and plan enrollment ~~provide information about~~  
844 ~~eligibility of applicants to Medicaid, Medikids, the Children's~~  
845 ~~Medical Services Network, and the Florida Healthy Kids~~  
846 ~~Corporation, and to insurers and their agents, through a~~  
847 ~~centralized coordinating office.~~

848 (g)(d) Adopt such rules as may be necessary for conducting  
849 program eligibility and outreach functions.

850           (2) The Department of Health shall determine eligibility  
851 for the Children's Medical Services component of the Florida  
852 Kidcare program based on a clinical eligibility screening.+

853           ~~(a) Design an eligibility intake process for the program,~~  
854 ~~in coordination with the Department of Children and Family~~  
855 ~~Services, the agency, and the Florida Healthy Kids Corporation.~~  
856 ~~The eligibility intake process may include local intake points~~  
857 ~~that are determined by the Department of Health in coordination~~  
858 ~~with the Department of Children and Family Services.~~

859           ~~(b) Chair a state-level coordinating council to review and~~  
860 ~~make recommendations concerning the implementation and operation~~  
861 ~~of the program. The coordinating council shall include~~  
862 ~~representatives from the department, the Department of Children~~  
863 ~~and Family Services, the agency, the Florida Healthy Kids~~  
864 ~~Corporation, the Office of Insurance Regulation of the Financial~~  
865 ~~Services Commission, local government, health insurers, health~~  
866 ~~maintenance organizations, health care providers, families~~  
867 ~~participating in the program, and organizations representing~~  
868 ~~low-income families.~~

869           ~~(c) In consultation with the Florida Healthy Kids~~  
870 ~~Corporation and the Department of Children and Family Services,~~  
871 ~~establish a toll free telephone line to assist families with~~  
872 ~~questions about the program.~~

873           ~~(d) Adopt rules necessary to implement outreach~~  
874 ~~activities.~~

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



877 (a) Calculate the premium assistance payment necessary to  
878 comply with the premium and cost-sharing limitations specified  
879 in s. 409.816. The premium assistance payment for each enrollee  
880 in a health insurance plan participating in the Florida Healthy  
881 Kids Corporation shall equal the premium approved by the Florida  
882 Healthy Kids Corporation and the Office of Insurance Regulation  
883 of the Financial Services Commission pursuant to ss. 627.410 and  
884 641.31, less any enrollee's share of the premium established  
885 within the limitations specified in s. 409.816. ~~The premium~~  
886 ~~assistance payment for each enrollee in an employer-sponsored~~  
887 ~~health insurance plan approved under ss. 409.810-409.820 shall~~  
888 ~~equal the premium for the plan adjusted for any benchmark~~  
889 ~~benefit plan actuarial equivalent benefit rider approved by the~~  
890 ~~Office of Insurance Regulation pursuant to ss. 627.410 and~~  
891 ~~641.31, less any enrollee's share of the premium established~~  
892 ~~within the limitations specified in s. 409.816. In calculating~~  
893 ~~the premium assistance payment levels for children with family~~  
894 ~~coverage, the agency shall set the premium assistance payment~~  
895 ~~levels for each child proportionately to the total cost of~~  
896 ~~family coverage.~~

897 (b) Provide fiscal management for Title XIX and Title XXI  
898 funding for the Florida Kidcare program, distributing funds  
899 among Florida Healthy Kids, the Department of Children and  
900 Family Services, and the Department of Health based on costs and  
901 the participation of children in the plans and programs  
902 available to Florida Kidcare program participants.

903 (c) ~~(b)~~ Make premium assistance payments to health  
904 insurance plans on a periodic basis. The agency may use its

905 Medicaid fiscal agent or a contracted third-party administrator  
 906 in making these payments. ~~The agency may require health~~  
 907 ~~insurance plans that participate in the Medikids program or~~  
 908 ~~employer sponsored group health insurance to collect premium~~  
 909 ~~payments from an enrollee's family. Participating health~~  
 910 ~~insurance plans shall report premium payments collected on~~  
 911 ~~behalf of enrollees in the program to the agency in accordance~~  
 912 ~~with a schedule established by the agency.~~

913 (d) ~~(e)~~ Monitor compliance with quality assurance and  
 914 access standards developed under s. 409.820.

