

By the Committee on Health Regulation; and Senators Rich, Lynn, Bennett, Aronberg, Sobel, and Gaetz

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1                                   A bill to be entitled  
2       An act relating to the Florida Kidcare program;  
3       amending s. 409.810, F.S.; correcting a cross-  
4       reference; amending s. 409.811, F.S.; conforming  
5       cross-references; amending s. 409.812, F.S.;  
6       clarifying the application of the Florida Kidcare  
7       program to include all eligible uninsured, low-income  
8       children; amending s. 409.813, F.S.; specifying  
9       funding sources for health benefits coverage for  
10      certain children; specifying program components to be  
11      marketed as the Florida Kidcare program; conforming  
12      cross-references; amending s. 409.8132, F.S.; revising  
13      provisions relating to penalties for nonpayment of  
14      premiums and waiting periods for reinstatement of  
15      coverage; amending s. 409.8134, F.S.; revising  
16      provisions relating to enrollment in the Florida  
17      Kidcare program; amending s. 409.814, F.S.; removing a  
18      restriction on participation in the Florida Healthy  
19      Kids program; authorizing certain enrollees to opt out  
20      of the Children's Medical Services network; revising  
21      coverage limitations; revising restrictions on  
22      enrollment of children whose coverage was voluntarily  
23      canceled; providing exceptions; deleting provisions  
24      that place a limit on enrollment in Medikids and the  
25      Florida Healthy Kids full-pay program; requiring  
26      notice to health plans and providers when a child is  
27      no longer eligible for certain coverage; requiring  
28      electronic verification of applicants' income;  
29      providing circumstances under which written

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30 documentation is required; revising the timeframe for  
31 an enrollee to resolve disputes regarding the  
32 withholding of benefits; amending s. 409.815, F.S.;  
33 authorizing the Agency for Health Care Administration  
34 to increase premium assistance payments for benefits  
35 provided through Florida Kidcare Plus instead of the  
36 Children's Medical Services; conforming cross-  
37 references; amending ss. 409.816 and 409.817, F.S.;  
38 conforming cross-references; amending s. 409.8177,  
39 F.S.; revising information to be included in the  
40 annual program evaluation to the Governor and  
41 Legislature; amending s. 409.818, F.S.; clarifying  
42 that the Department of Health is the chair of Florida  
43 Kidcare coordinating council; conforming cross-  
44 references; amending s. 624.91, F.S.; revising the  
45 duties of the Florida Healthy Kids Corporation;  
46 revising the date in which the corporation must  
47 provide a study to the Legislature and the Governor;  
48 correcting a cross-reference; expanding the membership  
49 of the board of directors of the Florida Healthy Kids  
50 Corporation; providing an effective date.

51  
52 Be It Enacted by the Legislature of the State of Florida:

53  
54 Section 1. Section 409.810, Florida Statutes, is amended to  
55 read:

56 409.810 Short title.—Sections 409.810-409.821 ~~409.810-~~  
57 ~~409.820~~ may be cited as the "Florida Kidcare Act."

58 Section 2. Subsections (3), (10), and (13) of section

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59 409.811, Florida Statutes, are amended to read

60 409.811 Definitions relating to Florida Kidcare Act.—As  
61 used in ss. 409.810-409.821 ~~ss. 409.810-409.820~~, the term:

62 (3) "Applicant" means a parent or guardian of a child or a  
63 child whose disability of nonage has been removed under chapter  
64 743, who applies for determination of eligibility for health  
65 benefits coverage under ss. 409.810-409.821 ~~ss. 409.810-409.820~~.

66 (10) "Enrollee" means a child who has been determined  
67 eligible for and is receiving coverage under ss. 409.810-409.821  
68 ~~ss. 409.810-409.820~~.

69 ~~(14)(13)~~ "Florida Kidcare program," "Kidcare program," or  
70 "program" means the health benefits program administered through  
71 ss. 409.810-409.821 ~~ss. 409.810-409.820~~.

