

By the Committee on Appropriations

576-02875-13

20131816\_\_

1                   A bill to be entitled  
2           An act relating to health care; amending s. 409.811,  
3           F.S.; revising and providing definitions; amending s.  
4           409.813, F.S.; revising the components of the Florida  
5           Kidcare program; prohibiting a cause of action from  
6           arising against the Florida Healthy Kids Corporation  
7           for failure to make health services available;  
8           amending s. 409.8132, F.S.; revising the eligibility  
9           of the Medikids program component; revising the  
10          enrollment requirements of the Medikids program  
11          component; amending s. 409.8134, F.S.; conforming  
12          provisions to changes made by the act; amending s.  
13          409.814, F.S.; revising eligibility requirements for  
14          the Florida Kidcare program; amending s. 409.815,  
15          F.S.; revising the minimum health benefits coverage  
16          under the Florida Kidcare Act; deleting obsolete  
17          provisions; amending ss. 409.816 and 409.8177, F.S.;  
18          conforming provisions to changes made by the act;  
19          repealing s. 409.817, F.S., relating to the approval  
20          of health benefits coverage and financial assistance;  
21          repealing s. 409.8175, F.S., relating to delivery of  
22          services in rural counties; amending s. 409.818, F.S.;  
23          revising the duties of the Department of Children and  
24          Families and the Agency for Health Care Administration  
25          with regard to the Florida Kidcare Act; deleting the  
26          duties of the Department of Health and the Office of  
27          Insurance Regulation with regard to the Florida  
28          Kidcare Act; amending s. 409.820, F.S.; requiring the  
29          Department of Health, in consultation with the agency

576-02875-13

20131816\_\_

30 and the Florida Healthy Kids Corporation, to develop a  
31 minimum set of pediatric and adolescent quality  
32 assurance and access standards for all program  
33 components; amending s. 624.91, F.S.; revising the  
34 legislative intent of the Florida Healthy Kids  
35 Corporation Act to include the Healthy Florida  
36 program; revising participation guidelines for  
37 nonsubsidized enrollees in the Healthy Kids program;  
38 revising the medical loss ratio requirements for the  
39 contracts for the Florida Healthy Kids Corporation;  
40 modifying the membership of the Florida Healthy Kids  
41 Corporation's board of directors; creating an  
42 executive steering committee; requiring additional  
43 corporate compliance requirements for the Florida  
44 Healthy Kids Corporation; repealing s. 624.915, F.S.,  
45 relating to the operating fund of the Florida Healthy  
46 Kids Corporation; creating s. 624.917, F.S.; creating  
47 the Healthy Florida program; providing definitions;  
48 providing eligibility and enrollment requirements;  
49 authorizing the Florida Healthy Kids Corporation to  
50 contract with certain insurers; requiring the  
51 corporation to establish a benefits package and a  
52 process for payment of services; authorizing the  
53 corporation to collect premiums and copayments;  
54 requiring the corporation to oversee the Healthy  
55 Florida program and to establish a grievance process  
56 and integrity process; providing applicability of  
57 certain state laws for administration of the Healthy  
58 Florida program; requiring the corporation to collect

576-02875-13

20131816\_\_

59 certain data and to submit enrollment reports and  
60 interim independent evaluations to the Legislature;  
61 providing for expiration of the program; providing an  
62 implementation and interpretation clause; providing an  
63 effective date.

64

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

66

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

69 409.811 Definitions relating to Florida Kidcare Act.—As  
70 used in ss. 409.810-409.821, the term:

71 (1) "Actuarially equivalent" means that:

72 (a) The aggregate value of the benefits included in health  
73 benefits coverage is equal to the value of the benefits in the  
74 benchmark benefit plan; and

75 (b) The benefits included in health benefits coverage are  
76 substantially similar to the benefits included in the benchmark  
77 benefit plan, except that preventive health services must be the  
78 same as in the benchmark benefit plan.

79 (2) "Agency" means the Agency for Health Care  
80 Administration.

81 (3) "Applicant" means a parent or guardian of a child or a  
82 child whose disability of nonage has been removed under chapter  
83 743, who applies for determination of eligibility for health  
84 benefits coverage under ss. 409.810-409.821.

85 (4) "Child benchmark benefit plan" means the form and level  
86 of health benefits coverage established in s. 409.815.

87 (5) "Child" means any person younger than ~~under~~ 19 years of

576-02875-13

20131816\_\_

88 age.

89 (6) "Child with special health care needs" means a child  
90 whose serious or chronic physical or developmental condition  
91 requires extensive preventive and maintenance care beyond that  
92 required by typically healthy children. Health care utilization  
93 by such a child exceeds the statistically expected usage of the  
94 normal child adjusted for chronological age, and such a child  
95 often needs complex care requiring multiple providers,  
96 rehabilitation services, and specialized equipment in a number  
97 of different settings.

98 (7) "Children's Medical Services Network" or "network"  
99 means a statewide managed care service system as defined in s.  
100 391.021(1).

101 (8) "CHIP" means the Children's Health Insurance Program as  
102 authorized under Title XXI of the Social Security Act, and its  
103 regulations, ss. 409.810-409.820, and as administered in this  
104 state by the agency, the department, and the Florida Healthy  
105 Kids Corporation, as appropriate to their respective  
106 responsibilities.

107 (9) "Combined eligibility notice" means an eligibility  
108 notice that informs an applicant, an enrollee, or multiple  
109 family members of a household, when feasible, of eligibility for  
110 each of the insurance affordability programs and enrollment into  
111 a program or exchange plan. A combined eligibility form must be  
112 issued by the last agency or department to make an eligibility,  
113 renewal or denial determination. The form must meet all of the  
114 federal and state law and regulatory requirements no later than  
115 January 1, 2014.

116 ~~(8) "Community rate" means a method used to develop~~

576-02875-13

20131816\_\_

117 ~~premiums for a health insurance plan that spreads financial risk~~  
118 ~~across a large population and allows adjustments only for age,~~  
119 ~~gender, family composition, and geographic area.~~

120 (10)~~(9)~~ "Department" means the Department of Health.

121 (11)~~(10)~~ "Enrollee" means a child who has been determined  
122 eligible for and is receiving coverage under ss. 409.810-  
123 409.821.

124 ~~(11) "Family" means the group or the individuals whose~~  
125 ~~income is considered in determining eligibility for the Florida~~  
126 ~~Kidcare program. The family includes a child with a parent or~~  
127 ~~caretaker relative who resides in the same house or living unit~~  
128 ~~or, in the case of a child whose disability of nonage has been~~  
129 ~~removed under chapter 743, the child. The family may also~~  
130 ~~include other individuals whose income and resources are~~  
131 ~~considered in whole or in part in determining eligibility of the~~  
132 ~~child.~~

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

139 (12)~~(13)~~ "Florida Kidcare program," "Kidcare program," or  
140 "program" means the health benefits program administered through  
141 ss. 409.810-409.821.

142 (13)~~(14)~~ "Guarantee issue" means that health benefits  
143 coverage must be offered to an individual regardless of the  
144 individual's health status, preexisting condition, or claims  
145 history.

576-02875-13

20131816\_\_

146        ~~(14)~~(15) "Health benefits coverage" means protection that  
147 provides payment of benefits for covered health care services or  
148 that otherwise provides, either directly or through arrangements  
149 with other persons, covered health care services on a prepaid  
150 per capita basis or on a prepaid aggregate fixed-sum basis.

151        ~~(15)~~(16) "Health insurance plan" means health benefits  
152 coverage under the following:

153        (a) A health plan offered by any certified health  
154 maintenance organization or authorized health insurer, except a  
155 plan that is limited to the following: a limited benefit,  
156 specified disease, or specified accident; hospital indemnity;  
157 accident only; limited benefit convalescent care; Medicare  
158 supplement; credit disability; dental; vision; long-term care;  
159 disability income; coverage issued as a supplement to another  
160 health plan; workers' compensation liability or other insurance;  
161 or motor vehicle medical payment only; or

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

165        (16) "Household income" means the group or the individual  
166 whose income is considered in determining eligibility for the  
167 Florida Kidcare program. The term "household" has the same  
168 meaning as provided in s. 36B(d)(2) of the Internal Revenue Code  
169 of 1986.