915 (e) ~~(d)~~ Establish a mechanism for investigating and  
 916 resolving complaints and grievances from program applicants,  
 917 enrollees, and health benefits coverage providers, and maintain  
 918 a record of complaints and confirmed problems. In the case of a  
 919 child who is enrolled in a health maintenance organization, the  
 920 agency must use the provisions of s. 641.511 to address  
 921 grievance reporting and resolution requirements.

922 ~~(e) Approve health benefits coverage for participation in~~  
 923 ~~the program, following certification by the Office of Insurance~~  
 924 ~~Regulation under subsection (4).~~

925 (f) Adopt rules, as necessary, for calculating premium  
 926 assistance payment levels, making premium assistance payments,  
 927 monitoring access and quality assurance standards, investigating  
 928 and resolving complaints and grievances, ~~administering the~~  
 929 ~~Medikids program,~~ and approving health benefits coverage.

930 (g) Seek and implement federal waivers necessary to  
 931 implement this section and ss. 409.810-409.820.

932

933 The agency is designated the lead state agency for Title XXI of  
 934 the Social Security Act for purposes of receipt of federal  
 935 funds, for reporting purposes, and for ensuring compliance with  
 936 federal and state regulations and rules.

937 ~~(4) The Office of Insurance Regulation shall certify that~~  
 938 ~~health benefits coverage plans that seek to provide services~~  
 939 ~~under the Florida Kidcare program, except those offered through~~  
 940 ~~the Florida Healthy Kids Corporation or the Children's Medical~~  
 941 ~~Services Network, meet, exceed, or are actuarially equivalent to~~  
 942 ~~the benchmark benefit plan and that health insurance plans will~~  
 943 ~~be offered at an approved rate. In determining actuarial~~  
 944 ~~equivalence of benefits coverage, the Office of Insurance~~  
 945 ~~Regulation and health insurance plans must comply with the~~  
 946 ~~requirements of s. 2103 of Title XXI of the Social Security Act.~~  
 947 ~~The department shall adopt rules necessary for certifying health~~  
 948 ~~benefits coverage plans.~~

949 (4)(5) The Florida Healthy Kids Corporation shall retain  
 950 its functions as authorized in s. 624.91, including eligibility  
 951 determination for participation in the Florida Kidcare Healthy  
 952 Kids program. Additionally, the Florida Healthy Kids Corporation  
 953 shall:

954 (a) Develop and implement a statewide marketing program to  
 955 promote the Florida Kidcare program. The corporation may  
 956 contract for marketing services to the extent funds are made  
 957 available for that specific purpose.

958 (b) Provide comprehensive choice counseling to assist  
 959 families with eligible children to select and enroll in  
 960 available plans.

961           (5)~~(6)~~ The agency, the Department of Health, the  
 962 Department of Children and Family Services, the Florida Healthy  
 963 Kids Corporation, and the Office of Insurance Regulation, after  
 964 consultation with and approval of the Speaker of the House of  
 965 Representatives and the President of the Senate, are authorized  
 966 to make program modifications that are necessary to overcome any  
 967 objections of the United States Department of Health and Human  
 968 Services to obtain approval of the state's child health  
 969 insurance plan under Title XXI of the Social Security Act.

970           Section 17. Section 409.821, Florida Statutes, is amended  
 971 to read:

972           409.821 Florida Kidcare program public records  
 973 exemption.--~~Notwithstanding any other law to the contrary,~~ Any  
 974 information identifying a Florida Kidcare program applicant or  
 975 enrollee, as defined in s. 409.811, held by the Agency for  
 976 Health Care Administration, the Department of Children and  
 977 Family Services, the Department of Health, or the Florida  
 978 Healthy Kids Corporation is confidential and exempt from s.  
 979 119.07(1) and s. 24(a), Art. I of the State Constitution. Such  
 980 information may be disclosed to another governmental entity only  
 981 if disclosure is necessary for the entity to perform its duties  
 982 and responsibilities under the Florida Kidcare program and shall  
 983 be disclosed to the Department of Revenue for purposes of  
 984 administering the state Title IV-D program. The receiving  
 985 governmental entity must maintain the confidential and exempt  
 986 status of such information. Furthermore, such information may  
 987 not be released to any person without the written consent of the  
 988 program enrollee or the parent or guardian of the enrollee

989 ~~applicant~~. This exemption applies to any information identifying  
 990 a Florida Kidcare program applicant or enrollee held by the  
 991 Agency for Health Care Administration, the Department of  
 992 Children and Family Services, the Department of Health, or the  
 993 Florida Healthy Kids Corporation before, on, or after the  
 994 effective date of this exemption. A violation of this section is  
 995 a misdemeanor of the second degree, punishable as provided in s.  
 996 775.082 or s. 775.083.