72 Section 3. Section 409.812, Florida Statutes, is amended to  
73 read:

74 409.812 Program created; purpose.—The Florida Kidcare  
75 program is created to provide a defined set of health benefits  
76 to ~~previously~~ uninsured, low-income children through the  
77 establishment of a variety of affordable health benefits  
78 coverage options from which families may select coverage and  
79 through which families may contribute financially to the health  
80 care of their children.

81 Section 4. Section 409.813, Florida Statutes, is amended to  
82 read:

83 409.813 Health benefits coverage; program components;  
84 entitlement and nonentitlement.—

85 (1) The Florida Kidcare program includes health benefits  
86 coverage provided to children through the following program  
87 components, which shall be marketed as the Florida Kidcare

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88 program:

89 (a)~~(1)~~ Medicaid;

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

91 (c)~~(3)~~ The Florida Healthy Kids Corporation as created in  
92 s. 624.91;

93 (d)~~(4)~~ Employer-sponsored group health insurance plans  
94 approved under ss. 409.810-409.821 ~~ss. 409.810-409.820~~; and

95 (e)~~(5)~~ The Children's Medical Services network established  
96 in chapter 391.

97 (2) Except for Title XIX-funded Florida Kidcare program  
98 coverage under the Medicaid program, coverage under the Florida  
99 Kidcare program is not an entitlement. No cause of action shall  
100 arise against the state, the department, the Department of  
101 Children and Family Services, or the agency for failure to make  
102 health services available to any person under ss. 409.810-  
103 409.821 ~~ss. 409.810-409.820~~.

104 Section 5. Paragraph (b) of subsection (6) and subsection  
105 (8) of section 409.8132, Florida Statutes, are amended to read:  
106 409.8132 Medikids program component.—

107 (6) ELIGIBILITY.—

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

110 (8) PENALTIES FOR VOLUNTARY CANCELLATION.—The agency shall  
111 establish enrollment criteria that ~~must~~ include penalties or  
112 waiting periods of 30 ~~not fewer than 60~~ days for reinstatement  
113 of coverage upon voluntary cancellation for nonpayment of  
114 premiums.

115 Section 6. Subsection (2) of section 409.8134, Florida  
116 Statutes, is amended to read:

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117 409.8134 Program expenditure ceiling; enrollment.—  
118 (2) The Florida Kidcare program may conduct enrollment  
119 continuously at any time throughout the year ~~for the purpose of~~  
120 ~~enrolling children eligible for all program components listed in~~  
121 ~~s. 409.813 except Medicaid. The four Florida Kidcare~~  
122 ~~administrators shall work together to ensure that the year-round~~  
123 ~~enrollment period is announced statewide. Eligible Children~~  
124 eligible for coverage under Title XXI-funded Florida Kidcare  
125 program shall be enrolled on a first-come, first-served basis  
126 using the date the enrollment application is received.  
127 Enrollment shall immediately cease when the expenditure ceiling  
128 is reached. Year-round enrollment shall only be held if the  
129 Social Services Estimating Conference determines that sufficient  
130 federal and state funds will be available to finance the  
131 increased enrollment ~~through federal fiscal year 2007. Any~~  
132 ~~individual who is not enrolled must reapply by submitting a new~~  
133 ~~application.~~ The application for the Florida Kidcare program is  
134 ~~shall be~~ valid for a period of 120 days after the date it was  
135 received. At the end of the 120-day period, if the applicant has  
136 not been enrolled in the program, the application is ~~shall be~~  
137 invalid and the applicant shall be notified of the action. The  
138 applicant may reactivate ~~resubmit~~ the application after  
139 notification of the action taken by the program. Except for the  
140 Medicaid program, whenever the Social Services Estimating  
141 Conference determines that there are presently, or will be by  
142 the end of the current fiscal year, insufficient funds to  
143 finance the current or projected enrollment in the Florida  
144 Kidcare program, all additional enrollment must cease and  
145 additional enrollment may not resume until sufficient funds are

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146 available to finance such enrollment.