170        (17) "Medicaid" means the medical assistance program  
171 authorized by Title XIX of the Social Security Act, and  
172 regulations thereunder, and ss. 409.901-409.920, as administered  
173 in this state by the agency.

174        (18) "Medically necessary" means the use of any medical

576-02875-13

20131816\_\_

175 treatment, service, equipment, or supply necessary to palliate  
176 the effects of a terminal condition, or to prevent, diagnose,  
177 correct, cure, alleviate, or preclude deterioration of a  
178 condition that threatens life, causes pain or suffering, or  
179 results in illness or infirmity and which is:

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

182 (b) Provided in accordance with generally accepted  
183 standards of medical practice;

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

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

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

191 (19) "Medikids" means a component of the Florida Kidcare  
192 program of medical assistance authorized by Title XXI of the  
193 Social Security Act, and regulations thereunder, and s.  
194 409.8132, as administered in the state by the agency.

195 (20) "Modified adjusted gross income" means the  
196 individual's or household's annual adjusted gross income as  
197 defined in s. 36B(d)(2) of the Internal Revenue Code of 1986  
198 which is used to determine eligibility under the Florida Kidcare  
199 program.

200 (21) "Patient Protection and Affordable Care Act" or "Act"  
201 means the federal law enacted as Pub. L. No. 111-148, as further  
202 amended by the federal Health Care and Education Reconciliation  
203 Act of 2010, Pub. L. No. 111-152, and any amendments,

576-02875-13

20131816\_\_

204 regulations, or guidance issued under those acts.

205 (22)~~(20)~~ "Preexisting condition exclusion" means, with  
206 respect to coverage, a limitation or exclusion of benefits  
207 relating to a condition based on the fact that the condition was  
208 present before the date of enrollment for such coverage, whether  
209 or not any medical advice, diagnosis, care, or treatment was  
210 recommended or received before such date.

211 (23)~~(21)~~ "Premium" means the entire cost of a health  
212 insurance plan, including the administration fee or the risk  
213 assumption charge.

214 (24)~~(22)~~ "Premium assistance payment" means the monthly  
215 consideration paid by the agency per enrollee in the Florida  
216 Kidcare program towards health insurance premiums.

217 (25)~~(23)~~ "Qualified alien" means an alien as defined in 8  
218 U.S.C. s. 1641 (b) and (c) s. 431 of the Personal Responsibility  
219 and Work Opportunity Reconciliation Act of 1996, as amended,  
220 Pub. L. No. 104-193.

221 (26)~~(24)~~ "Resident" means a United States citizen, or  
222 qualified alien, who is domiciled in this state.

223 (27)~~(25)~~ "Rural county" means a county having a population  
224 density of less than 100 persons per square mile, or a county  
225 defined by the most recent United States Census as rural, in  
226 which there is no prepaid health plan participating in the  
227 Medicaid program as of July 1, 1998.

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



576-02875-13

20131816\_\_

233 ~~with respect to the basic services as defined in s. 2103(c)(1)~~  
234 ~~of Title XXI of the Social Security Act, these services must be~~  
235 ~~the same as the services in the benchmark benefit plan.~~

236 Section 2. Section 409.813, Florida Statutes, is amended to  
237 read:

238 409.813 Health benefits coverage; program components;  
239 entitlement and nonentitlement.—

240 (1) The Florida Kidcare program includes health benefits  
241 coverage provided to children through the following program  
242 components, which shall be marketed as the Florida Kidcare  
243 program:

244 (a) Medicaid;

245 (b) Medikids as created in s. 409.8132;

246 (c) The Florida Healthy Kids Corporation as created in s.  
247 624.91; and

248 ~~(d) Employer-sponsored group health insurance plans~~  
249 ~~approved under ss. 409.810-409.821; and~~

250 (d)(e) The Children's Medical Services network established  
251 in chapter 391.

252 (2) Except for Title XIX-funded Florida Kidcare program  
253 coverage under the Medicaid program, coverage under the Florida  
254 Kidcare program is not an entitlement. No cause of action shall  
255 arise against the state, the department, the Department of  
256 Children and Families ~~Family Services~~, ~~or~~ the agency, or the  
257 Florida Healthy Kids Corporation for failure to make health  
258 services available to any person under ss. 409.810-409.821.

259 Section 3. Subsections (6) and (7) of section 409.8132,  
260 Florida Statutes, are amended to read:

261 409.8132 Medikids program component.—

576-02875-13

20131816\_\_

262 (6) ELIGIBILITY.—

263 (a) A child who has attained the age of 1 year but who is  
264 under the age of 5 years is eligible to enroll in the Medikids  
265 program component of the Florida Kidcare program, if the child  
266 is a member of a family that has a family income which exceeds  
267 the Medicaid applicable income level as specified in s. 409.903,  
268 but which is equal to or below 200 percent of the current  
269 federal poverty level. In determining the eligibility of such a  
270 child, an assets test is not required. ~~A child who is eligible  
271 for Medikids may elect to enroll in Florida Healthy Kids  
272 coverage or employer sponsored group coverage. However, a child  
273 who is eligible for Medikids may participate in the Florida  
274 Healthy Kids program only if the child has a sibling  
275 participating in the Florida Healthy Kids program and the  
276 child's county of residence permits such enrollment.~~

277 (b) The provisions of s. 409.814 apply to the Medikids  
278 program.

279 (7) ENROLLMENT.—Enrollment in the Medikids program  
280 component may occur at any time throughout the year. A child may  
281 not receive services under the Medikids program until the child  
282 is enrolled in a managed care plan or MediPass. Once determined  
283 eligible, an applicant may receive choice counseling and select  
284 a managed care plan or MediPass. The agency may initiate  
285 mandatory assignment for a Medikids applicant who has not chosen  
286 a managed care plan or MediPass provider after the applicant's  
287 voluntary choice period ends. An applicant may select MediPass  
288 under the Medikids program component only in counties that have  
289 fewer than two managed care plans available to serve Medicaid  
290 recipients ~~and only if the federal Health Care Financing~~

576-02875-13

20131816\_\_

291 ~~Administration determines that MediPass constitutes "health~~  
292 ~~insurance coverage" as defined in Title XXI of the Social~~  
293 ~~Security Act.~~

294 Section 4. Subsection (2) of section 409.8134, Florida  
295 Statutes, is amended to read:

296 409.8134 Program expenditure ceiling; enrollment.—

297 (2) The Florida Kidcare program may conduct enrollment  
298 continuously throughout the year.

299 (a) Children eligible for coverage under the Title XXI-  
300 funded Florida Kidcare program shall be enrolled on a first-  
301 come, first-served basis using the date the enrollment  
302 application is received. Enrollment shall immediately cease when  
303 the expenditure ceiling is reached. Year-round enrollment shall  
304 only be held if the Social Services Estimating Conference  
305 determines that sufficient federal and state funds will be  
306 available to finance the increased enrollment.

307 (b) The application for the Florida Kidcare program is  
308 valid for a period of 120 days after the date it was received.  
309 At the end of the 120-day period, if the applicant has not been  
310 enrolled in the program, the application is invalid and the  
311 applicant shall be notified of the action. The applicant may  
312 reactivate the application after notification of the action  
313 taken by the program.

314 (c) Except for the Medicaid program, whenever the Social  
315 Services Estimating Conference determines that there are  
316 presently, or will be by the end of the current fiscal year,  
317 insufficient funds to finance the current or projected  
318 enrollment in the Florida Kidcare program, all additional  
319 enrollment must cease and additional enrollment may not resume

576-02875-13

20131816\_\_

320 until sufficient funds are available to finance such enrollment.

