

1 the Department of Health, the Agency for Health
2 Care Administration, the Florida Healthy Kids
3 Corporation, and the Office of Insurance
4 Regulation pertaining to the administration of
5 the Florida Kidcare program; repealing s.
6 409.820, F.S., relating to quality assurance
7 and access standards; amending s. 409.821,
8 F.S.; clarifying that provisions exempting
9 certain records from public-records
10 requirements does not prevent an enrollee's
11 parent or guardian from obtaining records and
12 information concerning the enrollee; creating
13 s. 409.830, F.S.; establishing the Florida
14 Kidcare Program Consolidation Initiative, which
15 shall combine the administration of the
16 program; creating a deputy secretary of Florida
17 Kidcare within the Agency for Health Care
18 Administration; amending s. 624.91, F.S.;
19 revising provisions of the Florida Healthy Kids
20 Corporation Act; deleting certain eligibility
21 requirements; providing for the transfer of
22 functions to the Agency for Health Care
23 Administration and the Department of Children
24 and Family Services; repealing s. 624.91, F.S.,
25 relating to the Florida Healthy Kids
26 Corporation; requiring a consolidation
27 transition plan; providing an appropriation and
28 authorizing additional positions; providing
29 effective dates.

30
31 Be It Enacted by the Legislature of the State of Florida:

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

3 409.811 Definitions relating to Florida Kidcare
4 Act.--As used in ss. 409.810-409.830 ~~ss. 409.810-409.820~~, the
5 term:

6 (1) "Actuarially equivalent" means that:

7 (a) The aggregate value of the benefits included in
8 health benefits coverage is equal to the value of the benefits
9 in the benchmark benefit plan; and

10 (b) The benefits included in health benefits coverage
11 are substantially similar to the benefits included in the
12 benchmark benefit plan, except that preventive health services
13 must be the same as in the benchmark benefit plan.

14 (2) "Agency" means the Agency for Health Care
15 Administration.

16 (3) "Applicant" means a parent or guardian of a child
17 or a child whose disability of nonage has been removed under
18 chapter 743, who applies for determination of eligibility for
19 health benefits coverage under ss. 409.810-409.830 ~~ss.~~
20 ~~409.810-409.820~~.

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

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

24 (6) "Child with special health care needs" means a
25 child who has a chronic physical, developmental, behavioral,
26 or emotional condition and who also required health care and
27 related services of a type or amount beyond that which is
28 generally required by children. whose serious or chronic
29 physical or developmental condition requires extensive
30 preventive and maintenance care beyond that required by
31 typically healthy children. Health care utilization by such a

1 ~~child exceeds the statistically expected usage of the normal~~
2 ~~child adjusted for chronological age, and such a child often~~
3 ~~needs complex care requiring multiple providers,~~
4 ~~rehabilitation services, and specialized equipment in a number~~
5 ~~of different settings.~~

6 (7) "Children's Medical Services Network" or "network"
7 means a statewide managed care service system as defined in s.
8 391.021(1).

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

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

14 (10) "Enrollee" means a child who has been determined
15 eligible for and is receiving coverage under ss.
16 409.810-409.820.

17 (11) "Family" means the group or the individuals whose
18 income is considered in determining eligibility for the
19 Florida Kidcare program. The family includes a child with a
20 custodial parent or caretaker relative who resides in the same
21 house or living unit or, in the case of a child whose
22 disability of nonage has been removed under chapter 743, the
23 child. The family may also include other individuals whose
24 income and resources are considered in whole or in part in
25 determining eligibility of the child.

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

1 (13) "Florida Kidcare Plus" means health benefits
2 coverage for children with special health care needs which
3 benefits are delivered through the Children's Medical Services
4 Network established in chapter 391.

5 ~~(14)~~~~(13)~~ "Florida Kidcare program," "Kidcare program,"
6 or "program" means the health benefits program for children
7 administered through ss. 409.810-409.830 ~~ss. 409.810-409.820~~.

8 ~~(15)~~~~(14)~~ "Guarantee issue" means that health benefits
9 coverage must be offered to an individual regardless of the
10 individual's health status, preexisting condition, or claims
11 history.

12 ~~(16)~~~~(15)~~ "Health benefits coverage" means protection
13 that provides payment of benefits for covered health care
14 services or that otherwise provides, either directly or
15 through arrangements with other persons, covered health care
16 services on a prepaid per capita basis or on a prepaid
17 aggregate fixed-sum basis.

18 ~~(17)~~~~(16)~~ "Health insurance plan" means health benefits
19 coverage under the following:

20 (a) A health plan offered by any certified health
21 maintenance organization or authorized health insurer, except
22 a plan that is limited to the following: a limited benefit,
23 specified disease, or specified accident; hospital indemnity;
24 accident only; limited benefit convalescent care; Medicare
25 supplement; credit disability; dental; vision; long-term care;
26 disability income; coverage issued as a supplement to another
27 health plan; workers' compensation liability or other
28 insurance; or motor vehicle medical payment only; or

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

1 (18) "Healthy Kids" means a component of the Florida
2 Kidcare program of medical assistance for children who are 5
3 through 18 years of age and whose family or household incomes
4 are above the Title XIX-income-eligibility threshold.

5 ~~(19)~~~~(17)~~ "Medicaid" means the medical assistance
6 program authorized by Title XIX of the Social Security Act,
7 and regulations thereunder, and ss. 409.901-409.920, as
8 administered in this state by the agency.

9 ~~(20)~~~~(18)~~ "Medically necessary" means the use of any
10 medical treatment, service, equipment, or supply necessary to
11 palliate the effects of a terminal condition, or to prevent,
12 diagnose, correct, cure, alleviate, or preclude deterioration
13 of a condition that threatens life, causes pain or suffering,
14 or results in illness or infirmity and which is:

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

17 (b) Provided in accordance with generally accepted
18 standards of medical practice;

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

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

24 (e) Approved by the appropriate medical body or health
25 care specialty involved as effective, appropriate, and
26 essential for the care and treatment of the enrollee's
27 condition.

28 ~~(21)~~~~(19)~~ "Medikids" means a component of the Florida
29 Kidcare program of medical assistance authorized by Title XXI
30 of the Social Security Act, and regulations thereunder, and s.
31 409.8132, as administered in the state by the agency.

1 ~~(22)~~~~(20)~~ "Preexisting condition exclusion" means, with
2 respect to coverage, a limitation or exclusion of benefits
3 relating to a condition based on the fact that the condition
4 was present before the date of enrollment for such coverage,
5 whether or not any medical advice, diagnosis, care, or
6 treatment was recommended or received before such date.

7 ~~(23)~~~~(21)~~ "Premium" means the entire cost of a health
8 insurance plan, including the administration fee or the risk
9 assumption charge.

10 ~~(24)~~~~(22)~~ "Premium assistance payment" means the
11 monthly consideration paid by the agency per enrollee in the
12 Florida Kidcare program towards health insurance premiums.

13 ~~(25)~~~~(23)~~ "Qualified alien" means an alien as defined
14 in s. 431 of the Personal Responsibility and Work Opportunity
15 Reconciliation Act of 1996, as amended, Pub. L. No. 104-193.

16 ~~(26)~~~~(24)~~ "Resident" means a United States citizen, or
17 qualified alien, who is domiciled in this state.

18 ~~(27)~~~~(25)~~ "Rural county" means a county having a
19 population density of fewer ~~less~~ than 100 persons per square
20 mile, or a county defined by the most recent United States
21 Census as rural, ~~in which there is no prepaid health plan~~
22 ~~participating in the Medicaid program as of July 1, 1998.~~

23 ~~(28)~~~~(26)~~ "Substantially similar" means that, with
24 respect to additional services as defined in s. 2103(c)(2) of
25 Title XXI of the Social Security Act, these services must have
26 an actuarial value equal to at least 75 percent of the
27 actuarial value of the coverage for that service in the
28 benchmark benefit plan and, with respect to the basic services
29 as defined in s. 2103(c)(1) of Title XXI of the Social
30 Security Act, these services must be the same as the services
31 in the benchmark benefit plan.

1 Section 2. Section 409.812, Florida Statutes, is
2 amended to read:

3 409.812 Program created; purpose.--The Florida Kidcare
4 program is created to provide a defined set of health benefits
5 to ~~previously~~ uninsured, low-income children through the
6 establishment of a variety of affordable health benefits
7 coverage options from which families may select coverage and
8 through which families may contribute financially to the
9 health care of their children.