147 Section 7. Section 409.814, Florida Statutes, is amended to  
148 read:

149 409.814 Eligibility.—A child who has not reached 19 years  
150 of age whose family income is equal to or below 200 percent of  
151 the federal poverty level is eligible for the Florida Kidcare  
152 program as provided in this section. For enrollment in the  
153 Children's Medical Services Network, a complete application  
154 includes the medical or behavioral health screening. If,  
155 subsequently, an individual is determined to be ineligible for  
156 coverage, he or she must immediately be disenrolled from the  
157 respective Florida Kidcare program component.

158 (1) A child who is eligible for Medicaid coverage under s.  
159 409.903 or s. 409.904 must be enrolled in Medicaid and is not  
160 eligible to receive health benefits under any other health  
161 benefits coverage authorized under the Florida Kidcare program.

162 (2) A child who is not eligible for Medicaid, but who is  
163 eligible for the Florida Kidcare program, may obtain health  
164 benefits coverage under any of the other components listed in s.  
165 409.813 if such coverage is approved and available in the county  
166 in which the child resides. ~~However, a child who is eligible for~~  
167 ~~Medikids may participate in the Florida Healthy Kids program~~  
168 ~~only if the child has a sibling participating in the Florida~~  
169 ~~Healthy Kids program and the child's county of residence permits~~  
170 ~~such enrollment.~~

171 (3) A child who is eligible for the Florida Kidcare program  
172 who is a child with special health care needs, as determined  
173 through a medical or behavioral screening instrument, is  
174 eligible for health benefits coverage from and shall be assigned

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175 to and may opt out of ~~referred to~~ the Children's Medical  
176 Services Network.

177 (4) The following children are not eligible to receive  
178 Title XXI-funded premium assistance for health benefits coverage  
179 under the Florida Kidcare program, except under Medicaid if the  
180 child would have been eligible for Medicaid under s. 409.903 or  
181 s. 409.904 as of June 1, 1997:

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

185 (b) A child who is currently eligible for or covered under  
186 a family member's group health benefit plan or under other  
187 private or employer health insurance coverage, if excluding  
188 ~~coverage provided under the Florida Healthy Kids Corporation as~~  
189 ~~established under s. 624.91, provided that~~ the cost of the  
190 child's participation is not greater than 5 percent of the  
191 family's income. If a child is otherwise eligible for a subsidy  
192 under the Florida Kidcare program and the cost of the child's  
193 participation in the family member's health insurance benefit  
194 plan is greater than 5 percent of the family's income, the child  
195 may enroll in the appropriate subsidized Kidcare program. ~~This~~  
196 ~~provision shall be applied during redetermination for children~~  
197 ~~who were enrolled prior to July 1, 2004. These enrollees shall~~  
198 ~~have 6 months of eligibility following redetermination to allow~~  
199 ~~for a transition to the other health benefit plan.~~

200 (c) A child who is seeking premium assistance for the  
201 Florida Kidcare program through employer-sponsored group  
202 coverage, if the child has been covered by the same employer's  
203 group coverage during the 60 days ~~6 months~~ prior to the family's

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204 submitting an application for determination of eligibility under  
205 the program.

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

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

210 (f) A child who is otherwise eligible for premium  
211 assistance for the Florida Kidcare program and has had his or  
212 her coverage in an employer-sponsored or private health benefit  
213 plan voluntarily canceled in the last 60 days ~~6 months~~, except  
214 those children whose coverage was voluntarily canceled for good  
215 cause, including, but not limited to, the following  
216 circumstances:

217 1. The cost of participation in an employer-sponsored  
218 health benefit plan is greater than 5 percent of the family's  
219 income;

220 2. The parent lost a job that provided an employer-  
221 sponsored health benefit plan for children;

222 3. The parent who had health benefits coverage for the  
223 child is deceased;

224 4. The child has a medical condition that, without medical  
225 care, would cause serious disability, loss of function, or  
226 death;

227 5. The employer of the parent canceled health benefits  
228 coverage for children;

229 6. The child's health benefits coverage ended because the  
230 child reached the maximum lifetime coverage amount;

231 7. The child has exhausted coverage under a COBRA  
232 continuation provision;



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233 8. The health benefits coverage does not cover the child's  
234 health care needs; or

235 9. Domestic violence led to loss of coverage ~~who were on~~  
236 ~~the waiting list prior to March 12, 2004.~~

237 ~~(5)(g)~~ A child who is otherwise eligible for the Florida  
238 Kidcare program and who has a preexisting condition that  
239 prevents coverage under another insurance plan as described in  
240 paragraph (4)(b) which would have disqualified the child for the  
241 Florida Kidcare program if the child were able to enroll in the  
242 plan shall be eligible for Florida Kidcare coverage when  
243 enrollment is possible.