321 Section 5. Section 409.814, Florida Statutes, is amended to  
322 read:

323 409.814 Eligibility.—A child who has not reached 19 years  
324 of age whose household ~~family~~ income is equal to or below 200  
325 percent of the federal poverty level is eligible for the Florida  
326 Kidcare program as provided in this section. If an enrolled  
327 individual is determined to be ineligible for coverage, he or  
328 she must be immediately disenrolled from the respective Florida  
329 Kidcare program component and referred to another insurance  
330 affordability program, if appropriate, through a combined  
331 eligibility notice.

332 (1) A child who is eligible for Medicaid coverage under s.  
333 409.903 or s. 409.904 must be offered the opportunity to enroll  
334 enrolled in Medicaid and is not eligible to receive health  
335 benefits under any other health benefits coverage authorized  
336 under the Florida Kidcare program. A child who is eligible for  
337 Medicaid and opts to enroll in CHIP may disenroll from CHIP at  
338 any time and transition to Medicaid. This transition must occur  
339 without any break in coverage.

340 (2) A child who is not eligible for Medicaid, but who is  
341 eligible for the Florida Kidcare program, may obtain health  
342 benefits coverage under any of the other components listed in s.  
343 409.813 if such coverage is approved and available in the county  
344 in which the child resides.

345 (3) A Title XXI-funded child who is eligible for the  
346 Florida Kidcare program who is a child with special health care  
347 needs, as determined through a medical or behavioral screening  
348 instrument, is eligible for health benefits coverage from and

576-02875-13

20131816\_\_

349 shall be assigned to and may opt out of the Children's Medical  
350 Services Network.

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

356 (a) A child who is covered under a family member's group  
357 health benefit plan or under other private or employer health  
358 insurance coverage, if the cost of the child's participation is  
359 not greater than 5 percent of the household's ~~family's~~ income.  
360 If a child is otherwise eligible for a subsidy under the Florida  
361 Kidcare program and the cost of the child's participation in the  
362 family member's health insurance benefit plan is greater than 5  
363 percent of the household's ~~family's~~ income, the child may enroll  
364 in the appropriate subsidized Kidcare program.

365 ~~(b) A child who is seeking premium assistance for the~~  
366 ~~Florida Kidcare program through employer-sponsored group~~  
367 ~~coverage, if the child has been covered by the same employer's~~  
368 ~~group coverage during the 60 days before the family submitted an~~  
369 ~~application for determination of eligibility under the program.~~

370 (b) ~~(e)~~ A child who is an alien, but who does not meet the  
371 definition of qualified alien, in the United States.

372 (c) ~~(d)~~ A child who is an inmate of a public institution or  
373 a patient in an institution for mental diseases.

374 (d) ~~(e)~~ A child who is otherwise eligible for premium  
375 assistance for the Florida Kidcare program and has had his or  
376 her coverage in an employer-sponsored or private health benefit  
377 plan voluntarily canceled in the last 60 days, except those

576-02875-13

20131816\_\_

378 children whose coverage was voluntarily canceled for good cause,  
379 including, but not limited to, the following circumstances:

380 1. The cost of participation in an employer-sponsored  
381 health benefit plan is greater than 5 percent of the household's  
382 modified adjusted gross ~~family's~~ income;

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

385 3. The parent who had health benefits coverage for the  
386 child is deceased;

387 4. The child has a medical condition that, without medical  
388 care, would cause serious disability, loss of function, or  
389 death;

390 5. The employer of the parent canceled health benefits  
391 coverage for children;

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

394 7. The child has exhausted coverage under a COBRA  
395 continuation provision;

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

398 9. Domestic violence led to loss of coverage.

399 ~~(5) A child who is otherwise eligible for the Florida  
400 Kidcare program and who has a preexisting condition that  
401 prevents coverage under another insurance plan as described in  
402 paragraph (4) (a) which would have disqualified the child for the  
403 Florida Kidcare program if the child were able to enroll in the  
404 plan is eligible for Florida Kidcare coverage when enrollment is  
405 possible.~~

406 (5)~~(6)~~ A child whose household's modified adjusted gross

576-02875-13

20131816\_\_

407 ~~family~~ income is above 200 percent of the federal poverty level  
408 or a child who is excluded under the provisions of subsection  
409 (4) may participate in the Florida Kidcare program as provided  
410 in s. 409.8132 or, if the child is ineligible for Medikids by  
411 reason of age, in the Florida Healthy Kids program, subject to  
412 the following:

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

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

419 (c) By August 15, 2013, the Florida Healthy Kids  
420 Corporation shall notify all current full-pay enrollees of the  
421 availability of the exchange and how to access other insurance  
422 affordability options. New applications for full-pay coverage  
423 may not be accepted after September 30, 2013.

424 (6)~~(7)~~ Once a child is enrolled in the Florida Kidcare  
425 program, the child is eligible for coverage for 12 months  
426 without a redetermination or reverification of eligibility, if  
427 the family continues to pay the applicable premium. Eligibility  
428 for program components funded through Title XXI of the Social  
429 Security Act terminates when a child attains the age of 19. A  
430 child who has not attained the age of 5 and who has been  
431 determined eligible for the Medicaid program is eligible for  
432 coverage for 12 months without a redetermination or  
433 reverification of eligibility.

434 (7)~~(8)~~ When determining or reviewing a child's eligibility  
435 under the Florida Kidcare program, the applicant shall be

576-02875-13

20131816\_\_

436 provided with reasonable notice of changes in eligibility which  
437 may affect enrollment in one or more of the program components.  
438 If a transition from one program component to another is  
439 authorized, there shall be cooperation between the program  
440 components and the affected family which promotes continuity of  
441 health care coverage. Any authorized transfers must be managed  
442 within the program's overall appropriated or authorized levels  
443 of funding. Each component of the program shall establish a  
444 reserve to ensure that transfers between components will be  
445 accomplished within current year appropriations. These reserves  
446 shall be reviewed by each convening of the Social Services  
447 Estimating Conference to determine the adequacy of such reserves  
448 to meet actual experience.

449 ~~(8)(9)~~ In determining the eligibility of a child, an assets  
450 test is not required. Each applicant shall provide documentation  
451 during the application process and the redetermination process,  
452 including, but not limited to, the following:

453 (a) Proof of household ~~family~~ income, which must be  
454 verified electronically to determine financial eligibility for  
455 the Florida Kidcare program. Written documentation, which may  
456 include wages and earnings statements or pay stubs, W-2 forms,  
457 or a copy of the applicant's most recent federal income tax  
458 return, is required only if the electronic verification is not  
459 available or does not substantiate the applicant's income. This  
460 paragraph expires December 31, 2013.

461 (b) A statement from all applicable, employed household  
462 ~~family~~ members that:

463 1. Their employers do not sponsor health benefit plans for  
464 employees;



576-02875-13

20131816\_\_

465 2. The potential enrollee is not covered by an employer-  
466 sponsored health benefit plan; or

467 3. The potential enrollee is covered by an employer-  
468 sponsored health benefit plan and the cost of the employer-  
469 sponsored health benefit plan is more than 5 percent of the  
470 household's modified adjusted gross ~~family's~~ income.

471 (c) To enroll in the Children's Medical Services Network, a  
472 completed application, including a clinical screening.

473 (d) Effective January 1, 2014, eligibility shall be  
474 determined through electronic matching using the federally  
475 managed data services hub and other resources. Written  
476 documentation from the applicant may be accepted if the  
477 electronic verification does not substantiate the applicant's  
478 income or if there has been a change in circumstances.

479 (9) ~~(10)~~ Subject to paragraph (4) (a), the Florida Kidcare  
480 program shall withhold benefits from an enrollee if the program  
481 obtains evidence that the enrollee is no longer eligible,  
482 submitted incorrect or fraudulent information in order to  
483 establish eligibility, or failed to provide verification of  
484 eligibility. The applicant or enrollee shall be notified that  
485 because of such evidence program benefits will be withheld  
486 unless the applicant or enrollee contacts a designated  
487 representative of the program by a specified date, which must be  
488 within 10 working days after the date of notice, to discuss and  
489 resolve the matter. The program shall make every effort to  
490 resolve the matter within a timeframe that will not cause  
491 benefits to be withheld from an eligible enrollee.