10 Section 3. Section 409.813, Florida Statutes, is
11 amended to read:

12 409.813 Program components; entitlement and
13 nonentitlement.--The Florida Kidcare program includes health
14 benefits coverage provided to children through the following
15 funding sources, which shall be marketed as the Florida
16 Kidcare program:

17 (1) Title XIX of the Social Security Act Medicaid;

18 (2) Title XXI of the Social Security Act Medikids as
19 ~~created in s. 409.8132;~~

20 (3) The Title V Program of the Social Security Act, as
21 it relates to children with special health care needs ~~The~~
22 ~~Florida Healthy Kids Corporation as created in s. 624.91;~~

23 (4) Employer-sponsored group health insurance plans
24 approved under ss. 409.810-409.830 ~~ss. 409.810-409.820;~~ and

25 (5) Full pay premiums for children with family incomes
26 above the maximum income threshold or children who are not
27 Title XXI-eligible pursuant to s. 409.8141; and ~~The Children's~~
28 ~~Medical Services network established in chapter 391.~~

29 (6) General revenue or local contributions.

1 Except for Title XIX-funded Florida Kidcare coverage ~~under the~~
2 ~~Medicaid program~~, coverage under the Florida Kidcare program
3 is not an entitlement. No cause of action shall arise against
4 the state, the Department of Health, the Department of
5 Children and Family Services, ~~or~~ the Florida Healthy Kids
6 Corporation, or the Agency for Health Care Administration
7 ~~agency~~ for failure to make health services available to any
8 person under ss. 409.810-409.830 ~~ss. 409.810-409.820~~.

9 Section 4. Section 409.8132, Florida Statutes, is
10 amended to read:

11 409.8132 Medikids program component.--

12 (1) PROGRAM COMPONENT CREATED; PURPOSE.--The Medikids
13 program component is created in the Agency for Health Care
14 Administration to provide health care services under the
15 Florida Kidcare program to eligible children using the
16 administrative structure and provider network of the Medicaid
17 program.

18 (2) ADMINISTRATION.--The secretary of the agency shall
19 appoint an administrator of the Medikids program component.
20 The Agency for Health Care Administration is designated as the
21 state agency authorized to make payments for medical
22 assistance and related services for the Medikids program
23 component of the Florida Kidcare program. Payments shall be
24 made, subject to any limitations or directions in the General
25 Appropriations Act, only for covered services provided to
26 eligible children by qualified health care providers under the
27 Florida Kidcare program.

28 (3) INSURANCE LICENSURE NOT REQUIRED.--The Medikids
29 program component shall not be subject to the licensing
30 requirements of the Florida Insurance Code or rules adopted
31 thereunder.

1 (4) APPLICABILITY OF LAWS RELATING TO MEDICAID.--The
2 provisions of ss. 409.902, 409.905, 409.906, 409.907, 409.908,
3 409.912, 409.9121, 409.9122, 409.9123, 409.9124, 409.9127,
4 409.9128, 409.913, 409.916, 409.919, 409.920, and 409.9205
5 apply to the administration of the Medikids program component
6 of the Florida Kidcare program, except that s. 409.9122
7 applies to Medikids as modified by the provisions of
8 subsection (7).

9 (5) BENEFITS.--Benefits provided under the Medikids
10 program component shall be the same benefits provided to
11 children as specified in ss. 409.905 and 409.906.

12 (6) ELIGIBILITY.--

13 (a) A child who has attained the age of 1 year but who
14 is under the age of 5 years is eligible to enroll in the
15 Medikids program component of the Florida Kidcare program, if
16 the child is a member of a family that has a family income
17 which exceeds the Medicaid applicable income level as
18 specified in s. 409.903, but which is equal to or below 200
19 percent of the current federal poverty level. In determining
20 the eligibility of such a child, an assets test is not
21 required. A child who is eligible for Medikids may elect to
22 enroll in Florida Healthy Kids coverage or employer-sponsored
23 group coverage. However, a child who is eligible for Medikids
24 may participate in the Florida Healthy Kids program only if
25 the child has a sibling participating in the Florida Healthy
26 Kids program and the child's county of residence permits such
27 enrollment.

28 (b) The provisions of ss. 409.814, 409.8141, 409.8142,
29 and 409.8149 ~~s. 409.814(3), (4), and (5)~~ shall be applicable
30 to the Medikids program.
31

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

16 ~~(8) PENALTIES FOR VOLUNTARY CANCELLATION. The agency~~
17 ~~shall establish enrollment criteria that must include~~
18 ~~penalties or waiting periods of not fewer than 60 days for~~
19 ~~reinstatement of coverage upon voluntary cancellation for~~
20 ~~nonpayment of premiums.~~

21 Section 5. Section 409.8134, Florida Statutes, is
22 amended to read:

23 409.8134 Program expenditure ceiling.--

24 (1) Except for the Medicaid program, a ceiling shall
25 be placed on annual federal and state expenditures for the
26 Florida Kidcare program as provided each year in the General
27 Appropriations Act.

28 ~~(2) The Florida Kidcare program may conduct enrollment~~
29 ~~at any time throughout the year for the purpose of enrolling~~
30 ~~children eligible for all program components listed in s.~~
31 ~~409.813 except Medicaid. The four Florida Kidcare~~

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

26 (3) Upon determination by the Social Services
27 Estimating Conference that there are insufficient funds to
28 finance the current enrollment in the Florida Kidcare program
29 within current appropriations, the program shall initiate
30 disenrollment procedures to remove enrollees, except those
31 children who receive Florida Kidcare Plus benefits enrolled in

1 ~~the Children's Medical Services Network~~, on a last-in,
2 first-out basis until the expenditure and appropriation levels
3 are balanced.

4 (4) The agencies that administer the Florida Kidcare
5 program components shall collect and analyze the data needed
6 to project program enrollment costs, including price level
7 adjustments, participation and attrition rates, current and
8 projected caseloads, utilization, and current and projected
9 expenditures for the next 3 years. The agencies shall report
10 caseload and expenditure trends to the Social Services
11 Estimating Conference in accordance with chapter 216.

12 Section 6. Section 409.814, Florida Statutes, is
13 amended to read:

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

16 409.814 Eligibility.--

17 (1) ELIGIBILITY FOR THE FLORIDA KIDCARE PROGRAM.--To
18 be eligible for the Florida Kidcare program, a child must be:

19 (a) A resident of the state.

20 (b) Under 19 years of age.

21 (c) Uninsured at the time of application, except for
22 children eligible for Medicaid.

23 (2) ELIGIBILITY FOR FLORIDA KIDCARE PLUS.--To be
24 eligible for the Florida Kidcare Plus benefit delivered by the
25 Children's Medical Services Network in the Florida Kidcare
26 program, a child must meet the requirements of subsection (1)
27 and must be a child with special health care needs as
28 determined through a clinical-eligibility screening instrument
29 administered by the Department of Health pursuant to s.
30 409.818(2).

1 Section 7. Section 409.8141, Florida Statutes, is
2 created to read:

3 409.8141 Premium assistance.--

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

8 (a) Reside in a household where the family income is
9 equal to or less than 200 percent of the federal poverty
10 level;

11 (b) Be a United States citizen or a qualified alien as
12 defined in s. 409.811(24);

13 (c) Not be an inmate of a public institution or a
14 patient in an institution for mental diseases;

15 (d) Not be eligible for coverage under a state health
16 benefit plan on the basis of a family member's employment with
17 a public agency in the state; and

18 (e) Not be currently eligible for or covered under a
19 family member's group health benefit plan or under other
20 employer health insurance coverage, excluding full-pay Florida
21 Kidcare health benefits coverage, if the cost of the child's
22 participation is not greater than 5 percent of the family's
23 income.

