

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Health Regulation Committee

BILL: CS/SB 406

INTRODUCER: Health Regulation Committee; and Senators Sobel and Gaetz

SUBJECT: The Florida Kidcare Program

DATE: February 9, 2011 **REVISED:** _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Brown	Stovall	HR	Fav/CS
2.			ED	
3.			BC	
4.				
5.				
6.				

Please see Section VIII. for Additional Information:

- | | | |
|------------------------------|-------------------------------------|---|
| A. COMMITTEE SUBSTITUTE..... | <input checked="" type="checkbox"/> | Statement of Substantial Changes |
| B. AMENDMENTS..... | <input type="checkbox"/> | Technical amendments were recommended |
| | <input type="checkbox"/> | Amendments were recommended |
| | <input type="checkbox"/> | Significant amendments were recommended |

I. Summary:

The bill creates requirements for school districts to follow regarding the application process for school lunch and breakfast programs and the Florida Kidcare Program. Each school district is required to collaborate with the Kidcare program to:

- At a minimum, provide application information about Kidcare or an application for Kidcare to students at the beginning of each school year, and modify the school district's application form for school breakfast and lunch programs to incorporate a provision that permits the school district to share data from the application form with the state agencies and the Florida Healthy Kids Corporation (FHKC) and its agents that administer Kidcare, unless the child's parent or guardian opts out of the provision.
- At the option of the school district, share income and other demographic data through an electronic interchange with the FHKC and other state agencies in order to determine Kidcare eligibility on a regular and periodic basis.
- Establish interagency agreements ensuring that data exchanged by virtue of the bill's requirements may be used only to enroll eligible children in the Kidcare program and must be protected from unauthorized disclosure, pursuant to federal regulations.

The bill further requires the FHKC, in the development and implementation of a plan for publicizing the Florida Kidcare program, to include the use of application forms for school lunch and breakfast programs.

This bill substantially amends the following sections of the Florida Statutes: 1006.06 and 624.91.

II. Present Situation:

Florida Kidcare

The Florida Kidcare Program was created by the Florida Legislature in 1998 in response to the federal enactment of the state Children's Health Insurance Program (CHIP) in 1997. Initially authorized for 10 years and then recently re-authorized again through 2019 with federal funding through 2015, CHIP provides subsidized health insurance coverage to uninsured children who do not qualify for Medicaid but meet other eligibility requirements.

The umbrella name of Florida Kidcare encompasses four subsidized programs: Medicaid for children, MediKids, Children's Medical Services (CMS) Network, and Healthy Kids. Florida's Healthy Kids program predates enactment of the CHIP program. Subsidized Kidcare coverage is funded through state and federal funds through Title XIX (Medicaid) and Title XXI (CHIP) of the federal Social Security Act. Families also contribute to the cost of the coverage under the Title XXI components of the program based on their household size, income, and other eligibility factors. For families above the income limits for subsidy or who do not otherwise qualify for subsidy, Kidcare also offers a buy-in option under Healthy Kids and MediKids.

Eligibility for the four subsidized Kidcare components funded by Title XXI is determined in part by age and household income, as follows:¹

- Medicaid for Children: Title XXI funding is available from birth until age 1 for income between 185 percent and 200 percent of the Federal Poverty Level (FPL).
- MediKids: Title XXI funding is available from age 1 until age 5 for income between 133 percent and 200 percent of FPL.
- Healthy Kids: Title XXI funding is available from age 5 until age 6 for income between 133 percent and 200 percent of FPL. For age 6 until age 19, Title XXI funding is available for income between 100 percent and 200 percent of FPL.
- CMS Network: Title XXI and Title XIX funds are available from birth until age 19 for income up to 200 percent of FPL for children with special health care needs. The Department of Health assesses whether children meet the program's clinical requirements.

Florida Kidcare is administered jointly by the Agency for Health Care Administration (AHCA), the Department of Children and Families (DCF), the Department of Health, and the FHKC. Each entity has specific duties and responsibilities under Kidcare as detailed in the Florida Kidcare Act. The DCF determines eligibility for Medicaid, and the FHKC processes all Kidcare applications and determines eligibility for CHIP, which includes a Medicaid screening and referral process to DCF, as appropriate.

To enroll in Kidcare, families utilize a joint form that is both a Medicaid and CHIP application. Families may apply using the paper application or an online application. Both formats are

¹ Florida Kidcare Eligibility, Florida Kidcare website, <http://www.floridakidcare.org/images/data/FKC-eligibilityflag-accessible.pdf>

available in English, Spanish, and Creole. Income eligibility is determined through electronic data matches with available databases or, in cases where income cannot be verified electronically, through submission of current pay stubs, tax returns, or W-2 forms.

In the 2010-11 General Appropriations Act, \$501 million is appropriated for Kidcare, including \$66 million from the General Revenue Fund.² The Social Services Estimating Conference has projected a total Kidcare surplus of \$13.3 million for 2010-11, including a \$5 million surplus of general revenue.