492 (10) ~~(11)~~ The following individuals may be subject to  
493 prosecution in accordance with s. 414.39:

576-02875-13

20131816\_\_

494 (a) An applicant obtaining or attempting to obtain benefits  
495 for a potential enrollee under the Florida Kidcare program when  
496 the applicant knows or should have known the potential enrollee  
497 does not qualify for the Florida Kidcare program.

498 (b) An individual who assists an applicant in obtaining or  
499 attempting to obtain benefits for a potential enrollee under the  
500 Florida Kidcare program when the individual knows or should have  
501 known the potential enrollee does not qualify for the Florida  
502 Kidcare program.

503 Section 6. Paragraphs (g), (k), (q), and (w) of subsection  
504 (2) of section 409.815, Florida Statutes, are amended to read:

505 409.815 Health benefits coverage; limitations.—

506 (2) BENCHMARK BENEFITS.—In order for health benefits  
507 coverage to qualify for premium assistance payments for an  
508 eligible child under ss. 409.810-409.821, the health benefits  
509 coverage, except for coverage under Medicaid and Medikids, must  
510 include the following minimum benefits, as medically necessary.

511 (g) *Behavioral health services*.—

512 1. Mental health benefits include:

513 a. Inpatient services, ~~limited to 30 inpatient days per~~  
514 ~~contract year~~ for psychiatric admissions, or residential  
515 services in facilities licensed under s. 394.875(6) or s.  
516 395.003 in lieu of inpatient psychiatric admissions; ~~however, a~~  
517 ~~minimum of 10 of the 30 days shall be available only for~~  
518 ~~inpatient psychiatric services~~ if authorized by a physician; and

519 b. Outpatient services, including outpatient visits for  
520 psychological or psychiatric evaluation, diagnosis, and  
521 treatment by a licensed mental health professional, ~~limited to~~  
522 ~~40 outpatient visits each contract year.~~

576-02875-13

20131816\_\_

523           2. Substance abuse services include:

524           a. Inpatient services, ~~limited to 7 inpatient days per~~  
525 ~~contract year~~ for medical detoxification only and ~~30 days of~~  
526 residential services; and

527           b. Outpatient services, including evaluation, diagnosis,  
528 and treatment by a licensed practitioner, ~~limited to 40~~  
529 ~~outpatient visits per contract year.~~

530

531 ~~Effective October 1, 2009,~~ Covered services include inpatient  
532 and outpatient services for mental and nervous disorders as  
533 defined in the most recent edition of the Diagnostic and  
534 Statistical Manual of Mental Disorders published by the American  
535 Psychiatric Association. Such benefits include psychological or  
536 psychiatric evaluation, diagnosis, and treatment by a licensed  
537 mental health professional and inpatient, outpatient, and  
538 residential treatment of substance abuse disorders. Any benefit  
539 limitations, including duration of services, number of visits,  
540 or number of days for hospitalization or residential services,  
541 shall not be any less favorable than those for physical  
542 illnesses generally. The program may also implement appropriate  
543 financial incentives, peer review, utilization requirements, and  
544 other methods used for the management of benefits provided for  
545 other medical conditions in order to reduce service costs and  
546 utilization without compromising quality of care.

547           (k) *Hospice services.*—Covered services include reasonable  
548 and necessary services for palliation or management of an  
549 enrollee's terminal illness, ~~with the following exceptions:~~

550           1. ~~Once a family elects to receive hospice care for an~~  
551 ~~enrollee, other services that treat the terminal condition will~~

576-02875-13

20131816\_\_

552 ~~not be covered; and~~

553 ~~2. Services required for conditions totally unrelated to~~  
554 ~~the terminal condition are covered to the extent that the~~  
555 ~~services are included in this section.~~

556 (q) ~~Dental services. Effective October 1, 2009,~~ Dental  
557 services shall be covered as required under federal law and may  
558 also include those dental benefits provided to children by the  
559 Florida Medicaid program under s. 409.906(6).

560 (w) ~~Reimbursement of federally qualified health centers and~~  
561 ~~rural health clinics. Effective October 1, 2009,~~ Payments for  
562 services provided to enrollees by federally qualified health  
563 centers and rural health clinics under this section shall be  
564 reimbursed using the Medicaid Prospective Payment System as  
565 provided for under s. 2107(e)(1)(D) of the Social Security Act.  
566 If such services are paid for by health insurers or health care  
567 providers under contract with the Florida Healthy Kids  
568 Corporation, such entities are responsible for this payment. The  
569 agency may seek any available federal grants to assist with this  
570 transition.

571 Section 7. Section 409.816, Florida Statutes, is amended to  
572 read:

573 409.816 Limitations on premiums and cost-sharing.—The  
574 following limitations on premiums and cost-sharing are  
575 established for the program.

576 (1) Enrollees who receive coverage under the Medicaid  
577 program may not be required to pay:

578 (a) Enrollment fees, premiums, or similar charges; or

579 (b) Copayments, deductibles, coinsurance, or similar  
580 charges.

576-02875-13

20131816\_\_

581           (2) Enrollees in households that have ~~families with~~ a  
582 modified adjusted gross family income equal to or below 150  
583 percent of the federal poverty level, who are not receiving  
584 coverage under the Medicaid program, may not be required to pay:

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

588           (b) Copayments, deductibles, coinsurance, or similar  
589 charges that exceed a nominal amount, as determined consistent  
590 with regulations referred to in s. 1916(a)(3) of the Social  
591 Security Act. However, such charges may not be imposed for  
592 preventive services, including well-baby and well-child care,  
593 age-appropriate immunizations, and routine hearing and vision  
594 screenings.

595           (3) Enrollees in households that have ~~families with~~ a  
596 modified adjusted gross family income above 150 percent of the  
597 federal poverty level who are not receiving coverage under the  
598 Medicaid program or who are not eligible under s. 409.814(5) ~~s.~~  
599 ~~409.814(6)~~ may be required to pay enrollment fees, premiums,  
600 copayments, deductibles, coinsurance, or similar charges on a  
601 sliding scale related to income, except that the total annual  
602 aggregate cost-sharing with respect to all children in a  
603 household family may not exceed 5 percent of the household's  
604 modified adjusted family's income. However, copayments,  
605 deductibles, coinsurance, or similar charges may not be imposed  
606 for preventive services, including well-baby and well-child  
607 care, age-appropriate immunizations, and routine hearing and  
608 vision screenings.

609           Section 8. Section 409.817, Florida Statutes, is repealed.

576-02875-13

20131816\_\_

610 Section 9. Section 409.8175, Florida Statutes, is repealed.

611 Section 10. Paragraph (c) of subsection (1) of section  
612 409.8177, Florida Statutes, is amended to read:

613 409.8177 Program evaluation.—

614 (1) The agency, in consultation with the Department of  
615 Health, the Department of Children and Families ~~Family Services~~,  
616 and the Florida Healthy Kids Corporation, shall contract for an  
617 evaluation of the Florida Kidcare program and shall by January 1  
618 of each year submit to the Governor, the President of the  
619 Senate, and the Speaker of the House of Representatives a report  
620 of the program. In addition to the items specified under s. 2108  
621 of Title XXI of the Social Security Act, the report shall  
622 include an assessment of crowd-out and access to health care, as  
623 well as the following:

624 (c) The characteristics of the children and families  
625 assisted under the program, including ages of the children,  
626 household ~~family~~ income, and access to or coverage by other  
627 health insurance prior to the program and after disenrollment  
628 from the program.

629 Section 11. Section 409.818, Florida Statutes, is amended  
630 to read:

631 409.818 Administration.—In order to implement ss. 409.810-  
632 409.821, the following agencies shall have the following duties:

633 (1) The Department of Children and Families ~~Family Services~~  
634 shall:

635 (a) Maintain ~~Develop~~ a simplified eligibility determination  
636 and renewal process ~~application mail-in form to be used for~~  
637 ~~determining the eligibility of children for coverage~~ under the  
638 Florida Kidcare program, in consultation with the agency, the

576-02875-13

20131816\_\_

639 Department of Health, and the Florida Healthy Kids Corporation.  
640 The simplified eligibility process ~~application form~~ must include  
641 ~~an item that provides~~ an opportunity for the applicant to  
642 indicate whether coverage is being sought for a child with  
643 special health care needs. Families applying for children's  
644 Medicaid coverage must also be able to use the simplified  
645 application process ~~form~~ without having to pay a premium.