24 (2) A child seeking premium assistance for the Florida
25 Kidcare program is not eligible for premium assistance if the
26 child was covered through an employer-sponsored group coverage
27 6 months prior to the family submitting an application for
28 determination of eligibility under the program, unless the
29 employer-sponsored health coverage was discontinued for
30 good-cause reasons. Good-cause reasons for discontinued
31 employer-sponsored health coverage include:

- 1 (a) The cost of participation in an employer-sponsored
2 health benefit plan is greater than 5 percent of the family's
3 income;
- 4 (b) The parent lost a job that provided an
5 employer-sponsored health benefit plan for children;
- 6 (c) The parent who had health benefits coverage for
7 the child is deceased;
- 8 (d) The child has a medical condition that, without
9 medical care, would cause serious disability, loss of
10 function, or death;
- 11 (e) The employer of the parent canceled health
12 benefits coverage for children;
- 13 (f) The child's health benefits coverage ended because
14 the child reached the maximum lifetime coverage amount;
- 15 (g) The child has exhausted coverage under a COBRA
16 continuation provision;
- 17 (h) The health benefits coverage does not cover the
18 child's health care needs; or
- 19 (i) Domestic violence led to loss of coverage.
- 20 (3) Eligibility for premium assistance shall be
21 verified for each applicant and enrollee during the
22 application and reverification processes based on:
- 23 (a) Family income documented with a copy of the
24 applicant's most recent federal income tax return. In the
25 absence of a federal income tax return, an applicant's wages
26 and earnings statements, W-2 forms, or other appropriate
27 documentation obtained from other government sources,
28 including electronic records, may be considered. An assets
29 test is not required.
- 30
- 31

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

4 (4) Enrollees not meeting the eligibility requirements
5 of subsection (1) shall pay the full cost of the premium and
6 are not required to document income. The number of children
7 participating in the non-Title XIX-funded Florida Kidcare
8 program under this subsection whose family income exceeds 200
9 percent of the federal poverty level must not exceed 10
10 percent of total enrollees in the non-title XIX-funded Florida
11 Kidcare program.

12 (5)(a) A Title XIX-funded child enrolled in the
13 Florida Kidcare program is eligible for coverage for 6 months
14 without redetermination or reverification of eligibility.

15 (b) A child found eligible for premium assistance in
16 the Florida Kidcare program shall receive premium assistance
17 for 12 months without reverification of eligibility if the
18 family continues to participate in any applicable cost-sharing
19 pursuant to s. 409.816. The Florida Kidcare program shall
20 conduct an annual eligibility reverification for each enrollee
21 eligible for premium assistance.

22 (6) If a child loses eligibility for Florida Kidcare
23 health benefits coverage, the child's managed health care
24 provider shall be notified at the same time the family is
25 notified in order to facilitate necessary action to maintain
26 continuous health care coverage.

27 Section 8. Section 409.8142, Florida Statutes, is
28 created to read:

29 409.8142 Penalties.--

30 (1) Subject to s. 624.91(4), the Florida Kidcare
31 program shall withhold benefits from an enrollee if the

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

13 (2) If, subsequent to any eligibility determination,
14 an individual is determined to be ineligible for coverage, he
15 or she must immediately be disenrolled from the Florida
16 Kidcare program.

17 (3) Waiting periods of not less than 60 days for
18 reinstatement of coverage upon voluntary cancellation for
19 nonpayment of premiums when applicable shall be established by
20 the agency.

21 Section 9. Section 409.8149, Florida Statutes, is
22 created to read:

23 409.8149 Enrollment; plan choice.--

24 (1) ENROLLMENT.--The Florida Kidcare program may
25 conduct enrollment at any time throughout the year for the
26 purpose of enrolling children eligible for all coverage funded
27 pursuant to s. 409.813, except Medicaid. Eligible children
28 shall be enrolled on a first-come, first-served basis, based
29 upon the date the enrollment application is received. The
30 application for the Florida Kidcare program is valid for a
31 period of 120 days after the date the application is received.

1 At the end of the 120-day period, if the applicant has not
2 been enrolled in the program, the application is invalid and
3 the applicant shall be notified of the action. The applicant
4 may resubmit the application after notification of the action
5 taken by the program.

6 (2) PLAN CHOICE.--

7 (a) Enrollees who do not voluntarily choose a benefit
8 plan shall be assigned to a managed care plan by the Florida
9 Kidcare program. The program shall assign enrollees eligible
10 for Medicaid to a Medicaid managed care plan or to the
11 Medicaid fee-for-service program if a Medicaid managed care
12 plan does not exist in the geographical area in which the
13 enrollee resides. The program shall assign all other enrollees
14 to plans selected pursuant to s. 624.91 in the geographical
15 area in which each enrollee resides.

16 (b) Upon selection or assignment, an enrollee shall
17 have 90 days during which to voluntarily disenroll from a
18 benefit plan and select another.

19 (c) Upon the anniversary of enrollment, each enrollee
20 may voluntarily select another benefit plan. The Florida
21 Kidcare program shall notify enrollees of their options with
22 respect to the annual open enrollment 60 days prior to the
23 anniversary of initial enrollment.

24 Section 10. Section 409.815, Florida Statutes, is
25 amended to read:

26 409.815 Health benefits coverage; limitations.--

27 (1) MEDICAID BENEFITS.--For purposes of the Florida
28 Kidcare program, benefits available under Medicaid and
29 Medikids include those goods and services provided under the
30 medical assistance program authorized by Title XIX of the
31 Social Security Act, and regulations thereunder, as

1 administered in this state by the agency. This includes those
2 mandatory Medicaid services authorized under s. 409.905, ~~and~~
3 optional Medicaid services authorized under s. 409.906, ~~and~~
4 emergency services provided under s. 409.9128. ~~Effective July~~
5 1, 2008, health benefits available under the Florida Kidcare
6 program shall include the same mandatory and optional Medicaid
7 services as specified in s. 409.830(2). ~~, rendered on behalf of~~
8 ~~eligible individuals by qualified providers, in accordance~~
9 ~~with federal requirements for Title XIX, subject to any~~
10 ~~limitations or directions provided for in the General~~
11 ~~Appropriations Act or chapter 216, and according to~~
12 ~~methodologies and limitations set forth in agency rules and~~
13 ~~policy manuals and handbooks incorporated by reference~~
14 ~~thereto.~~

15 (2) BENCHMARK BENEFITS.--In order for health benefits
16 coverage to qualify for premium assistance payments for an
17 eligible child under ss. 409.810-409.830 ~~ss. 409.810-409.820~~,
18 the health benefits coverage, except for coverage under
19 Medicaid and Medikids, must include the following minimum
20 benefits, as medically necessary.

21 (a) Preventive health services.--Covered services
22 include:

- 23 1. Well-child care, including services recommended in
- 24 the Guidelines for Health Supervision of Children and Youth as
- 25 developed by the American Academy of Pediatrics;
- 26 2. Immunizations and injections;
- 27 3. Health education counseling and clinical services;
- 28 4. Vision screening; and
- 29 5. Hearing screening.

30 (b) Inpatient hospital services.--All covered services
31 provided for the medical care and treatment of an enrollee who

1 is admitted as an inpatient to a hospital licensed under part
2 I of chapter 395, with the following exceptions:

3 1. All admissions must be authorized by the enrollee's
4 health benefits coverage provider.

5 2. The length of the patient stay shall be determined
6 based on the medical condition of the enrollee in relation to
7 the necessary and appropriate level of care.

8 3. Room and board may be limited to semiprivate
9 accommodations, unless a private room is considered medically
10 necessary or semiprivate accommodations are not available.

11 4. Admissions for rehabilitation and physical therapy
12 are limited to 15 days per contract year.

13 (c) Emergency services.--Covered services include
14 visits to an emergency room or other licensed facility if
15 needed immediately due to an injury or illness and delay means
16 risk of permanent damage to the enrollee's health. Health
17 maintenance organizations shall comply with the provisions of
18 s. 641.513.

19 (d) Maternity services.--Covered services include
20 maternity and newborn care, including prenatal and postnatal
21 care, with the following limitations:

22 1. Coverage may be limited to the fee for vaginal
23 deliveries; and

24 2. Initial inpatient care for newborn infants of
25 enrolled adolescents shall be covered, including normal
26 newborn care, nursery charges, and the initial pediatric or
27 neonatal examination, and the infant may be covered for up to
28 3 days following birth.

29 (e) Organ transplantation services.--Covered services
30 include pretransplant, transplant, and postdischarge services
31 and treatment of complications after transplantation for

1 | transplants deemed necessary and appropriate within the
2 | guidelines set by the Organ Transplant Advisory Council under
3 | s. 765.53 or the Bone Marrow Transplant Advisory Panel under
4 | s. 627.4236.

5 | (f) Outpatient services.--Covered services include
6 | preventive, diagnostic, therapeutic, palliative care, and
7 | other services provided to an enrollee in the outpatient
8 | portion of a health facility licensed under chapter 395,
9 | except for the following limitations:

10 | 1. Services must be authorized by the enrollee's
11 | health benefits coverage provider; and

12 | 2. Treatment for temporomandibular joint disease (TMJ)
13 | is specifically excluded.