997 Section 18. Section 409.822, Florida Statutes, is created  
 998 to read:

999 409.822 Florida Kidcare program consolidation.--

1000 (1) It is the intent of the Legislature to consolidate the  
 1001 administration of the Florida Kidcare program to provide a  
 1002 seamless delivery system of health benefits to uninsured, low-  
 1003 income children. It is the further intent of the Legislature  
 1004 that administration of the program be consolidated under the  
 1005 fewest entities necessary for the purpose of conducting  
 1006 marketing and outreach, eligibility determination, premium  
 1007 collection, contract management of health plans and fiscal  
 1008 agents, quality assurance and grievance resolution, and fiscal  
 1009 management of all the components of the Florida Kidcare program.

1010 (2) The agency shall manage the consolidation of all  
 1011 components of the Florida Kidcare program. The agency shall  
 1012 develop a comprehensive plan for consolidation and shall submit  
 1013 the plan to the Governor, the President of the Senate, and the  
 1014 Speaker of the House of Representatives by November 1, 2009.

1015 (3) Effective July 1, 2010, the agency shall make payments  
 1016 for medical assistance and related services; manage health plan,

1017 provider, and fiscal agent contracts; collect premiums; develop  
 1018 and implement quality assurance and grievance resolution  
 1019 processes; and conduct other fiscal-management activities  
 1020 relating to all components of the Florida Kidcare program. The  
 1021 agency shall perform all other functions necessary to administer  
 1022 the program, except that:

1023 (a) The department shall conduct eligibility determination  
 1024 for all components of the Florida Kidcare program. All  
 1025 correspondence regarding eligibility shall be identified solely  
 1026 with the Florida Kidcare program.

1027 (b) The department shall develop and distribute marketing  
 1028 and outreach materials to educate families about the Florida  
 1029 Kidcare program. Marketing and outreach materials shall present  
 1030 the Florida Kidcare program as a single program and explain that  
 1031 the family's information is collected in order to determine  
 1032 whether the family is eligible for a premium discount or for  
 1033 full premium assistance.

1034 (c) The department shall provide a single toll-free  
 1035 telephone line for a customer service call center to access  
 1036 account information and provide general Florida Kidcare program  
 1037 information.

1038 (4) The agency shall seek federal waiver approval or  
 1039 amendments to the Medicaid state plan and Title XXI state plan  
 1040 that are necessary to implement the initiative as specified in  
 1041 this section.

1042 (5) The agency shall contract with an independent third  
 1043 party to evaluate the effects of the policy changes provided by  
 1044 this section. The evaluation shall specifically include an

1045 assessment of enrollment expansion, enrollment process  
 1046 simplification, component transition simplification, increased  
 1047 choice, and administrative simplification. The evaluation shall  
 1048 analyze the organizational structure of the Florida Kidcare  
 1049 program and make recommendations regarding specific changes that  
 1050 should be made, including statutory changes. The evaluation  
 1051 shall assess whether an independent entity should exist to  
 1052 monitor and review administration of the Kidcare program and, if  
 1053 so, make recommendations as to the makeup and functions of such  
 1054 an entity. The agency shall submit the evaluation to the  
 1055 Governor, the President of the Senate, and the Speaker of the  
 1056 House of Representatives by November 1, 2009.

1057 (6) The Senate and the House of Representatives may,  
 1058 pursuant to the rules of each house, appoint a select  
 1059 legislative advisory committee to advise the Legislature  
 1060 regarding the expiration of the Florida Healthy Kids Corporation  
 1061 Act.

1062 Section 19. Section 624.91, Florida Statutes, is amended  
 1063 to read:

1064 624.91 The Florida Healthy Kids Corporation Act.--

1065 (1) SHORT TITLE.--This section may be cited as the  
 1066 "William G. 'Doc' Myers Healthy Kids Corporation Act."

1067 (2) LEGISLATIVE INTENT.--

1068 (a) The Legislature finds that increased access to health  
 1069 care services could improve children's health and reduce the  
 1070 incidence and costs of childhood illness and disabilities among  
 1071 children in this state. Many children do not have comprehensive,  
 1072 affordable health care services available. It is the intent of

1073 the Legislature that the Florida Healthy Kids Corporation  
 1074 provide quality comprehensive health insurance coverage to such  
 1075 children. The corporation is encouraged to cooperate with any  
 1076 existing health service programs funded by the public or the  
 1077 private sector.