646 (b) Establish and maintain the eligibility determination  
647 process under the program except as specified in subsection (3),  
648 which includes the following: ~~(5)~~.

649 1. The department shall directly, or through the services  
650 of a contracted third-party administrator, establish and  
651 maintain a process for determining eligibility of children for  
652 coverage under the program. The eligibility determination  
653 process must be used solely for determining eligibility of  
654 applicants for health benefits coverage under the program. The  
655 eligibility determination process must include an initial  
656 determination of eligibility for any coverage offered under the  
657 program, as well as a redetermination or reverification of  
658 eligibility each subsequent 6 months. ~~Effective January 1, 1999,~~  
659 A child who has not attained the age of 5 and who has been  
660 determined eligible for the Medicaid program is eligible for  
661 coverage for 12 months without a redetermination or  
662 reverification of eligibility. In conducting an eligibility  
663 determination, the department shall determine if the child has  
664 special health care needs.

665 2. The department, in consultation with the Agency for  
666 Health Care Administration and the Florida Healthy Kids  
667 Corporation, shall develop procedures for redetermining

576-02875-13

20131816\_\_

668 eligibility which enable applicants and enrollees ~~a family~~ to  
669 easily update any change in circumstances which could affect  
670 eligibility.

671 3. The department may accept changes in ~~a family's~~ status  
672 as reported to the department by the Florida Healthy Kids  
673 Corporation or the exchange without requiring a new application  
674 ~~from the family~~. Redetermination of a child's eligibility for  
675 Medicaid may not be linked to a child's eligibility  
676 determination for other programs.

677 4. The department, in consultation with the agency and the  
678 Florida Healthy Kids Corporation, shall develop a combined  
679 eligibility notice to inform applicants and enrollees of their  
680 application or renewal status, as appropriate. The content must  
681 be coordinated to meet all federal and state requirements under  
682 the federal Patient Protection and Affordable Care Act.

683 (c) Inform program applicants about eligibility  
684 determinations and provide information about eligibility of  
685 applicants to the Florida Kidcare program and to insurers and  
686 their agents, ~~through a centralized coordinating office.~~

687 (d) Adopt rules necessary for conducting program  
688 eligibility functions.

689 ~~(2) The Department of Health shall:~~

690 ~~(a) Design an eligibility intake process for the program,~~  
691 ~~in coordination with the Department of Children and Family~~  
692 ~~Services, the agency, and the Florida Healthy Kids Corporation.~~  
693 ~~The eligibility intake process may include local intake points~~  
694 ~~that are determined by the Department of Health in coordination~~  
695 ~~with the Department of Children and Family Services.~~

696 ~~(b) Chair a state-level Florida Kidcare coordinating~~



576-02875-13

20131816\_\_

697 ~~council to review and make recommendations concerning the~~  
698 ~~implementation and operation of the program. The coordinating~~  
699 ~~council shall include representatives from the department, the~~  
700 ~~Department of Children and Family Services, the agency, the~~  
701 ~~Florida Healthy Kids Corporation, the Office of Insurance~~  
702 ~~Regulation of the Financial Services Commission, local~~  
703 ~~government, health insurers, health maintenance organizations,~~  
704 ~~health care providers, families participating in the program,~~  
705 ~~and organizations representing low income families.~~

706 ~~(c) In consultation with the Florida Healthy Kids~~  
707 ~~Corporation and the Department of Children and Family Services,~~  
708 ~~establish a toll-free telephone line to assist families with~~  
709 ~~questions about the program.~~

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

711 ~~(2) (3)~~ The Agency for Health Care Administration, under the  
712 authority granted in s. 409.914(1), shall:

713 (a) Calculate the premium assistance payment necessary to  
714 comply with the premium and cost-sharing limitations specified  
715 in s. 409.816 and the federal Patient Protection and Affordable  
716 Care Act. The premium assistance payment for each enrollee in a  
717 health insurance plan participating in the Florida Healthy Kids  
718 Corporation shall equal the premium approved by the Florida  
719 Healthy Kids Corporation ~~and the Office of Insurance Regulation~~  
720 ~~of the Financial Services Commission pursuant to ss. 627.410 and~~  
721 ~~641.31~~, less any enrollee's share of the premium established  
722 within the limitations specified in s. 409.816. ~~The premium~~  
723 ~~assistance payment for each enrollee in an employer-sponsored~~  
724 ~~health insurance plan approved under ss. 409.810-409.821 shall~~  
725 ~~equal the premium for the plan adjusted for any benchmark~~

576-02875-13

20131816\_\_

726 ~~benefit plan actuarial equivalent benefit rider approved by the~~  
727 ~~Office of Insurance Regulation pursuant to ss. 627.410 and~~  
728 ~~641.31, less any enrollee's share of the premium established~~  
729 ~~within the limitations specified in s. 409.816. In calculating~~  
730 ~~the premium assistance payment levels for children with family~~  
731 ~~coverage, the agency shall set the premium assistance payment~~  
732 ~~levels for each child proportionately to the total cost of~~  
733 ~~family coverage.~~

734 (b) Make premium assistance payments to health insurance  
735 plans on a periodic basis. The agency may use its Medicaid  
736 fiscal agent or a contracted third-party administrator in making  
737 these payments. The agency may require health insurance plans  
738 that participate in the Medikids program ~~or employer-sponsored~~  
739 ~~group health insurance~~ to collect premium payments from an  
740 enrollee's family. Participating health insurance plans shall  
741 report premium payments collected on behalf of enrollees in the  
742 program to the agency in accordance with a schedule established  
743 by the agency.

744 (c) Monitor compliance with quality assurance and access  
745 standards developed under s. 409.820 and in accordance with s.  
746 2103(f) of the Social Security Act, 42 U.S.C. s. 1397cc(f).

747 (d) Establish a mechanism for investigating and resolving  
748 complaints and grievances from program applicants, enrollees,  
749 and health benefits coverage providers, and maintain a record of  
750 complaints and confirmed problems. In the case of a child who is  
751 enrolled in a managed care ~~health maintenance~~ organization, the  
752 agency must use the provisions of s. 641.511 to address  
753 grievance reporting and resolution requirements.

754 ~~(e) Approve health benefits coverage for participation in~~

576-02875-13

20131816\_\_

755 ~~the program, following certification by the Office of Insurance~~  
756 ~~Regulation under subsection (4).~~

757 (e) ~~(f)~~ Adopt rules necessary for ~~calculating premium~~  
758 ~~assistance payment levels, making premium assistance payments,~~  
759 ~~monitoring access and quality assurance standards and,~~  
760 ~~investigating and resolving complaints and grievances,~~  
761 ~~administering the Medikids program, and approving health~~  
762 ~~benefits coverage.~~

763 (f) Contract with the Florida Healthy Kids Corporation for  
764 the administration of the Florida Kidcare program and the  
765 Healthy Florida program and to facilitate the release of any  
766 federal and state funds.

767  
768 The agency is designated the lead state agency for Title XXI of  
769 the Social Security Act for purposes of receipt of federal  
770 funds, for reporting purposes, and for ensuring compliance with  
771 federal and state regulations and rules.

772 ~~(4) The Office of Insurance Regulation shall certify that~~  
773 ~~health benefits coverage plans that seek to provide services~~  
774 ~~under the Florida Kidcare program, except those offered through~~  
775 ~~the Florida Healthy Kids Corporation or the Children's Medical~~  
776 ~~Services Network, meet, exceed, or are actuarially equivalent to~~  
777 ~~the benchmark benefit plan and that health insurance plans will~~  
778 ~~be offered at an approved rate. In determining actuarial~~  
779 ~~equivalence of benefits coverage, the Office of Insurance~~  
780 ~~Regulation and health insurance plans must comply with the~~  
781 ~~requirements of s. 2103 of Title XXI of the Social Security Act.~~  
782 ~~The department shall adopt rules necessary for certifying health~~  
783 ~~benefits coverage plans.~~

576-02875-13

20131816\_\_

784        (3)~~(5)~~ The Florida Healthy Kids Corporation shall retain  
785 its functions as authorized in s. 624.91, including eligibility  
786 determination for participation in the Healthy Kids program.