14 | (g) Behavioral health services.--

15 | 1. Mental health benefits include:

16 | a. Inpatient services, limited to not more than 30
17 | inpatient days per contract year for psychiatric admissions,
18 | or residential services in facilities licensed under s.
19 | 394.875(8) or s. 395.003 in lieu of inpatient psychiatric
20 | admissions; however, a minimum of 10 of the 30 days shall be
21 | available only for inpatient psychiatric services when
22 | authorized by a physician; and

23 | b. Outpatient services, including outpatient visits
24 | for psychological or psychiatric evaluation, diagnosis, and
25 | treatment by a licensed mental health professional, limited to
26 | a maximum of 40 outpatient visits each contract year.

27 | 2. Substance abuse services include:

28 | a. Inpatient services, limited to not more than 7
29 | inpatient days per contract year for medical detoxification
30 | only and 30 days of residential services; and
31 |

1 b. Outpatient services, including evaluation,
2 diagnosis, and treatment by a licensed practitioner, limited
3 to a maximum of 40 outpatient visits per contract year.

4 (h) Durable medical equipment.--Covered services
5 include equipment and devices that are medically indicated to
6 assist in the treatment of a medical condition and
7 specifically prescribed as medically necessary, with the
8 following limitations:

9 1. Low-vision and telescopic aides are not included.

10 2. Corrective lenses and frames may be limited to one
11 pair every 2 years, unless the prescription or head size of
12 the enrollee changes.

13 3. Hearing aids shall be covered only when medically
14 indicated to assist in the treatment of a medical condition.

15 4. Covered prosthetic devices include artificial eyes
16 and limbs, braces, and other artificial aids.

17 (i) Health practitioner services.--Covered services
18 include services and procedures rendered to an enrollee when
19 performed to diagnose and treat diseases, injuries, or other
20 conditions, including care rendered by health practitioners
21 acting within the scope of their practice, with the following
22 exceptions:

23 1. Chiropractic services shall be provided in the same
24 manner as in the Florida Medicaid program.

25 2. Podiatric services may be limited to one visit per
26 day totaling two visits per month for specific foot disorders.

27 (j) Home health services.--Covered services include
28 prescribed home visits by both registered and licensed
29 practical nurses to provide skilled nursing services on a
30 part-time intermittent basis, subject to the following
31 limitations:

1 1. Coverage may be limited to include skilled nursing
2 services only;

3 2. Meals, housekeeping, and personal comfort items may
4 be excluded; and

5 3. Private duty nursing is limited to circumstances
6 where such care is medically necessary.

7 (k) Hospice services.--Covered services include
8 reasonable and necessary services for palliation or management
9 of an enrollee's terminal illness, with the following
10 exceptions:

11 1. Once a family elects to receive hospice care for an
12 enrollee, other services that treat the terminal condition
13 will not be covered; and

14 2. Services required for conditions totally unrelated
15 to the terminal condition are covered to the extent that the
16 services are included in this section.

17 (1) Laboratory and X-ray services.--Covered services
18 include diagnostic testing, including clinical radiologic,
19 laboratory, and other diagnostic tests.

20 (m) Nursing facility services.--Covered services
21 include regular nursing services, rehabilitation services,
22 drugs and biologicals, medical supplies, and the use of
23 appliances and equipment furnished by the facility, with the
24 following limitations:

25 1. All admissions must be authorized by the health
26 benefits coverage provider.

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

31

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

4 4. Specialized treatment centers and independent
5 kidney disease treatment centers are excluded.

6 5. Private duty nurses, television, and custodial care
7 are excluded.

8 6. Admissions for rehabilitation and physical therapy
9 are limited to 15 days per contract year.

10 (n) Prescribed drugs.--

11 1. Coverage shall include drugs prescribed for the
12 treatment of illness or injury when prescribed by a licensed
13 health practitioner acting within the scope of his or her
14 practice.

15 2. Prescribed drugs may be limited to generics if
16 available and brand name products if a generic substitution is
17 not available, unless the prescribing licensed health
18 practitioner indicates that a brand name is medically
19 necessary.

20 3. Prescribed drugs covered under this section shall
21 include all prescribed drugs covered under the Florida
22 Medicaid program.

23 (o) Therapy services.--Covered services include
24 rehabilitative services, including occupational, physical,
25 respiratory, and speech therapies, with the following
26 limitations:

27 1. Services must be for short-term rehabilitation
28 where significant improvement in the enrollee's condition will
29 result; and

30 2. Services shall be limited to not more than 24
31 treatment sessions within a 60-day period per episode or

1 injury, with the 60-day period beginning with the first
2 treatment.

3 (p) Transportation services.--Covered services include
4 emergency transportation required in response to an emergency
5 situation.

6 (q) Dental services.--Dental services shall be covered
7 and may include those dental benefits provided to children by
8 the Florida Medicaid program under s. 409.906(6).

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

13 (s) Cost-sharing.--Cost-sharing provisions must comply
14 with s. 409.816.

15 (t) Exclusions.--

16 1. Experimental or investigational procedures that
17 have not been clinically proven by reliable evidence are
18 excluded;

19 2. Services performed for cosmetic purposes only or
20 for the convenience of the enrollee are excluded; and

21 3. Abortion may be covered only if necessary to save
22 the life of the mother or if the pregnancy is the result of an
23 act of rape or incest.

24 (u) Enhancements to minimum requirements.--

25 1. This section sets the minimum benefits that must be
26 included in any health benefits coverage, other than Medicaid
27 or Medikids coverage, offered under ss. 409.810-409.820.

28 Health benefits coverage may include additional benefits not
29 included under this subsection, but may not include benefits
30 excluded under paragraph (s).

31

1 2. Health benefits coverage may extend any limitations
2 beyond the minimum benefits described in this section.

3
4 Except for the Children's Medical Services Network, the agency
5 may not increase the premium assistance payment for either
6 additional benefits provided beyond the minimum benefits
7 described in this section or the imposition of less
8 restrictive service limitations.

9 (v) Applicability of other state laws.--Health
10 insurers, health maintenance organizations, and their agents
11 are subject to the provisions of the Florida Insurance Code,
12 except for any such provisions waived in this section.

13 1. Except as expressly provided in this section, a law
14 requiring coverage for a specific health care service or
15 benefit, or a law requiring reimbursement, utilization, or
16 consideration of a specific category of licensed health care
17 practitioner, does not apply to a health insurance plan policy
18 or contract offered or delivered under ss. 409.810-409.820
19 unless that law is made expressly applicable to such policies
20 or contracts.

21 2. Notwithstanding chapter 641, a health maintenance
22 organization may issue contracts providing benefits equal to,
23 exceeding, or actuarially equivalent to the benchmark benefit
24 plan authorized by this section and may pay providers located
25 in a rural county negotiated fees or Medicaid reimbursement
26 rates for services provided to enrollees who are residents of
27 the rural county.

28 Section 11. Section 409.816, Florida Statutes, is
29 amended to read:

30 409.816 Limitations on premiums and cost-sharing;
31 penalties for nonpayment of premiums.--The following

1 | limitations on premiums and cost-sharing are established for
2 | the program.

3 | (1) Enrollees who receive coverage under Title XIX of
4 | the Social Security Act ~~the Medicaid program~~ may not be
5 | required to pay:

6 | (a) Enrollment fees, premiums, or similar charges; or
7 | (b) Copayments, deductibles, coinsurance, or similar
8 | charges.

9 | (2) Enrollees in families with a family income equal
10 | to or below 150 percent of the federal poverty level, who are
11 | not receiving coverage under the Medicaid program, may not be
12 | required to pay:

13 | (a) Enrollment fees, premiums, or similar charges that
14 | exceed the maximum monthly charge permitted under s.
15 | 1916(b)(1) of the Social Security Act; or

16 | (b) Copayments, deductibles, coinsurance, or similar
17 | charges that exceed a nominal amount, as determined consistent
18 | with regulations referred to in s. 1916(a)(3) of the Social
19 | Security Act. However, such charges may not be imposed for
20 | preventive services, including well-baby and well-child care,
21 | age-appropriate immunizations, and routine hearing and vision
22 | screenings.