1078 (b) It is the intent of the Legislature that the Florida  
 1079 Healthy Kids Corporation serve as one of several providers of  
 1080 services to children eligible for medical assistance under Title  
 1081 XXI of the Social Security Act. ~~Although the corporation may~~  
 1082 ~~serve other children, the Legislature intends the primary~~  
 1083 ~~recipients of services provided through the corporation be~~  
 1084 ~~school age children with a family income below 200 percent of~~  
 1085 ~~the federal poverty level, who do not qualify for Medicaid.~~ It  
 1086 is also the intent of the Legislature that state and local  
 1087 government Florida Healthy Kids funds be used to continue  
 1088 coverage, subject to specific appropriations in the General  
 1089 Appropriations Act, to children not eligible for federal  
 1090 matching funds under Title XIX and Title XXI.

1091 (3) ELIGIBILITY FOR STATE-FUNDED ASSISTANCE.--~~Only the~~  
 1092 ~~following~~ Individuals are eligible for premium state-funded  
 1093 assistance with in paying Florida Kidcare program Healthy Kids  
 1094 premiums;

1095 ~~(a) Residents of this state who are eligible for the~~  
 1096 ~~Florida Kidcare program pursuant to s. 409.814.~~

1097 ~~(b) Notwithstanding s. 409.814, legal aliens who are~~  
 1098 ~~enrolled in the Florida Healthy Kids program as of January 31,~~  
 1099 ~~2004, who do not qualify for Title XXI federal funds because~~  
 1100 ~~they are not qualified aliens as defined in s. 409.811.~~



1101 (4) NONENTITLEMENT.--Nothing in this section shall be  
 1102 construed as providing an individual with an entitlement to  
 1103 health care services. No cause of action shall arise against the  
 1104 state, the Florida Healthy Kids Corporation, or a unit of local  
 1105 government for failure to make health services available under  
 1106 this section.

1107 (5) CORPORATION AUTHORIZATION, DUTIES, POWERS.--

1108 (a) There is created the Florida Healthy Kids Corporation,  
 1109 a not-for-profit corporation.

1110 (b) The Florida Healthy Kids Corporation shall:

1111 1. Arrange for the collection of any family, local  
 1112 contributions, or employer payment or premium, in an amount to  
 1113 be determined by the board of directors, to provide for payment  
 1114 of premiums for comprehensive insurance coverage and for the  
 1115 actual or estimated administrative expenses.

1116 2. Arrange for the collection of any voluntary  
 1117 contributions to provide for payment of premiums for children  
 1118 who are ~~not~~ eligible for premium medical assistance in  
 1119 accordance with ss. 409.8141 and 409.816 ~~under Title XXI of the~~  
 1120 ~~Social Security Act.~~

1121 3. Subject to the provisions of s. 409.8134, accept  
 1122 voluntary supplemental local match contributions that comply  
 1123 with the requirements of Title XXI of the Social Security Act  
 1124 for the purpose of providing additional coverage in contributing  
 1125 counties under Title XXI.

1126 4. Establish the administrative and accounting procedures  
 1127 for the operation of the corporation.

1128           5. Establish, with consultation from appropriate  
 1129 professional organizations, standards for preventive health  
 1130 services and providers and comprehensive insurance benefits  
 1131 appropriate to children, provided that such standards for rural  
 1132 areas shall not limit primary care providers to board-certified  
 1133 pediatricians.

1134           6. Determine eligibility for premium assistance financed  
 1135 by any source other than Title XIX of the Social Security Act  
 1136 ~~children seeking to participate in the Title XXI funded~~  
 1137 ~~components of the Florida Kidcare program consistent with the~~  
 1138 ~~requirements specified in s. 409.814, as well as the non-Title-~~  
 1139 ~~XXI eligible children as provided in subsection (3).~~

1140           7. Establish procedures under which providers of local  
 1141 match to, applicants to and participants in the program may have  
 1142 grievances reviewed by an impartial body and reported to the  
 1143 board of directors of the corporation.

1144           8. Establish participation criteria and, if appropriate,  
 1145 contract with an authorized insurer, health maintenance  
 1146 organization, or third-party administrator to provide  
 1147 administrative services to the corporation.