787        (4)~~(6)~~ The agency, the Department of Health, the Department  
788 of Children and Families ~~Family Services~~, and the Florida  
789 Healthy Kids Corporation, ~~and the Office of Insurance~~  
790 ~~Regulation~~, after consultation with and approval of the Speaker  
791 of the House of Representatives and the President of the Senate,  
792 may ~~are authorized to~~ make program modifications that are  
793 necessary to overcome any objections of the United States  
794 Department of Health and Human Services to obtain approval of  
795 the state's child health insurance plan under Title XXI of the  
796 Social Security Act.

797        Section 12. Section 409.820, Florida Statutes, is amended  
798 to read:

799        409.820 Quality assurance and access standards.—Except for  
800 Medicaid, the Department of Health, in consultation with the  
801 agency and the Florida Healthy Kids Corporation, shall develop a  
802 minimum set of pediatric and adolescent quality assurance and  
803 access standards for all program components. The standards must  
804 include a process for granting exceptions to specific  
805 requirements for quality assurance and access. Compliance with  
806 the standards shall be a condition of program participation by  
807 health benefits coverage providers. These standards shall comply  
808 with the provisions of this chapter and chapter 641 and Title  
809 XXI of the Social Security Act.

810        Section 13. Section 624.91, Florida Statutes, is amended to  
811 read:

812        624.91 The Florida Healthy Kids Corporation Act.—

576-02875-13

20131816\_\_

813 (1) SHORT TITLE.—This section may be cited as the “William  
814 G. ‘Doc’ Myers Healthy Kids Corporation Act.”

815 (2) LEGISLATIVE INTENT.—

816 (a) The Legislature finds that increased access to health  
817 care services could improve children’s health and reduce the  
818 incidence and costs of childhood illness and disabilities among  
819 children in this state. Many children do not have comprehensive,  
820 affordable health care services available. It is the intent of  
821 the Legislature that the Florida Healthy Kids Corporation  
822 provide comprehensive health insurance coverage to such  
823 children. The corporation is encouraged to cooperate with any  
824 existing health service programs funded by the public or the  
825 private sector.

826 (b) It is the intent of the Legislature that the Florida  
827 Healthy Kids Corporation serve as one of several providers of  
828 services to children eligible for medical assistance under Title  
829 XXI of the Social Security Act. Although the corporation may  
830 serve other children, the Legislature intends the primary  
831 recipients of services provided through the corporation be  
832 school-age children with a family income below 200 percent of  
833 the federal poverty level, who do not qualify for Medicaid. It  
834 is also the intent of the Legislature that state and local  
835 government Florida Healthy Kids funds be used to continue  
836 coverage, subject to specific appropriations in the General  
837 Appropriations Act, to children not eligible for federal  
838 matching funds under Title XXI.

839 (c) It is further the intent of the Legislature that the  
840 Florida Healthy Kids Corporation administer and manage services  
841 for Healthy Florida, a health care program for uninsured adults

576-02875-13

20131816\_\_

842 using a unique network of providers and contracts. Enrollees in  
843 Healthy Florida will receive comprehensive health care services  
844 from private, licensed health insurers who meet standards  
845 established by the corporation. It is further the intent of the  
846 Legislature that these enrollees participate in their own health  
847 care decisionmaking and contribute financially toward their  
848 medical costs. The Legislature intends to provide an alternative  
849 benefit package that includes a full range of services which  
850 meet the needs of residents of this state. As a new program, the  
851 Legislature shall also ensure that a comprehensive evaluation is  
852 conducted to measure the overall impact of the program and  
853 identify whether to renew the program after an initial 3-year  
854 term.

855 (3) ELIGIBILITY FOR STATE-FUNDED ASSISTANCE.—Only the  
856 following individuals are eligible for state-funded assistance  
857 in paying premiums for Healthy Florida or Florida Healthy Kids  
858 premiums:

859 (a) Residents of this state who are eligible for the  
860 Florida Kidcare program pursuant to s. 409.814 or the Healthy  
861 Florida pursuant to s. 624.917.

862 (b) Notwithstanding s. 409.814, legal aliens who are  
863 enrolled in the Florida Healthy Kids program as of January 31,  
864 2004, who do not qualify for Title XXI federal funds because  
865 they are not qualified aliens as defined in s. 409.811.

866 (4) NONENTITLEMENT.—Nothing in this section shall be  
867 construed as providing an individual with an entitlement to  
868 health care services. No cause of action shall arise against the  
869 state, the Florida Healthy Kids Corporation, or a unit of local  
870 government for failure to make health services available under

576-02875-13

20131816\_\_

871 this section.

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

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

875 (b) The Florida Healthy Kids Corporation shall:

876 1. Arrange for the collection of any family, individual, or  
877 local contributions, ~~or employer payment or premium~~, in an  
878 amount to be determined by the board of directors, to provide  
879 for payment of premiums for comprehensive insurance coverage and  
880 for the actual or estimated administrative expenses.

881 2. Arrange for the collection of any voluntary  
882 contributions to provide for payment of premiums for enrollees  
883 in the Florida Kidcare program or Healthy Florida ~~premiums for~~  
884 ~~children who are not eligible for medical assistance under Title~~  
885 ~~XIX or Title XXI of the Social Security Act.~~

886 3. Subject to the provisions of s. 409.8134, accept  
887 voluntary supplemental local match contributions that comply  
888 with the requirements of Title XXI of the Social Security Act  
889 for the purpose of providing additional Florida Kidcare coverage  
890 in contributing counties under Title XXI.

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

893 5. Establish, with consultation from appropriate  
894 professional organizations, standards for preventive health  
895 services and providers and comprehensive insurance benefits  
896 appropriate to children, provided that such standards for rural  
897 areas shall not limit primary care providers to board-certified  
898 pediatricians.

899 6. Determine eligibility for children seeking to

576-02875-13

20131816\_\_

900 participate in the Title XXI-funded components of the Florida  
901 Kidcare program consistent with the requirements specified in s.  
902 409.814, as well as the non-Title-XXI-eligible children as  
903 provided in subsection (3).

904 7. Establish procedures under which providers of local  
905 match to, applicants to and participants in the program may have  
906 grievances reviewed by an impartial body and reported to the  
907 board of directors of the corporation.

908 8. Establish participation criteria and, if appropriate,  
909 contract with an authorized insurer, health maintenance  
910 organization, or third-party administrator to provide  
911 administrative services to the corporation.

912 9. Establish enrollment criteria that include penalties or  
913 waiting periods of 30 days for reinstatement of coverage upon  
914 voluntary cancellation for nonpayment of family and individual  
915 premiums under the programs.

916 10. Contract with authorized insurers or any provider of  
917 health care services, meeting standards established by the  
918 corporation, for the provision of comprehensive insurance  
919 coverage to participants. Such standards shall include criteria  
920 under which the corporation may contract with more than one  
921 provider of health care services in program sites.

922 a. Health plans shall be selected through a competitive bid  
923 process.

924 b. The Florida Healthy Kids Corporation shall purchase  
925 goods and services in the most cost-effective manner consistent  
926 with the delivery of quality medical care. The maximum  
927 administrative cost for a Florida Healthy Kids Corporation  
928 contract shall be 15 percent. For all health care contracts, the



576-02875-13

20131816\_\_

929 minimum medical loss ratio is ~~for a Florida Healthy Kids~~  
930 ~~Corporation contract shall be~~ 85 percent. The calculations must  
931 use uniform financial data collected from all plans in a format  
932 established by the corporation and shall be computed for each  
933 insurer on a statewide basis. Funds shall be classified in a  
934 manner consistent with 45 C.F.R. part 158 ~~For dental contracts,~~  
935 ~~the remaining compensation to be paid to the authorized insurer~~  
936 ~~or provider under a Florida Healthy Kids Corporation contract~~  
937 ~~shall be no less than an amount which is 85 percent of premium,~~  
938 ~~to the extent any contract provision does not provide for this~~  
939 ~~minimum compensation, this section shall prevail.~~

940 c. The health plan selection criteria and scoring system,  
941 and the scoring results, shall be available upon request for  
942 inspection after the bids have been awarded.