23 | (3) Enrollees in families with a family income above
24 | 150 percent of the federal poverty level, who are not
25 | receiving coverage under Title XIX of the Social Security Act
26 | ~~the Medicaid program~~ or who are not eligible under s. 409.814
27 | ~~s. 409.814(5)~~, may be required to pay enrollment fees,
28 | premiums, copayments, deductibles, coinsurance, or similar
29 | charges on a sliding scale related to income, except that the
30 | total annual aggregate cost-sharing with respect to all
31 | children in a family may not exceed 5 percent of the family's

1 income. However, copayments, deductibles, coinsurance, or
2 similar charges may not be imposed for preventive services,
3 including well-baby and well-child care, age-appropriate
4 immunizations, and routine hearing and vision screenings.

5 Section 12. Section 409.817, Florida Statutes, is
6 amended to read:

7 409.817 Approval of health benefits coverage;
8 financial assistance.--In order for health insurance coverage
9 to qualify for premium assistance payments for an eligible
10 child under ss. 409.810-409.830 ~~ss. 409.810-409.820~~, the
11 health benefits coverage must:

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

16 ~~(1)(2)~~ Be guarantee issued;

17 ~~(2)(3)~~ Be community rated;

18 ~~(3)(4)~~ Not impose any preexisting condition exclusion
19 for covered benefits; however, group health insurance plans
20 may permit the imposition of a preexisting condition
21 exclusion, but only insofar as it is permitted under s.
22 627.6561;

23 ~~(4)(5)~~ Comply with the applicable limitations on
24 premiums and cost-sharing in s. 409.816;

25 ~~(5)(6)~~ Comply with the quality assurance and access
26 standards developed under s. 409.818 ~~s. 409.820~~; and

27 ~~(6)(7)~~ Establish periodic open enrollment periods,
28 which may not occur more frequently than quarterly.

29 Section 13. Section 409.818, Florida Statutes, is
30 amended to read:

31

1 409.818 Administration.--In order to implement ss.
2 409.810-409.830 ~~ss. 409.810-409.820~~, the following agencies
3 shall have the following duties:

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

6 (a) Develop a standardized intake process for all
7 Community Access Network partners which informs applicants
8 about coverage and services available through the Florida
9 Kidcare program and collects all information necessary to
10 assess eligibility for any premium assistance.

11 ~~(b)(a)~~ Develop a standardized ~~simplified~~ eligibility
12 application process ~~mail in form to be used~~ for determining
13 the eligibility of children for coverage for all funding
14 sources through ~~under~~ the Florida Kidcare program, in
15 consultation with the agency, the Department of Health, and
16 the Florida Healthy Kids Corporation. The department shall
17 collect all information necessary to determine eligibility for
18 premium assistance and provide ~~simplified eligibility~~
19 ~~application form must include an item that provides an~~
20 opportunity for the applicant to indicate whether coverage is
21 being sought for a child with special health care needs.
22 Families applying for children's Medicaid coverage must also
23 be able to use the standardized ~~simplified~~ application process
24 ~~form~~ without having to pay a premium.

25 ~~(c)(b)~~ Establish and maintain the eligibility
26 determination process under the program ~~except as specified in~~
27 ~~subsection (5)~~. No later than July 1, 2008, the department
28 shall directly, or through the services of a contracted
29 third-party administrator, establish and maintain a process
30 for determining eligibility of children for coverage under the
31 entire Florida Kidcare program. The eligibility determination

1 process must be used solely for determining eligibility of
2 applicants for health benefits coverage under the program. The
3 eligibility determination process must include an initial
4 determination of eligibility for any coverage offered under
5 the program, as well as a redetermination or reverification of
6 eligibility each subsequent 6 months. ~~Effective January 1,~~
7 ~~1999,~~ A child who has not attained the age of 5 and who has
8 been determined eligible for the Medicaid program is eligible
9 for coverage for 12 months without a redetermination or
10 reverification of eligibility. In conducting an eligibility
11 determination, the department shall determine if the child has
12 special health care needs. The department, in consultation
13 with the Agency for Health Care Administration and the Florida
14 Healthy Kids Corporation, shall develop procedures for
15 redetermining eligibility which enable a family to easily
16 update any change in circumstances which could affect
17 eligibility. The department may accept changes in a family's
18 status as reported to the department by the Florida Healthy
19 Kids Corporation without requiring a new application from the
20 family. Redetermination of a child's eligibility for Medicaid
21 may not be linked to a child's eligibility determination for
22 other programs.

23 ~~(d)(e)~~ Inform program applicants about eligibility
24 determinations and ensure appropriate followup procedures for
25 plan enrollment ~~provide information about eligibility of~~
26 ~~applicants to Medicaid, Medikids, the Children's Medical~~
27 ~~Services Network, and the Florida Healthy Kids Corporation,~~
28 ~~and to insurers and their agents, through a centralized~~
29 ~~coordinating office.~~

30 (e) No later than, July 1, 2008, in consultation with
31 the Agency for Health Care Administration, establish a single

1 toll-free telephone line to assist families that have
2 questions about the Florida Kidcare program. The single
3 toll-free line shall also connect the applicant or enrollee
4 with customer service for account information established
5 under s. 409.830(1)(b).

6 ~~(f)(d)~~ Adopt such rules as may be necessary for
7 conducting program eligibility functions.

8 (2) The Department of Health shall:

9 (a) In consultation with the agency, develop a minimum
10 set of pediatric quality assurance and access standards,
11 including reporting requirements, for the Florida Kidcare
12 program. The standards must include a process for granting
13 exceptions to specific requirements for quality assurance and
14 access. Compliance with the standards shall be a condition of
15 program participation by health benefits coverage providers.
16 These standards shall comply with the provisions of this
17 chapter and chapter 641 and Title XXI of the Social Security
18 Act.

19 (b) Determine clinical eligibility for and administer
20 the Florida Kidcare Plus health benefits coverage. Design an
21 eligibility intake process for the program, in coordination
22 with the Department of Children and Family Services, the
23 agency, and the Florida Healthy Kids Corporation. The
24 eligibility intake process may include local intake points
25 that are determined by the Department of Health in
26 coordination with the Department of Children and Family
27 Services.

28 ~~(b)~~ Chair a state level coordinating council to review
29 and make recommendations concerning the implementation and
30 operation of the program. The coordinating council shall
31 include representatives from the department, the Department of

1 ~~Children and Family Services, the agency, the Florida Healthy~~
2 ~~Kids Corporation, the Office of Insurance Regulation of the~~
3 ~~Financial Services Commission, local government, health~~
4 ~~insurers, health maintenance organizations, health care~~
5 ~~providers, families participating in the program, and~~
6 ~~organizations representing low income families.~~

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

11 ~~(c)(d)~~ Adopt such rules as may be necessary to
12 implement this subsection ~~outreach activities.~~

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

15 (a) Calculate the premium assistance payment necessary
16 to comply with the premium and cost-sharing limitations
17 specified in s. 409.816. ~~The premium assistance payment for~~
18 ~~each enrollee in a health insurance plan participating in the~~
19 ~~Florida Healthy Kids Corporation shall equal the premium~~
20 ~~approved by the Florida Healthy Kids Corporation and the~~
21 ~~Office of Insurance Regulation of the Financial Services~~
22 ~~Commission pursuant to ss. 627.410 and 641.31, less any~~
23 ~~enrollee's share of the premium established within the~~
24 ~~limitations specified in s. 409.816. The premium assistance~~
25 ~~payment for each enrollee in an employer sponsored health~~
26 ~~insurance plan approved under ss. 409.810 409.820 shall equal~~
27 ~~the premium for the plan adjusted for any benchmark benefit~~
28 ~~plan actuarial equivalent benefit rider approved by the Office~~
29 ~~of Insurance Regulation pursuant to ss. 627.410 and 641.31,~~
30 ~~less any enrollee's share of the premium established within~~
31 ~~the limitations specified in s. 409.816. In calculating the~~

1 ~~premium assistance payment levels for children with family~~
2 ~~coverage, the agency shall set the premium assistance payment~~
3 ~~levels for each child proportionately to the total cost of~~
4 ~~family coverage.~~

5 (b) Provide fiscal management for Title XIX and Title
6 XXI funding for the Florida Kidcare program, distributing
7 funds among Florida Healthy Kids, the Department of Children
8 and Family Services, and the Department of Health based on
9 costs and the participation of children in the plans and
10 programs available to Florida Kidcare program participants.

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

22 ~~(d)(e)~~ Monitor compliance with quality assurance and
23 access standards developed under paragraph (2)(a) s. 409.820.

24 ~~(e)(d)~~ Establish a mechanism for investigating and
25 resolving complaints and grievances from program applicants,
26 enrollees, and health benefits coverage providers, and
27 maintain a record of complaints and confirmed problems. In the
28 case of a child who is enrolled in a health maintenance
29 organization, the agency must use the provisions of s. 641.511
30 to address grievance reporting and resolution requirements.