244 ~~(6)(5)~~ A child whose family income is above 200 percent of  
245 the federal poverty level or a child who is excluded under the  
246 provisions of subsection (4) may participate in the Florida  
247 Kidcare program ~~Medikids program~~ as provided in s. 409.8132 or,  
248 if the child is ineligible for Medikids by reason of age, in the  
249 Florida Healthy Kids program, subject to the following  
250 provisions:

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

254 (b) The board of directors of the Florida Healthy Kids  
255 Corporation may offer a reduced benefit package to these  
256 children in order to limit program costs for such families.

257 ~~(7)(6)~~ Once a child is enrolled in the Florida Kidcare  
258 program, the child is eligible for coverage under the program  
259 for 12 months without a redetermination or reverification of  
260 eligibility, if the family continues to pay the applicable  
261 premium. Eligibility for program components funded through Title

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262 XXI of the Social Security Act shall terminate when a child  
263 attains the age of 19. ~~Effective January 1, 1999,~~ A child who  
264 has not attained the age of 5 and who has been determined  
265 eligible for the Medicaid program is eligible for coverage for  
266 12 months without a redetermination or reverification of  
267 eligibility.

268 (8)~~(7)~~ When determining or reviewing a child's eligibility  
269 under the Florida Kidcare program, the applicant shall be  
270 provided with reasonable notice of changes in eligibility which  
271 may affect enrollment in one or more of the program components.  
272 When a transition from one program component to another is  
273 authorized, there shall be cooperation between the program  
274 components and the affected family which promotes continuity of  
275 health care coverage. Any authorized transfers must be managed  
276 within the program's overall appropriated or authorized levels  
277 of funding. Each component of the program shall establish a  
278 reserve to ensure that transfers between components will be  
279 accomplished within current year appropriations. These reserves  
280 shall be reviewed by each convening of the Social Services  
281 Estimating Conference to determine the adequacy of such reserves  
282 to meet actual experience.

283 (9)~~(8)~~ In determining the eligibility of a child, an assets  
284 test is not required. Each applicant shall provide ~~written~~  
285 documentation during the application process and the  
286 redetermination process, including, but not limited to, the  
287 following:

288 (a) Each applicant's proof of family income shall be  
289 verified electronically to determine financial eligibility for  
290 the Florida Kidcare program. Written documentation, which may

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291 ~~must~~ include wages and earnings statements or pay stubs, W-2  
292 forms, or a copy of the applicant's most recent federal income  
293 tax return, shall be required only if the electronic  
294 verification is not available or does not substantiate the  
295 applicant's income. ~~In the absence of a federal income tax~~  
296 ~~return, an applicant may submit wages and earnings statements~~  
297 ~~(pay stubs), W-2 forms, or other appropriate documents.~~

298 (b) Each applicant shall provide a statement from all  
299 applicable, employed family members that:

300 1. Their employers do ~~employer does~~ not sponsor a health  
301 benefit plans ~~plan~~ for employees; or

302 2. The potential enrollee is not covered by an ~~the~~  
303 employer-sponsored health benefit plan because the potential  
304 enrollee is not eligible for coverage, or, if the potential  
305 enrollee is eligible but not covered, a statement of the cost to  
306 enroll the potential enrollee in the employer-sponsored health  
307 benefit plan. If the cost of the employer-sponsored health  
308 benefit plan is greater than 5 percent of the family's income  
309 and the potential enrollee is otherwise eligible for premium  
310 assistance, he or she may be enrolled in the appropriate,  
311 subsidized component of the Florida Kidcare program.