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

945 12. Develop and implement a plan to publicize the Florida  
946 Kidcare program and Healthy Florida, the eligibility  
947 requirements of the programs ~~program~~, and the procedures for  
948 enrollment in the program and to maintain public awareness of  
949 the corporation and the programs ~~program~~.

950 13. Secure staff necessary to properly administer the  
951 corporation. Staff costs shall be funded from state and local  
952 matching funds and such other private or public funds as become  
953 available. The board of directors shall determine the number of  
954 staff members necessary to administer the corporation.

955 14. In consultation with the partner agencies, annually  
956 provide a report on the Florida Kidcare program ~~annually~~ to the  
957 Governor, the Chief Financial Officer, the Commissioner of

576-02875-13

20131816\_\_

958 Education, the President of the Senate, the Speaker of the House  
959 of Representatives, and the Minority Leaders of the Senate and  
960 the House of Representatives.

961 15. Provide information on a quarterly basis to the  
962 Legislature and the Governor which compares the costs and  
963 utilization of the full-pay enrolled population and the Title  
964 XXI-subsidized enrolled population in the Florida Kidcare  
965 program. The information, at a minimum, must include:

966 a. The monthly enrollment and expenditure for full-pay  
967 enrollees in the Medikids and Florida Healthy Kids programs  
968 compared to the Title XXI-subsidized enrolled population; and

969 b. The costs and utilization by service of the full-pay  
970 enrollees in the Medikids and Florida Healthy Kids programs and  
971 the Title XXI-subsidized enrolled population. This subparagraph  
972 is repealed effective December 31, 2013.

973  
974 ~~By February 1, 2010, the Florida Healthy Kids Corporation shall~~  
975 ~~provide a study to the Legislature and the Governor on premium~~  
976 ~~impacts to the subsidized portion of the program from the~~  
977 ~~inclusion of the full-pay program, which shall include~~  
978 ~~recommendations on how to eliminate or mitigate possible impacts~~  
979 ~~to the subsidized premiums.~~

980 16. By August 15, 2013, the corporation shall notify all  
981 current full-pay enrollees of the availability of the exchange,  
982 as defined in the federal Patient Protection and Affordable Care  
983 Act, and how to access other insurance affordability options.  
984 New applications for full-pay coverage may not be accepted after  
985 September 30, 2013.

986 ~~17.16.~~ Establish benefit packages that conform to the

576-02875-13

20131816\_\_

987 provisions of the Florida Kidcare program, as created in ss.  
988 409.810-409.821.

989 (c) Coverage under the corporation's program is secondary  
990 to any other available private coverage held by, or applicable  
991 to, the participant ~~child~~ or family member. Insurers under  
992 contract with the corporation are the payors of last resort and  
993 must coordinate benefits with any other third-party payor that  
994 may be liable for the participant's medical care.

995 (d) The Florida Healthy Kids Corporation shall be a private  
996 corporation not for profit, registered, incorporated, and  
997 organized pursuant to chapter 617, and shall have all powers  
998 necessary to carry out the purposes of this act, including, but  
999 not limited to, the power to receive and accept grants, loans,  
1000 or advances of funds from any public or private agency and to  
1001 receive and accept from any source contributions of money,  
1002 property, labor, or any other thing of value, to be held, used,  
1003 and applied for the purposes of this act. The corporation and  
1004 any committees it forms shall act in compliance with part III of  
1005 chapter 112, and chapters 119 and 286.

1006 (6) BOARD OF DIRECTORS AND MANAGEMENT SUPERVISION.—

1007 (a) The Florida Healthy Kids Corporation shall operate  
1008 subject to the supervision and approval of a board of directors  
1009 chaired by an appointee designated by the Governor ~~Chief~~  
1010 ~~Financial Officer or her or his designee,~~ and composed of 12  
1011 other members. The Senate shall confirm the designated chair and  
1012 other board appointees selected for 3-year terms of office as  
1013 follows:

1014 ~~1. The Secretary of Health Care Administration, or his or~~  
1015 ~~her designee.~~

576-02875-13

20131816\_\_

1016 ~~2. One member appointed by the Commissioner of Education~~  
 1017 ~~from the Office of School Health Programs of the Florida~~  
 1018 ~~Department of Education.~~

1019 ~~3. One member appointed by the Chief Financial Officer from~~  
 1020 ~~among three members nominated by the Florida Pediatric Society.~~

1021 ~~4. One member, appointed by the Governor, who represents~~  
 1022 ~~the Children's Medical Services Program.~~

1023 ~~5. One member appointed by the Chief Financial Officer from~~  
 1024 ~~among three members nominated by the Florida Hospital~~  
 1025 ~~Association.~~

1026 ~~6. One member, appointed by the Governor, who is an expert~~  
 1027 ~~on child health policy.~~

1028 ~~7. One member, appointed by the Chief Financial Officer,~~  
 1029 ~~from among three members nominated by the Florida Academy of~~  
 1030 ~~Family Physicians.~~

1031 ~~8. One member, appointed by the Governor, who represents~~  
 1032 ~~the state Medicaid program.~~

1033 ~~9. One member, appointed by the Chief Financial Officer,~~  
 1034 ~~from among three members nominated by the Florida Association of~~  
 1035 ~~Counties.~~

1036 ~~10. The State Health Officer or her or his designee.~~

1037 ~~11. The Secretary of Children and Family Services, or his~~  
 1038 ~~or her designee.~~

1039 ~~12. One member, appointed by the Governor, from among three~~  
 1040 ~~members nominated by the Florida Dental Association.~~

1041 (b) A member of the board of directors serves at the  
 1042 pleasure of the Governor ~~may be removed by the official who~~  
 1043 ~~appointed that member.~~ The board shall appoint an executive  
 1044 director, who is responsible for other staff authorized by the

576-02875-13

20131816\_\_

1045 board.

1046 (c) Board members are entitled to receive, from funds of  
1047 the corporation, reimbursement for per diem and travel expenses  
1048 as provided by s. 112.061.

1049 (d) There shall be no liability on the part of, and no  
1050 cause of action shall arise against, any member of the board of  
1051 directors, or its employees or agents, for any action they take  
1052 in the performance of their powers and duties under this act.

1053 (e) Board members who are serving on or before the date of  
1054 enactment of this act or similar legislation may remain until  
1055 July 1, 2013.

1056 (f) An executive steering committee is created to provide  
1057 management direction and support and to make recommendations to  
1058 the board on the programs. The steering committee is composed of  
1059 the Secretary of Health Care Administration, the Secretary of  
1060 Children and Families, and the State Surgeon General. Committee  
1061 members may not delegate their membership or attendance.

1062 (7) LICENSING NOT REQUIRED; FISCAL OPERATION.—

1063 (a) The corporation shall not be deemed an insurer. The  
1064 officers, directors, and employees of the corporation shall not  
1065 be deemed to be agents of an insurer. Neither the corporation  
1066 nor any officer, director, or employee of the corporation is  
1067 subject to the licensing requirements of the insurance code or  
1068 the rules of the Department of Financial Services or Office of  
1069 Insurance Regulation. However, any marketing representative  
1070 utilized and compensated by the corporation must be appointed as  
1071 a representative of the insurers or health services providers  
1072 with which the corporation contracts.

1073 (b) The board has complete fiscal control over the

576-02875-13

20131816\_\_

1074 corporation and is responsible for all corporate operations.

1075 (c) The Department of Financial Services shall supervise  
1076 any liquidation or dissolution of the corporation and shall  
1077 have, with respect to such liquidation or dissolution, all power  
1078 granted to it pursuant to the insurance code.