31

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

4 (f) Adopt rules necessary for calculating premium
5 assistance payment levels, making premium assistance payments,
6 monitoring access and quality assurance standards,
7 investigating and resolving complaints and grievances,
8 administering the Medikids program, and approving health
9 benefits coverage. The agency is designated the lead state
10 agency for Title XXI of the Social Security Act for purposes
11 of receipt of federal funds, for reporting purposes, and for
12 ensuring compliance with federal and state regulations and
13 rules.

14 (g) Develop and implement an outreach and marketing
15 program that educates the public about the Florida Kidcare
16 program, explains procedures for enrolling in Florida Kidcare,
17 and maintains public awareness of the program.

18 (h) Seek and implement federal waivers or state plan
19 amendments necessary to implement this section and ss.
20 409.810-409.830.

21 ~~(4) The Office of Insurance Regulation shall certify~~
22 ~~that health benefits coverage plans that seek to provide~~
23 ~~services under the Florida Kidcare program, except those~~
24 ~~offered through the Florida Healthy Kids Corporation or the~~
25 ~~Children's Medical Services Network, meet, exceed, or are~~
26 ~~actuarially equivalent to the benchmark benefit plan and that~~
27 ~~health insurance plans will be offered at an approved rate. In~~
28 ~~determining actuarial equivalence of benefits coverage, the~~
29 ~~Office of Insurance Regulation and health insurance plans must~~
30 ~~comply with the requirements of s. 2103 of Title XXI of the~~
31

1 ~~Social Security Act. The department shall adopt rules~~
2 ~~necessary for certifying health benefits coverage plans.~~

3 ~~(5) The Florida Healthy Kids Corporation shall retain~~
4 ~~its functions as authorized in s. 624.91, including~~
5 ~~eligibility determination for participation in the Healthy~~
6 ~~Kids program.~~

7 ~~(4)(6)~~ The agency, in consultation with the Department
8 of Health, the Department of Children and Family Services, ~~the~~
9 ~~Florida Healthy Kids Corporation,~~ and ~~the Office of Insurance~~
10 ~~Regulation,~~ after consultation with and approval of the
11 Speaker of the House of Representatives and the President of
12 the Senate, is ~~are~~ authorized to make program modifications
13 that are necessary to overcome any objections of the United
14 States Department of Health and Human Services to obtain
15 approval of the state's child health insurance plan under
16 Title XXI of the Social Security Act.

17 Section 14. Section 409.820, Florida Statutes, is
18 repealed.

19 Section 15. Section 409.821, Florida Statutes, is
20 amended to read:

21 409.821 Florida Kidcare program public records
22 exemption.--~~Notwithstanding any other law to the contrary,~~ Any
23 information identifying a Florida Kidcare program applicant or
24 enrollee, as defined in s. 409.811, held by the Agency for
25 Health Care Administration, the Department of Children and
26 Family Services, the Department of Health, or the Florida
27 Healthy Kids Corporation is confidential and exempt from s.
28 119.07(1) and s. 24(a), Art. I of the State Constitution. Such
29 information may be disclosed to another governmental entity
30 only if disclosure is necessary for the entity to perform its
31 duties and responsibilities under the Florida Kidcare program

1 and shall be disclosed to the Department of Revenue for
2 purposes of administering the state Title IV-D program. The
3 receiving governmental entity must maintain the confidential
4 and exempt status of such information. Furthermore, such
5 information may not be released to any person without the
6 written consent of the program enrollee or the parent or
7 guardian of the enrollee ~~applicant~~. This exemption applies to
8 any information identifying a Florida Kidcare program
9 applicant or enrollee held by the Agency for Health Care
10 Administration, the Department of Children and Family
11 Services, the Department of Health, or the Florida Healthy
12 Kids Corporation before, on, or after the effective date of
13 this exemption. A violation of this section is a misdemeanor
14 of the second degree, punishable as provided in s. 775.082 or
15 s. 775.083. This section does not prohibit an enrollee's
16 parent or legal guardian from obtaining confirmation of
17 coverage, dates of coverage, name of the enrollee's health
18 plan, and amount of premium being paid.

19 Section 16. Section 409.830, Florida Statutes, is
20 created to read:

21 409.830 Florida Kidcare Program Consolidation
22 Initiative.--The Florida Kidcare Program Consolidation
23 Initiative is created to provide a seamless delivery system of
24 health benefits to uninsured, low-income children. The
25 initiative shall consolidate the administration of the Florida
26 Kidcare program under the fewest entities necessary for the
27 purpose of conducting marketing and outreach, eligibility
28 determination, premium collection, contract management of
29 health plans and fiscal agents, quality assurance and
30 grievance resolution, and fiscal management of all the
31 components of the Florida Kidcare program. The initiative

1 shall consolidate the Florida Kidcare program's administrative
2 structure and align polices by no later than July 1, 2009. The
3 Agency for Health Care Administration shall manage the
4 consolidation of the Florida Kidcare program. A deputy
5 secretary of Florida Kidcare is created within the agency to
6 represent the interest of children in obtaining necessary
7 health care services and health care coverage. The deputy
8 secretary of Florida Kidcare shall develop policies and
9 strategies for issues related to children's lack of access to
10 high-quality and affordable health care services and coverage.
11 The deputy secretary shall identify and provide
12 recommendations for ways to improve the delivery of services
13 for children through the Florida Kidcare program.

14 (1) ADMINISTRATION.--

15 (a) The Agency for Health Care Administration is
16 designated as the single state agency authorized to make
17 payments for medical assistance and related services; to
18 conduct contract management of health plans, providers, and
19 fiscal agents; to collect premiums; to develop and implement
20 quality assurance and grievance-resolution processes; to
21 conduct marketing and outreach programs; and to conduct other
22 fiscal-management activities relating to all the components of
23 the Florida Kidcare program no later than July 1, 2008.

24 1. The agency, in consultation with the Department of
25 Children and Family Services, shall adopt a standardized
26 application form for the purpose of collecting all information
27 necessary to determine eligibility for all components of the
28 Florida Kidcare program. All eligibility information shall be
29 electronically verified to the extent possible. Each applicant
30 shall supply written documentation of any eligibility
31 information that cannot be electronically verified.

1 2. The agency may contract with capitated managed care
2 plans and other providers to deliver health benefits as
3 necessary under this section and to begin providing services
4 by July 1, 2008.

5 3. No later than July 1, 2008, the agency is
6 responsible for developing and distributing marketing and
7 outreach materials that educate families about the Florida
8 Kidcare program as a whole, including eligibility
9 requirements, application procedures, benefit design, and
10 other information considered necessary to assist families in
11 applying for and remaining in the Florida Kidcare program.
12 Marketing and outreach materials shall present the Florida
13 Kidcare program as a single program and explain that the
14 family's information is collected in order to determine if the
15 family is eligible for a premium discount or for no premium
16 requirement.

17 4. The agency may adopt rules as necessary to
18 administer the Florida Kidcare program, except as specified in
19 s. 409.818.

20 (b) The Department of Children and Family Services is
21 responsible for conducting eligibility determination for all
22 components of the Florida Kidcare program no later than July
23 1, 2008.

24 1. No later than July 1, 2008, the Department of
25 Children and Family Services, in coordination with the agency,
26 shall be responsible for eligibility determination, including
27 receiving and processing applications for all program
28 components, determining eligibility for all program
29 components, receiving electronic verification, and
30 transmitting and receiving all correspondence related to the
31

1 eligibility-determination process. All correspondence shall be
2 identified solely with the Florida Kidcare program as a whole.

3 2. No later than July 1, 2008, the Department of
4 Children and family Services is responsible to provide a
5 single toll-free line for a customer service call center to
6 access account information and provide general information
7 concerning the Florida Kidcare program.

8 (c) The Florida Healthy Kids Corporation's remaining
9 roles and responsibilities as defined in s. 624.91 shall be
10 transferred to the agency no later than July 1, 2009.

11 (2) BENEFITS.--No later than July 1, 2008, health
12 benefits, as specified in paragraphs (a) and (b), shall be
13 provided to eligible children under the Florida Kidcare
14 program, except those children with special health care needs
15 who shall be provided benefits under the Florida Kidcare Plus
16 Plan.