312 ~~(10)(9)~~ Subject to paragraph (4) (b) ~~and s. 624.91(4),~~ the  
313 Florida Kidcare program shall withhold benefits from an enrollee  
314 if the program obtains evidence that the enrollee is no longer  
315 eligible, submitted incorrect or fraudulent information in order  
316 to establish eligibility, or failed to provide verification of  
317 eligibility. The applicant or enrollee shall be notified that  
318 because of such evidence program benefits will be withheld  
319 unless the applicant or enrollee contacts a designated

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320 representative of the program by a specified date, which must be  
321 within 10 working days after the date of notice, to discuss and  
322 resolve the matter. The program shall make every effort to  
323 resolve the matter within a timeframe that will not cause  
324 benefits to be withheld from an eligible enrollee.

325 ~~(11)~~~~(10)~~ The following individuals may be subject to  
326 prosecution in accordance with s. 414.39:

327 (a) An applicant obtaining or attempting to obtain benefits  
328 for a potential enrollee under the Florida Kidcare program when  
329 the applicant knows or should have known the potential enrollee  
330 does not qualify for the Florida Kidcare program.

331 (b) An individual who assists an applicant in obtaining or  
332 attempting to obtain benefits for a potential enrollee under the  
333 Florida Kidcare program when the individual knows or should have  
334 known the potential enrollee does not qualify for the Florida  
335 Kidcare program.

336 Section 8. Paragraphs (u) and (v) of subsection (2) of  
337 section 409.815, Florida Statutes, are amended to read:

338 409.815 Health benefits coverage; limitations.—

339 (2) BENCHMARK BENEFITS.—In order for health benefits  
340 coverage to qualify for premium assistance payments for an  
341 eligible child under ss. 409.810-409.821 ~~ss. 409.810-409.820~~,  
342 the health benefits coverage, except for coverage under Medicaid  
343 and Medikids, must include the following minimum benefits, as  
344 medically necessary.

345 (u) *Enhancements to minimum requirements.*—

346 1. This section sets the minimum benefits that must be  
347 included in any health benefits coverage, other than Medicaid or  
348 Medikids coverage, offered under ss. 409.810-409.821 ~~ss.~~

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349 ~~409.810-409.820~~. Health benefits coverage may include additional  
350 benefits not included under this subsection, but may not include  
351 benefits excluded under paragraph (s).

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

354

355 Except for the Children's Medical Services Network, the agency  
356 may not increase the premium assistance payment for either  
357 additional benefits provided beyond the minimum benefits  
358 described in this section or the imposition of less restrictive  
359 service limitations.

360 (v) *Applicability of other state laws.*—Health insurers,  
361 health maintenance organizations, and their agents are subject  
362 to the provisions of the Florida Insurance Code, except for any  
363 such provisions waived in this section.

364 1. Except as expressly provided in this section, a law  
365 requiring coverage for a specific health care service or  
366 benefit, or a law requiring reimbursement, utilization, or  
367 consideration of a specific category of licensed health care  
368 practitioner, does not apply to a health insurance plan policy  
369 or contract offered or delivered under ss. 409.810-409.821 ~~ss.~~  
370 ~~409.810-409.820~~ unless that law is made expressly applicable to  
371 such policies or contracts.

372 2. Notwithstanding chapter 641, a health maintenance  
373 organization may issue contracts providing benefits equal to,  
374 exceeding, or actuarially equivalent to the benchmark benefit  
375 plan authorized by this section and may pay providers located in  
376 a rural county negotiated fees or Medicaid reimbursement rates  
377 for services provided to enrollees who are residents of the

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378 rural county.

379 Section 9. Subsection (3) of section 409.816, Florida  
380 Statutes, is amended to read:

381 409.816 Limitations on premiums and cost-sharing.—The  
382 following limitations on premiums and cost-sharing are  
383 established for the program.