1148           9. Establish enrollment criteria which shall include  
 1149 penalties or waiting periods of not fewer than 30 ~~60~~ days for  
 1150 reinstatement of coverage upon voluntary cancellation for  
 1151 nonpayment of family premiums.

1152           10. Contract with authorized insurers or any provider of  
 1153 health care services, meeting standards established by the  
 1154 corporation, for the provision of comprehensive insurance  
 1155 coverage to participants. Such standards shall include criteria

1156 | under which the corporation may contract with more than one  
 1157 | provider of health care services in program sites. Health plans  
 1158 | shall be selected through a competitive bid process. The Florida  
 1159 | Healthy Kids Corporation shall purchase goods and services in  
 1160 | the most cost-effective manner consistent with the delivery of  
 1161 | quality medical care. The maximum administrative cost for a  
 1162 | Florida Healthy Kids Corporation contract shall be 15 percent.  
 1163 | For health care contracts, the minimum medical loss ratio for a  
 1164 | Florida Healthy Kids Corporation contract shall be 85 percent.  
 1165 | For dental contracts, the remaining compensation to be paid to  
 1166 | the authorized insurer or provider under a Florida Healthy Kids  
 1167 | Corporation contract shall be no less than an amount which is 85  
 1168 | percent of premium; to the extent any contract provision does  
 1169 | not provide for this minimum compensation, this section shall  
 1170 | prevail. The health plan selection criteria and scoring system,  
 1171 | and the scoring results, shall be available upon request for  
 1172 | inspection after the bids have been awarded.

1173 |         11. Establish disenrollment criteria in the event local  
 1174 | matching funds are insufficient to cover enrollments.

1175 |         12. Develop and implement a plan to publicize the Florida  
 1176 | Kidcare program ~~Healthy Kids Corporation~~, the eligibility  
 1177 | requirements of the program, and the procedures for enrollment  
 1178 | in the program and to maintain public awareness of the  
 1179 | corporation and the program.

1180 |         13. Secure staff necessary to properly administer the  
 1181 | corporation. Staff costs shall be funded from state and local  
 1182 | matching funds and such other private or public funds as become

1183 available. The board of directors shall determine the number of  
1184 staff members necessary to administer the corporation.

1185 14. Provide a report annually to the Governor, Chief  
1186 Financial Officer, Commissioner of Education, Senate President,  
1187 Speaker of the House of Representatives, and Minority Leaders of  
1188 the Senate and the House of Representatives.

1189 15. Establish benefit packages which conform to the  
1190 provisions of the Florida Kidcare program, as created in ss.  
1191 409.810-409.820.

1192 (c) Coverage under the corporation's program is secondary  
1193 to any other available private coverage held by, or applicable  
1194 to, the participant child or family member. Insurers under  
1195 contract with the corporation are the payors of last resort and  
1196 must coordinate benefits with any other third-party payor that  
1197 may be liable for the participant's medical care.

1198 (d) The Florida Healthy Kids Corporation shall be a  
1199 private corporation not for profit, organized pursuant to  
1200 chapter 617, and shall have all powers necessary to carry out  
1201 the purposes of this act, including, but not limited to, the  
1202 power to receive and accept grants, loans, or advances of funds  
1203 from any public or private agency and to receive and accept from  
1204 any source contributions of money, property, labor, or any other  
1205 thing of value, to be held, used, and applied for the purposes  
1206 of this act.

1207 (6) BOARD OF DIRECTORS.--

1208 (a) The Florida Healthy Kids Corporation shall operate  
1209 subject to the supervision and approval of a board of directors  
1210 chaired by the Chief Financial Officer or her or his designee,

1211 and composed of 10 other members selected for 3-year terms of  
 1212 office as follows:

1213 1. The Secretary of Health Care Administration, or his or  
 1214 her designee;

1215 2. One member appointed by the Commissioner of Education  
 1216 from the Office of School Health Programs of the Florida  
 1217 Department of Education;

1218 3. One member appointed by the Chief Financial Officer  
 1219 from among three members nominated by the Florida Pediatric  
 1220 Society;

1221 4. One member, appointed by the Governor, who represents  
 1222 the Children's Medical Services Program;

1223 5. One member appointed by the Chief Financial Officer  
 1224 from among three members nominated by the Florida Hospital  
 1225 Association;

1226 6. One member, appointed by the Governor, who is an expert  
 1227 on child health policy;

1228 7. One member, appointed by the Chief Financial Officer,  
 1229 from among three members nominated by the Florida Academy of  
 1230 Family Physicians;

1231 8. One member, appointed by the Governor, who represents  
 1232 the state Medicaid program;

1233 9. One member, appointed by the Chief Financial Officer,  
 1234 from among three members nominated by the Florida Association of  
 1235 Counties; and

1236 10. The State Health Officer or her or his designee.