17 (a) No later than July 1, 2008, the Florida Kidcare
18 program shall contain the same benefits as specified in ss.
19 409.905 and 409.906 and emergency services provided under s.
20 409.9128.

21 (b) The Florida Kidcare Plus Plan as defined in s.
22 409.811(13) shall contain the same benefits as specified in
23 ss. 409.905 and 409.906 and emergency services provided under
24 s. 409.9128.

25 (3) SERVICE DELIVERY SYSTEMS.--No later than July 1,
26 2008, health care services under the Florida Kidcare program
27 shall be delivered through managed care plans, primary care
28 case management providers, and fee-for-service providers under
29 contract or other arrangement with the agency. Title XXI
30 enrollees, excluding those enrolled in the Florida Kidcare
31 Plus Plan, shall enroll in a managed care plan if two or more

1 plans are available. Florida Healthy Kids Corporation shall
2 extend health plan contracts through June 30, 2009, for
3 children enrolled in the Florida Healthy Kids program as of
4 July 1, 2008.

5 (4) ELIGIBILITY.--Effective July 1, 2008, children
6 eligible to participate in the Florida Kidcare program are
7 those qualified under the eligibility standards specified in
8 ss. 409.8132, 409.814, 409.8141, 409.903, and 409.904.

9 (5) ENROLLMENT.--Effective July 1, 2008, the parents,
10 guardians or persons applying on behalf of children determined
11 eligible after June 30, 2008, shall choose a Florida Kidcare
12 Plan providing the benefits as described in s. 409.830(2)(a)
13 and (b). Children enrolled in Florida Healthy Kids plans on
14 June 30, 2008, shall transfer to a Florida Kidcare Plan
15 providing the benefits as described in s. 409.830(2)(a) and
16 (b) no later than June 30, 2009.

17 (6) CAPITATION RATES.--No later than July 1, 2008, any
18 managed care plan that participates in the Florida Kidcare
19 program shall be compensated in accordance with s. 409.9124,
20 except in counties compensated in accordance with s.
21 409.91211.

22 (7) WAIVER AUTHORITY.--The agency shall seek federal
23 waiver approval or amendments to the Medicaid state plan and
24 Title XXI state plan which are necessary to implement the
25 initiative as specified in this section.

26 Section 17. Section 624.91, Florida Statutes, is
27 amended to read:

28 624.91 The Florida Healthy Kids Corporation Act.--

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

31 (2) LEGISLATIVE INTENT.--

1 (a) The Legislature finds that increased access to
2 health care services could improve children's health and
3 reduce the incidence and costs of childhood illness and
4 disabilities among children in this state. Many children do
5 not have comprehensive, affordable health care services
6 available. It is the intent of the Legislature that the
7 Florida Healthy Kids Corporation provide comprehensive health
8 insurance coverage to such children. The corporation is
9 encouraged to cooperate with any existing health service
10 programs funded by the public or the private sector.

11 (b) It is the intent of the Legislature that the
12 Florida Healthy Kids Corporation serve as one of several
13 providers of services to children eligible for medical
14 assistance under Title XXI of the Social Security Act.
15 ~~Although the corporation may serve other children, the~~
16 ~~Legislature intends the primary recipients of services~~
17 ~~provided through the corporation be school age children with a~~
18 ~~family income below 200 percent of the federal poverty level,~~
19 ~~who do not qualify for Medicaid. It is also the intent of the~~
20 ~~Legislature that state and local government Florida Healthy~~
21 ~~Kids funds be used to continue coverage, subject to specific~~
22 ~~appropriations in the General Appropriations Act, to children~~
23 ~~not eligible for federal matching funds under Title XXI.~~

24 ~~(3) ELIGIBILITY FOR STATE FUNDED ASSISTANCE. Only the~~
25 ~~following individuals are eligible for state funded assistance~~
26 ~~in paying Florida Healthy Kids premiums:~~

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

29 ~~(b) Notwithstanding s. 409.814, legal aliens who are~~
30 ~~enrolled in the Florida Healthy Kids program as of January 31,~~
31

1 ~~2004, who do not qualify for Title XXI federal funds because~~
2 ~~they are not qualified aliens as defined in s. 409.811.~~

3 ~~(3)(4)~~ NONENTITLEMENT.--Nothing in this section shall
4 be construed as providing an individual with an entitlement to
5 health care services. No cause of action shall arise against
6 the state, the Florida Healthy Kids Corporation, or a unit of
7 local government for failure to make health services available
8 under this section.

9 ~~(4)(5)~~ CORPORATION AUTHORIZATION, DUTIES, POWERS.--

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

12 (b) The Florida Healthy Kids Corporation shall:

13 1. Arrange for the collection of any family, local
14 contributions, or employer payment or premium, in an amount to
15 be determined by the board of directors, to provide for
16 payment of premiums for health benefits ~~comprehensive~~
17 ~~insurance~~ coverage and for the actual or estimated
18 administrative expenses. No later than July 1, 2009, the
19 collection of family premiums shall be transferred to the
20 Agency for Health Care Administration.

21 2. Arrange for the collection of any voluntary
22 contributions to provide for payment of Florida Kidcare
23 premiums for children who are not eligible for medical
24 assistance under Title XXI of the Social Security Act. No
25 later than July 1, 2009, this function shall be transferred to
26 the Agency for Health Care Administration.

27 3. Subject to the provisions of s. 409.8134, accept
28 voluntary supplemental local match contributions that comply
29 with the requirements of Title XXI of the Social Security Act
30 for the purpose of providing additional Florida Kidcare
31 coverage in contributing counties under Title XXI. No later

1 than July 1, 2009, this function shall be transferred to the
2 Agency for Health Care Administration.

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

5 5. Establish, with consultation from appropriate
6 professional organizations, standards for preventive health
7 services and providers and comprehensive insurance benefits
8 appropriate to children, provided that the ~~such~~ standards for
9 rural areas ~~do shall~~ not limit primary care providers to
10 board-certified pediatricians.

11 6. Determine eligibility for children seeking to
12 participate in the Title XXI-funded components of the Florida
13 Kidcare program consistent with the requirements specified in
14 s. 409.814, as well as the non-Title-XXI-eligible children as
15 provided in subsection (3). No later than July 1, 2008, this
16 function shall be transferred to the Department of Children
17 and Family Services.

18 7. Establish procedures under which providers of local
19 match to, applicants to and participants in the program may
20 have grievances reviewed by an impartial body and reported to
21 the board of directors of the corporation. No later than July
22 1, 2009, this function shall be transferred to the Agency for
23 Health Care Administration.

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

28 9. Establish enrollment criteria which shall include
29 penalties or waiting periods of not fewer than 60 days for
30 reinstatement of coverage upon voluntary cancellation for
31 nonpayment of family premiums.

1 10. Contract with authorized insurers or any provider
2 of health care services, meeting standards established by the
3 corporation, for the provision of comprehensive insurance
4 coverage to participants. Such standards shall include
5 criteria under which the corporation may contract with more
6 than one provider of health care services in program sites.
7 Health plans shall be selected through a competitive bid
8 process. The Florida Healthy Kids Corporation shall purchase
9 goods and services in the most cost-effective manner
10 consistent with the delivery of quality medical care. The
11 maximum administrative cost for a Florida Healthy Kids
12 Corporation contract shall be 15 percent. For health care
13 contracts, the minimum medical loss ratio for a Florida
14 Healthy Kids Corporation contract shall be 85 percent. For
15 dental contracts, the remaining compensation to be paid to the
16 authorized insurer or provider under a Florida Healthy Kids
17 Corporation contract shall be no less than an amount which is
18 85 percent of premium; to the extent any contract provision
19 does not provide for this minimum compensation, this section
20 shall prevail. The health plan selection criteria and scoring
21 system, and the scoring results, shall be available upon
22 request for inspection after the bids have been awarded.

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

25 12. Health and dental plans participating in the
26 Florida Healthy Kids program may develop and distribute
27 marketing and other promotional materials and participate in
28 activities, such as health fairs and public events, as
29 approved by the corporation. The health and dental plans may
30 also contact their current and former enrollees to encourage
31 continued participation in the program and to assist the

1 enrollee in transferring from a Title XIX-financed plan to a
2 Title XXI-financed plan. No later than July 1, 2008, this
3 function shall be transferred to the Department of Children
4 and Family Services. ~~Develop and implement a plan to publicize~~
5 ~~the Florida Healthy Kids Corporation, the eligibility~~
6 ~~requirements of the program, and the procedures for enrollment~~
7 ~~in the program and to maintain public awareness of the~~
8 ~~corporation and the program.~~

9 13. Secure staff necessary to properly administer the
10 corporation. Staff costs shall be funded from state and local
11 matching funds and such other private or public funds as
12 become available. The board of directors shall determine the
13 number of staff members necessary to administer the
14 corporation.