384 (3) Enrollees in families with a family income above 150  
385 percent of the federal poverty level, who are not receiving  
386 coverage under the Medicaid program or who are not eligible  
387 under s. 409.814(7) ~~s. 409.814(5)~~, may be required to pay  
388 enrollment fees, premiums, copayments, deductibles, coinsurance,  
389 or similar charges on a sliding scale related to income, except  
390 that the total annual aggregate cost-sharing with respect to all  
391 children in a family may not exceed 5 percent of the family's  
392 income. However, copayments, deductibles, coinsurance, or  
393 similar charges may not be imposed for preventive services,  
394 including well-baby and well-child care, age-appropriate  
395 immunizations, and routine hearing and vision screenings.

396 Section 10. Section 409.817, Florida Statutes, is amended  
397 to read:

398 409.817 Approval of health benefits coverage; financial  
399 assistance.—In order for health insurance coverage to qualify  
400 for premium assistance payments for an eligible child under ss.  
401 409.810-409.821 ~~ss. 409.810-409.820~~, the health benefits  
402 coverage must:

403 (1) Be certified by the Office of Insurance Regulation of  
404 the Financial Services Commission under s. 409.818 as meeting,  
405 exceeding, or being actuarially equivalent to the benchmark  
406 benefit plan;

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407 (2) Be guarantee issued;

408 (3) Be community rated;

409 (4) Not impose any preexisting condition exclusion for  
410 covered benefits; however, group health insurance plans may  
411 permit the imposition of a preexisting condition exclusion, but  
412 only insofar as it is permitted under s. 627.6561;

413 (5) Comply with the applicable limitations on premiums and  
414 cost-sharing in s. 409.816;

415 (6) Comply with the quality assurance and access standards  
416 developed under s. 409.820; and

417 (7) Establish periodic open enrollment periods, which may  
418 not occur more frequently than quarterly.

419 Section 11. Paragraph (i) of subsection (1) of section  
420 409.8177, Florida Statutes, is amended to read:

421 409.8177 Program evaluation.—

422 (1) The agency, in consultation with the Department of  
423 Health, the Department of Children and Family Services, and the  
424 Florida Healthy Kids Corporation, shall contract for an  
425 evaluation of the Florida Kidcare program and shall by January 1  
426 of each year submit to the Governor, the President of the  
427 Senate, and the Speaker of the House of Representatives a report  
428 of the program. In addition to the items specified under s. 2108  
429 of Title XXI of the Social Security Act, the report shall  
430 include an assessment of crowd-out and access to health care, as  
431 well as the following:

432 (i) An assessment of the effectiveness of the Florida  
433 Kidcare program, including Medicaid, the Florida Healthy Kids  
434 program, Medikids, and the Children's Medical Services network,  
435 and other public and private programs in the state in increasing

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436 the availability of affordable quality health insurance and  
437 health care for children.

438 Section 12. Paragraph (c) of subsection (1), paragraph (b)  
439 of subsection (2), and paragraph (a) subsection (3), of section  
440 409.818, Florida Statutes, are amended to read:

441 409.818 Administration.—In order to implement ss. 409.810-  
442 409.821 ~~ss. 409.810-409.820~~, the following agencies shall have  
443 the following duties:

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

445 (c) Inform program applicants about eligibility  
446 determinations and provide information about eligibility of  
447 applicants to ~~Medicaid, Medikids, the Children's Medical~~  
448 ~~Services Network,~~ and the Florida Kidcare program ~~Healthy Kids~~  
449 ~~Corporation,~~ and to insurers and their agents, through a  
450 centralized coordinating office.

451 (2) The Department of Health shall:

452 (b) Chair a state-level Florida Kidcare coordinating  
453 council to review and make recommendations concerning the  
454 implementation and operation of the program. The coordinating  
455 council shall include representatives from the department, the  
456 Department of Children and Family Services, the agency, the  
457 Florida Healthy Kids Corporation, the Office of Insurance  
458 Regulation of the Financial Services Commission, local  
459 government, health insurers, health maintenance organizations,  
460 health care providers, families participating in the program,  
461 and organizations representing low-income families.