School Food Service Programs

Florida's school food service programs are authorized under the K-20 Education Code in recognition of the demonstrated relationship between good nutrition and the capacity of students to develop and learn. The State Board of Education is required to adopt rules covering the administration and operation of the school food service programs. Each district school board is required to consider recommendations of the district school superintendent and adopt policies for an appropriate food and nutrition program for students consistent with federal law and rules of the State Board of Education.³

Free and reduced-price school meal programs are funded jointly by states and the federal government. In Florida's 2010-11 General Appropriations Act, \$823.8 million is appropriated for school lunch and breakfast programs, including \$16.9 million from the General Revenue Fund.⁴

Currently in Florida, 82 charter schools, 50 private schools, and all 67 public school districts participate in the national free and reduced-price school meal programs. In the 2010-11 school year, 56 percent of the 2.6 million public school students, including charter schools, are eligible for free or reduced-price meals. The number of private school students eligible in 2010-11 is 13,191.

Children may be deemed eligible for free or reduced-price school meals based largely on household income and by filling out an application. Eligibility is capped at 185 percent of the federal poverty level. There is no uniform, statewide application form for families to use when applying for free or reduced-price meals. School districts may design their own forms based on the requirements of federal and state regulations. The Food and Nutrition Service within the United States Department of Agriculture provides a model application form that school districts may modify and use as needed for local circumstances and nomenclature.⁵ A few school districts offer only an electronic form.

Kidcare Information Delivered by School Districts

Information about Kidcare is currently offered to all 67 Florida school districts in the summer for distribution at the beginning of the school year. For the past several years, this information has been a postcard that includes information on how to apply with English on one side, Spanish on the reverse, and instructions for how to receive information in Creole along the bottom. These postcards are provided free of charge to the districts and shipped to the location of their choice

² See ch. 2010-152, L.O.F., line items 158-161.

³ See s. 1006.06(1)-(3), F.S.

⁴ See ch. 2010-152, L.O.F., line items 101-102.

⁵ The model application can be found at the USDA web site at <http://www.fns.usda.gov/cnd/frp/frp.process.htm>.

by the FHKC. Most, but not all, school districts accept this offer every year. In the 2009-10 school year, 54 of the 67 school districts participated in this back-to-school Kidcare outreach.⁶

Additionally, some school districts have also modified their application forms for school food service programs to include a check-off for families to indicate they would like more information about Kidcare. For those families indicating they would like more Kidcare information or which agree to release their information, the school districts vary in how those requests are handled, based on available resources. In some cases, the districts send the requests directly to Florida Kidcare for applications to be mailed to the requesting families. In other areas, the school districts utilize local community partners or designated staff to contact families to provide application assistance on a one-on-one basis.

III. Effect of Proposed Changes:

Section 1006.06, F.S., is amended to require each school district to collaborate with the Kidcare program to:

- At a minimum, provide application information about Kidcare or an application for Kidcare to students at the beginning of each school year, and modify the school district's application form for school breakfast and lunch programs to incorporate a provision that permits the school district to share data from the application form with the state agencies and the FHKC and its agents that administer Kidcare, unless the child's parent or guardian opts out of the provision.
- At the option of the school district, share income and other demographic data through an electronic interchange with the FHKC and other state agencies in order to determine Kidcare eligibility on a regular and periodic basis.
- Establish interagency agreements ensuring that data exchanged by virtue of the bill's requirements may be used only to enroll eligible children in the Kidcare program and must be protected from unauthorized disclosure, pursuant to federal regulations.

The Florida Department of Education indicates that these new requirements in s. 1006.06, F.S., would trigger the need for the State Board of Education to develop a rule.

Section 624.91, F.S., is amended to require the FHKC, in the development and implementation of a plan for publicizing the Florida Kidcare program, to include the use of application forms for school lunch and breakfast programs.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

The provisions of this bill have no impact on municipalities and the counties under the requirements of Article VII, Section 18, of the Florida Constitution.

⁶ Office of Program Policy Analysis and Government Accountability, *Research Memorandum: Several Options Exist to Improve Florida Kidcare Outreach and Enrollment Efforts through Schools*, March 1, 2010, p. 4.

B. Public Records/Open Meetings Issues:

The provisions of the bill have no impact on public records or open meetings issues under the requirements of Article I, Section 24(a) and (b), of the Florida Constitution.

C. Trust Funds Restrictions:

The provisions of this bill have no impact on the trust fund restrictions under the requirements of Article III, Subsection 19(f), of the Florida Constitution.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:Medicaid Impact

AHCA has been asked to provide an estimate of fiscal impact based on the language in the committee substitute.

Kidcare Impact

The FHKC indicates that the data-sharing requirement could require up to \$750,000 in non-recurring funds for information technology upgrades, \$233,850 of which would be general revenue.

K-12 School System / Department of Education Impact

Public school districts, charter schools, and private schools participating in free and reduced-price meal programs would incur indeterminate costs associated with the revision of hard-copy and online application forms to comply with the bill's requirements.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

- A. **Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

CS by Health Regulation on February 8, 2011:

Instead of requiring application forms for school lunch and breakfast programs to also allow students to apply for the Kidcare program or provide information about Kidcare, the CS requires school districts to collaborate with the Kidcare program to:

- Provide an application form or application information about the Kidcare program at the beginning of each school year;
- Modify the school lunch and breakfast programs application form to authorize the school district to share data with the Kidcare program unless the child's parent opts out; and
- Enter into interagency agreements to protect the data.

School districts are also authorized to transmit the data electronically.

- B. **Amendments:**

None.