15 14. Provide a report annually to the Governor, Chief
16 Financial Officer, Commissioner of Education, Senate
17 President, Speaker of the House of Representatives, and
18 Minority Leaders of the Senate and the House of
19 Representatives.

20 15. Establish benefit packages which conform to the
21 provisions of the Florida Kidcare program, as created in ss.
22 409.810-409.830 ~~ss. 409.810-409.820~~.

23 (c) Coverage under the corporation's program is
24 secondary to any other available private coverage held by, or
25 applicable to, the participant child or family member.
26 Insurers under contract with the corporation are the payors of
27 last resort and must coordinate benefits with any other
28 third-party payor that may be liable for the participant's
29 medical care.

30 (d) The Florida Healthy Kids Corporation shall be a
31 private corporation not for profit, organized under ~~pursuant~~

1 ~~to~~ chapter 617, and shall have all powers necessary to carry
2 out the purposes of this act, including, but not limited to,
3 the power to receive and accept grants, loans, or advances of
4 funds from any public or private agency and to receive and
5 accept from any source contributions of money, property,
6 labor, or any other thing of value, to be held, used, and
7 applied for the purposes of this section ~~act~~.

8 ~~(5)(6)~~ BOARD OF DIRECTORS.--

9 (a) The Florida Healthy Kids Corporation shall operate
10 subject to the supervision and approval of a board of
11 directors chaired by the Chief Financial Officer or her or his
12 designee, and composed of 10 other members selected for 3-year
13 terms of office as follows:

14 1. The Secretary of Health Care Administration, or his
15 or her designee;

16 2. One member appointed by the Commissioner of
17 Education from the Office of School Health Programs of the
18 Florida Department of Education;

19 3. One member appointed by the Chief Financial Officer
20 from among three members nominated by the Florida Pediatric
21 Society;

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

24 5. One member appointed by the Chief Financial Officer
25 from among three members nominated by the Florida Hospital
26 Association;

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

29 7. One member, appointed by the Chief Financial
30 Officer, from among three members nominated by the Florida
31 Academy of Family Physicians;

1 8. One member, appointed by the Governor, who
2 represents the state Medicaid program;

3 9. One member, appointed by the Chief Financial
4 Officer, from among three members nominated by the Florida
5 Association of Counties; and

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

7 (b) A member of the board of directors may be removed
8 by the official who appointed that member. The board shall
9 appoint an executive director, who is responsible for other
10 staff authorized by the board.

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

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

19 ~~(6)(7)~~ LICENSING NOT REQUIRED; FISCAL OPERATION.--

20 (a) The corporation shall not be deemed an insurer.
21 The officers, directors, and employees of the corporation
22 shall not be deemed to be agents of an insurer. Neither the
23 corporation nor any officer, director, or employee of the
24 corporation is subject to the licensing requirements of the
25 insurance code or the rules of the Department of Financial
26 Services. However, any marketing representative utilized and
27 compensated by the corporation must be appointed as a
28 representative of the insurers or health services providers
29 with which the corporation contracts.

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

1 (c) The Department of Financial Services shall
2 supervise any liquidation or dissolution of the corporation
3 and shall have, with respect to such liquidation or
4 dissolution, all power granted to it pursuant to the insurance
5 code.

6 ~~(7)(8)~~ ACCESS TO RECORDS; CONFIDENTIALITY;
7 PENALTIES.--Notwithstanding any other laws to the contrary,
8 the Florida Healthy Kids Corporation shall have access to the
9 medical records of a student upon receipt of permission from a
10 parent or guardian of the student. Such medical records may be
11 maintained by state and local agencies. Any identifying
12 information, including medical records and family financial
13 information, obtained by the corporation pursuant to this
14 subsection is confidential and is exempt from the provisions
15 of s. 119.07(1). Neither the corporation nor the staff or
16 agents of the corporation may release, without the written
17 consent of the participant or the parent or guardian of the
18 participant, to any state or federal agency, to any private
19 business or person, or to any other entity, any confidential
20 information received pursuant to this subsection. A violation
21 of this subsection is a misdemeanor of the second degree,
22 punishable as provided in s. 775.082 or s. 775.083.

23 (8) The venue for all civil and administrative actions
24 against the Florida Healthy Kids Corporation shall be in Leon
25 County.

26 Section 18. Effective July 1, 2009, section 624.91,
27 Florida Statutes, as amended by this act, is repealed.

28 Section 19. The Agency for Health Care Administration
29 shall provide a consolidation transition plan that identifies
30 budget, statutory, and administrative issues that need to be
31 addressed in order to implement the provisions of s. 409.830,

1 Florida Statutes. The transition plan shall be provided to the
2 Governor, the President of the Senate, and the Speaker of the
3 House of Representatives by January 1, 2008.

4 Section 20. The sum of \$333,049 in nonrecurring funds
5 from the General Revenue Fund and \$780,082 in nonrecurring
6 funds from the Administrative Trust Fund are appropriated to
7 the Agency for Health Care Administration, and 10 full time
8 equivalent positions and associated salary rate of 519,766 is
9 authorized to implement the provisions of this act during the
10 2007-2008 fiscal year.

11 Section 21. The sum of \$1,233,995 in nonrecurring
12 funds from the General Revenue Fund and \$2,890,319 in
13 nonrecurring funds from the Federal Grants Trust Fund are
14 appropriated to the Department of Children and Family Services
15 and 115 full-time equivalent positions and associated salary
16 rate of 948,602 is authorized to implement the provisions of
17 this act during the 2007-2008 fiscal year.

18 Section 22. Except as otherwise expressly provided in
19 this act, this act shall take effect July 1, 2007.
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1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 CS/CS for SB 930

4 The bill makes the following changes related to the Florida
5 KidCare Program:

6 Clarifies and adds definitions relating to the Florida
7 Kidcare Program.

8 Revises language referring to the components of the
9 program and the expenditure ceiling of the program.

10 Clarifies eligibility criteria, including who is eligible
11 for premium assistance in the program.

12 Provides good-cause reasons, to allow a child to receive
13 premium assistance if their employer-sponsored health
14 insurance was canceled 6 months prior to submitting an
15 application.

16 Maintains current eligibility documentation requirements
17 and requires eligibility information to be electronically
18 verified to the extent possible.

19 Requires health plans and other providers to be notified
20 of their members losing Medicaid or Medikids eligibility
21 so they may assist them in maintaining continuous
22 coverage in the Florida Kidcare Program.

23 Provides penalties for use of fraudulent information to
24 qualify for the program.

25 Redefines the benchmark benefit package for the program,
26 effective July 1, 2008.

27 Requires the Department of Children and Family Services
28 (DCF) to develop a standard intake process for all
29 Community Access Network partners to inform applicants
30 about coverage and services offered through the program.

31 Requires DCF to develop a standardized application
 process.

 Requires DCF to conduct eligibility determination for all
 components of the program no later than July 1, 2008.

 Requires DCF, in consultation with the Agency for Health
 Care Administration (AHCA), to establish a toll-free
 hotline no later than July 1, 2008.

 Requires the Department of Health (DOH), in consultation
 with AHCA, to develop a minimum set of pediatric quality
 assurance and access standards for the program.

 Designates AHCA as the single state agency and transfers
 and consolidates most administrative functions in the
 entire Florida Kidcare program under the AHCA no later
 than July 1, 2008.

1 Requires AHCA to develop and implement a marketing and
2 outreach program no later than July 1, 2008.
3 Clarifies that parents and legal guardians have access to
4 certain enrollment information.
5 Requires that benefits are delivered through the "Florida
6 KidCare Program" and the "KidCare Plus Plan" (defined as
7 children with special health care needs).
8 Requires managed care plans participating in the KidCare
9 program to be compensated in accordance with the current
10 capitation rate methodologies used in Medicaid, effective
11 July 1, 2008.
12 Eliminates the current coordinating council chaired by
13 the Department of Health.
14 Repeals the Florida Healthy Kids Corporation, effective
15 June 30, 2009.
16 Requires AHCA to provide a consolidation transition plan
17 to the Governor, Senate President and Speaker of the
18 House of Representatives by January 1, 2008.
19 Provides an appropriation.
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