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

464 (a) Calculate the premium assistance payment necessary to



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465 comply with the premium and cost-sharing limitations specified  
466 in s. 409.816. The premium assistance payment for each enrollee  
467 in a health insurance plan participating in the Florida Healthy  
468 Kids Corporation shall equal the premium approved by the Florida  
469 Healthy Kids Corporation and the Office of Insurance Regulation  
470 of the Financial Services Commission pursuant to ss. 627.410 and  
471 641.31, less any enrollee's share of the premium established  
472 within the limitations specified in s. 409.816. The premium  
473 assistance payment for each enrollee in an employer-sponsored  
474 health insurance plan approved under ss. 409.810-409.821 ~~ss.~~  
475 ~~409.810-409.820~~ shall equal the premium for the plan adjusted  
476 for any benchmark benefit plan actuarial equivalent benefit  
477 rider approved by the Office of Insurance Regulation pursuant to  
478 ss. 627.410 and 641.31, less any enrollee's share of the premium  
479 established within the limitations specified in s. 409.816. In  
480 calculating the premium assistance payment levels for children  
481 with family coverage, the agency shall set the premium  
482 assistance payment levels for each child proportionately to the  
483 total cost of family coverage.

484

485 The agency is designated the lead state agency for Title XXI of  
486 the Social Security Act for purposes of receipt of federal  
487 funds, for reporting purposes, and for ensuring compliance with  
488 federal and state regulations and rules.

489 Section 13. Subsection (6) and paragraph (a) of subsection  
490 (5), of section 624.91, Florida Statutes, are amended to read:

491 624.91 The Florida Healthy Kids Corporation Act.—

492 (5) CORPORATION AUTHORIZATION, DUTIES, POWERS.—

493 (a) There is created the Florida Healthy Kids Corporation,

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494 a not-for-profit corporation.

495 (b) The Florida Healthy Kids Corporation shall:

496 1. Arrange for the collection of any family, local  
497 contributions, or employer payment or premium, in an amount to  
498 be determined by the board of directors, to provide for payment  
499 of premiums for comprehensive insurance coverage and for the  
500 actual or estimated administrative expenses.

501 2. Arrange for the collection of any voluntary  
502 contributions to provide for payment of Florida Kidcare program  
503 premiums for children who are not eligible for medical  
504 assistance under Title XIX or Title XXI of the Social Security  
505 Act.

506 3. Subject to the provisions of s. 409.8134, accept  
507 voluntary supplemental local match contributions that comply  
508 with the requirements of Title XXI of the Social Security Act  
509 for the purpose of providing additional Florida Kidcare coverage  
510 in contributing counties under Title XXI.

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

513 5. Establish, with consultation from appropriate  
514 professional organizations, standards for preventive health  
515 services and providers and comprehensive insurance benefits  
516 appropriate to children, provided that such standards for rural  
517 areas shall not limit primary care providers to board-certified  
518 pediatricians.

519 6. Determine eligibility for children seeking to  
520 participate in the Title XXI-funded components of the Florida  
521 Kidcare program consistent with the requirements specified in s.  
522 409.814, as well as the non-Title-XXI-eligible children as

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523 provided in subsection (3).

524 7. Establish procedures under which providers of local  
525 match to, applicants to and participants in the program may have  
526 grievances reviewed by an impartial body and reported to the  
527 board of directors of the corporation.

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

532 9. Establish enrollment criteria that ~~which shall~~ include  
533 penalties or waiting periods of 30 ~~not fewer than 60~~ days for  
534 reinstatement of coverage upon voluntary cancellation for  
535 nonpayment of family premiums.

536 10. Contract with authorized insurers or any provider of  
537 health care services, meeting standards established by the  
538 corporation, for the provision of comprehensive insurance  
539 coverage to participants. Such standards shall include criteria  
540 under which the corporation may contract with more than one  
541 provider of health care services in program sites. Health plans  
542 shall be selected through a competitive bid process. The Florida  
543 Healthy Kids Corporation shall purchase goods and services in  
544 the most cost-effective manner consistent with the delivery of  
545 quality medical care. The maximum administrative cost for a  
546 Florida Healthy Kids Corporation contract shall be 15 percent.  
547 For health care contracts, the minimum medical loss ratio for a  
548 Florida Healthy Kids Corporation contract shall be 85 percent.  
549 For dental contracts, the remaining compensation to be paid to  
550 the authorized insurer or provider under a Florida Healthy Kids  
551 Corporation contract shall be no less than an amount which is 85

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552 percent of premium; to the extent any contract provision does  
553 not provide for this minimum compensation, this section shall  
554 prevail. The health plan selection criteria and scoring system,  
555 and the scoring results, shall be available upon request for  
556 inspection after the bids have been awarded.