1237 (b) A member of the board of directors may be removed by  
 1238 the official who appointed that member. The board shall appoint

1239 an executive director, who is responsible for other staff  
 1240 authorized by the board.

1241 (c) Board members are entitled to receive, from funds of  
 1242 the corporation, reimbursement for per diem and travel expenses  
 1243 as provided by s. 112.061.

1244 (d) There shall be no liability on the part of, and no  
 1245 cause of action shall arise against, any member of the board of  
 1246 directors, or its employees or agents, for any action they take  
 1247 in the performance of their powers and duties under this act.

1248 (7) LICENSING NOT REQUIRED; FISCAL OPERATION.--

1249 (a) The corporation shall not be deemed an insurer. The  
 1250 officers, directors, and employees of the corporation shall not  
 1251 be deemed to be agents of an insurer. Neither the corporation  
 1252 nor any officer, director, or employee of the corporation is  
 1253 subject to the licensing requirements of the insurance code or  
 1254 the rules of the Department of Financial Services. However, any  
 1255 marketing representative utilized and compensated by the  
 1256 corporation must be appointed as a representative of the  
 1257 insurers or health services providers with which the corporation  
 1258 contracts.

1259 (b) The board has complete fiscal control over the  
 1260 corporation and is responsible for all corporate operations.

1261 (c) The Department of Financial Services shall supervise  
 1262 any liquidation or dissolution of the corporation and shall  
 1263 have, with respect to such liquidation or dissolution, all power  
 1264 granted to it pursuant to the insurance code.

1265 (8) ACCESS TO RECORDS; CONFIDENTIALITY;  
 1266 PENALTIES.--Notwithstanding any other laws to the contrary, the

1267 Florida Healthy Kids Corporation shall have access to the  
 1268 medical records of a student upon receipt of permission from a  
 1269 parent or guardian of the student. Such medical records may be  
 1270 maintained by state and local agencies. Any identifying  
 1271 information, including medical records and family financial  
 1272 information, obtained by the corporation pursuant to this  
 1273 subsection is confidential and is exempt from the provisions of  
 1274 s. 119.07(1). Neither the corporation nor the staff or agents of  
 1275 the corporation may release, without the written consent of the  
 1276 participant or the parent or guardian of the participant, to any  
 1277 state or federal agency, to any private business or person, or  
 1278 to any other entity, any confidential information received  
 1279 pursuant to this subsection. A violation of this subsection is a  
 1280 misdemeanor of the second degree, punishable as provided in s.  
 1281 775.082 or s. 775.083.

1282 (9) VENUE.--The venue for all civil and administrative  
 1283 actions against the Florida Healthy Kids Corporation shall be in  
 1284 Leon County.

1285 Section 20. Effective July 1, 2010, section 624.91,  
 1286 Florida Statutes, as amended by this act, is repealed.

1287 Section 21. The sum of \$464,407 in recurring funds from  
 1288 the General Revenue Fund, \$107,829 from the Grants and Donations  
 1289 Trust Fund, and \$1,089,833 from the Medical Care Trust Fund is  
 1290 appropriated to the Agency for Health Care Administration for  
 1291 the purpose of implementing s. 409.8141(3)(b), Florida Statutes.  
 1292 The sum of \$6,991,134 in recurring funds from the General  
 1293 Revenue Fund is appropriated to the Agency for Health Care  
 1294 Administration for the purpose of providing premium assistance

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1295 in accordance with s. 409.8141(2), Florida Statutes. The sum of  
1296 \$1,976,200 in recurring funds from the General Revenue Fund,  
1297 \$458,847 from the Grants and Donations Trust Fund, and  
1298 \$4,637,589 from the Medical Care Trust Fund is appropriated to  
1299 the Agency for Health Care Administration for the purpose of  
1300 implementing s. 624.91(5)(b)9., Florida Statutes.

1301 Section 22. This act shall take effect July 1, 2007.