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

559 12. Develop and implement a plan to publicize the Florida  
560 Kidcare program ~~Healthy Kids Corporation~~, the eligibility  
561 requirements of the program, and the procedures for enrollment  
562 in the program and to maintain public awareness of the  
563 corporation and the program.

564 13. Secure staff necessary to properly administer the  
565 corporation. Staff costs shall be funded from state and local  
566 matching funds and such other private or public funds as become  
567 available. The board of directors shall determine the number of  
568 staff members necessary to administer the corporation.

569 14. In consultation with the partner agencies, provide a  
570 report on the Florida Kidcare program annually to the Governor,  
571 Chief Financial Officer, Commissioner of Education, ~~Senate~~  
572 President of the Senate, the Speaker of the House of  
573 Representatives, and Minority Leaders of the Senate and the  
574 House of Representatives.

575 15. Provide information on a quarterly basis to the  
576 Legislature and the Governor which compares the costs and  
577 utilization of the full-pay enrolled population and the Title  
578 XXI-subsidized enrolled population in the Florida Kidcare  
579 program. The information, at a minimum, must include:

580 a. The monthly enrollment and expenditure for full-pay

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581 enrollees in the Medikids and Florida Healthy Kids programs  
582 compared to the Title XXI-subsidized enrolled population; and

583       b. The costs and utilization by service of the full-pay  
584 enrollees in the Medikids and Florida Healthy Kids programs and  
585 the Title XXI-subsidized enrolled population.

586

587 By February 1, 2010 ~~2009~~, the Florida Healthy Kids Corporation  
588 shall provide a study to the Legislature and the Governor on  
589 premium impacts to the subsidized portion of the program from  
590 the inclusion of the full-pay program, which shall include  
591 recommendations on how to eliminate or mitigate possible impacts  
592 to the subsidized premiums.

593       16. Establish benefit packages that ~~which~~ conform to the  
594 provisions of the Florida Kidcare program, as created in ss.  
595 409.810-409.821 ~~ss. 409.810-409.820~~.

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

602       (d) The Florida Healthy Kids Corporation shall be a private  
603 corporation not for profit, organized pursuant to chapter 617,  
604 and shall have all powers necessary to carry out the purposes of  
605 this act, including, but not limited to, the power to receive  
606 and accept grants, loans, or advances of funds from any public  
607 or private agency and to receive and accept from any source  
608 contributions of money, property, labor, or any other thing of  
609 value, to be held, used, and applied for the purposes of this

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610 act.

611 (6) BOARD OF DIRECTORS.—

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

617 1. The Secretary of Health Care Administration, or his or  
618 her designee;

619 2. One member appointed by the Commissioner of Education  
620 from the Office of School Health Programs of the Florida  
621 Department of Education;

622 3. One member appointed by the Chief Financial Officer from  
623 among three members nominated by the Florida Pediatric Society;

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

626 5. One member appointed by the Chief Financial Officer from  
627 among three members nominated by the Florida Hospital  
628 Association;

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

631 7. One member, appointed by the Chief Financial Officer,  
632 from among three members nominated by the Florida Academy of  
633 Family Physicians;

634 8. One member, appointed by the Governor, who represents  
635 the state Medicaid program;

636 9. One member, appointed by the Chief Financial Officer,  
637 from among three members nominated by the Florida Association of  
638 Counties; ~~and~~

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639           10. The State Health Officer or her or his designee; and-  
640           11. The Secretary of Children and Family Services, or his  
641 or her designee.

642           Section 14. This act shall take effect July 1, 2009.