1079 Section 14. Section 624.915, Florida Statutes, is repealed.

1080 Section 15. Section 624.917, Florida Statutes, is created  
1081 to read:

1082 624.917 Healthy Florida program.-

1083 (1) PROGRAM CREATION.-There is created Healthy Florida, a  
1084 health care program for lower income, uninsured adults who meet  
1085 the eligibility guidelines established under s. 624.91. The  
1086 Florida Healthy Kids Corporation shall administer the program  
1087 under its existing corporate governance and structure.

1088 (2) DEFINITIONS.-As used in this section, the term:

1089 (a) "Actuarially equivalent" means:

1090 1. The aggregate value of the benefits included in health  
1091 benefits coverage is equal to the value of the benefits in the  
1092 child benchmark benefit plan as defined in s. 409.811; and

1093 2. The benefits included in health benefits coverage are  
1094 substantially similar to the benefits included in the child  
1095 benchmark benefit plan, except that preventive health services  
1096 do not include dental services.

1097 (b) "Agency" means the Agency for Health Care  
1098 Administration.

1099 (c) "Applicant" means the individual who applies for  
1100 determination of eligibility for health benefits coverage under  
1101 this section.

1102 (d) "Child benchmark benefit plan" means the form and level

576-02875-13

20131816\_\_

1103 of health benefits coverage established in s. 409.815.

1104 (e) "Child" means any person younger than 19 years of age.

1105 (f) "Corporation" means the Florida Healthy Kids

1106 Corporation.

1107 (g) "Enrollee" means an individual who has been determined  
1108 eligible for and is receiving coverage under this section.

1109 (h) "Florida Kidcare program" or "Kidcare program," means  
1110 the health benefits program administered through ss. 409.810-  
1111 409.821.

1112 (i) "Health benefits coverage" means protection that  
1113 provides payment of benefits for covered health care services or  
1114 that otherwise provides, either directly or through arrangements  
1115 with other persons, covered health care services on a prepaid  
1116 per capita basis or on a prepaid aggregate fixed-sum basis.

1117 (j) "Healthy Florida" means the program created by this  
1118 section which is administered by the Florida Healthy Kids  
1119 Corporation.

1120 (k) "Healthy Kids" means the Florida Kidcare program  
1121 component created under s. 624.91 for children who are 5 through  
1122 18 years of age.

1123 (l) "Household income" means the group or the individual  
1124 whose income is considered in determining eligibility for the  
1125 Healthy Florida program. The term "household" has the same  
1126 meaning as provided in s. 36B(d)(2) of the Internal Revenue Code  
1127 of 1986.

1128 (m) "Medicaid" means the medical assistance program  
1129 authorized by Title XIX of the Social Security Act, and  
1130 regulations thereunder, and ss. 409.901-409.920, as administered  
1131 in this state by the agency.

576-02875-13

20131816\_\_

1132       (n) "Medically necessary" means the use of any medical  
1133 treatment, service, equipment, or supply necessary to palliate  
1134 the effects of a terminal condition, or to prevent, diagnose,  
1135 correct, cure, alleviate, or preclude deterioration of a  
1136 condition that threatens life, causes pain or suffering, or  
1137 results in illness or infirmity and which is:

1138       1. Consistent with the symptom, diagnosis, and treatment of  
1139 the enrollee's condition;

1140       2. Provided in accordance with generally accepted standards  
1141 of medical practice;

1142       3. Not primarily intended for the convenience of the  
1143 enrollee, the enrollee's family, or the health care provider;

1144       4. The most appropriate level of supply or service for the  
1145 diagnosis and treatment of the enrollee's condition; and

1146       5. Approved by the appropriate medical body or health care  
1147 specialty involved as effective, appropriate, and essential for  
1148 the care and treatment of the enrollee's condition.

1149       (o) "Modified adjusted gross income" means the individual  
1150 or household's annual adjusted gross income as defined in s.  
1151 36B(d)(2) of the Internal Revenue Code of 1986 which is used to  
1152 determine eligibility under the Florida Kidcare program.

1153       (p) "Patient Protection and Affordable Care Act" or "Act"  
1154 means the federal law enacted as Pub. L. No. 111-148, as further  
1155 amended by the federal Health Care and Education Reconciliation  
1156 Act of 2010, Pub. L. No. 111-152, and any amendments,  
1157 regulations or guidance thereunder, issued under those acts.

1158       (q) "Premium" means the entire cost of a health insurance  
1159 plan, including the administration fee or the risk assumption  
1160 charge.



576-02875-13

20131816\_\_

1161 (r) "Premium assistance payment" means the monthly  
1162 consideration paid by the agency per enrollee in the Florida  
1163 Kidcare program towards health insurance premiums.

1164 (s) "Qualified alien" means an alien as defined in 8 U.S.C.  
1165 s. 1641(b) and (c).

1166 (t) "Resident" means a United States citizen or qualified  
1167 alien who is domiciled in this state.

1168 (3) ELIGIBILITY.—To be eligible and remain eligible for the  
1169 Healthy Florida program, an individual must be a resident of  
1170 this state and meet the following additional criteria:

1171 (a) Be identified as newly eligible, as defined in s.  
1172 1902(a)(10)(A)(i)(VIII) of the Social Security Act or s. 2001 of  
1173 the federal Patient Protection and Affordable Care Act, and as  
1174 may be further defined by federal regulation.

1175 (b) Maintain eligibility with the corporation and meet all  
1176 renewal requirements as established by the corporation.

1177 (c) Renew eligibility on at least an annual basis.

1178 (4) ENROLLMENT.—The corporation may begin the enrollment of  
1179 applicants in the Healthy Florida program on October 1, 2013.

1180 Enrollment may occur directly, through the services of a third-  
1181 party administrator, referrals from the Department of Children  
1182 and Families, and the exchange as defined by the federal Patient  
1183 Protection and Affordable Care Act. As an enrollee disenrolls,  
1184 the corporation must also provide the enrollee with information  
1185 about other insurance affordability programs and electronically  
1186 refer the enrollee to the exchange or other programs, as  
1187 appropriate. The earliest coverage effective date under the  
1188 program shall be January 1, 2014.

1189 (5) DELIVERY OF SERVICES.—The corporation shall contract

576-02875-13

20131816\_\_

1190 with authorized insurers licensed under chapter 627 and managed  
1191 care organizations under chapter 641 which meet standards  
1192 established by the corporation to provide comprehensive health  
1193 care services to enrollees who qualify for services under this  
1194 section. The corporation may contract for such services on a  
1195 statewide or regional basis.

1196 (a) The corporation shall establish access and network  
1197 standards for such contracts and ensure that contracted  
1198 providers have sufficient providers to meet enrollee needs.  
1199 Quality standards must be developed by the corporation, specific  
1200 to the adult population, which take into consideration  
1201 recommendations from the National Committee on Quality  
1202 Assurance, stakeholders, and other existing performance  
1203 indicators from both public and commercial populations.

1204 (b) The corporation shall provide an enrollee a choice of  
1205 plans. The corporation may select a plan if no selection has  
1206 been received before the coverage start date. Once enrolled, an  
1207 enrollee has an initial 90-day, free-look period before a lock-  
1208 in period of not more than 12 months is applied. Exceptions to  
1209 the lock-in period must be offered to an enrollee for reasons  
1210 based upon good cause or qualifying events.

1211 (c) The corporation may consider contracts that provide  
1212 family plans that would allow members from multiple state and  
1213 federally funded programs to remain together under the same  
1214 plan.

1215 (d) All contracts must meet the medical loss ratio  
1216 requirements under s. 624.91.

1217 (6) BENEFITS.—The corporation shall establish a benefits  
1218 package that is actuarially equivalent to the benchmark benefit

576-02875-13

20131816\_\_

1219 plan offered under s. 409.815(2), excluding dental, and meets  
1220 the alternative benefits package requirements under s. 1937 of  
1221 the Social Security Act. Benefits must be offered as an  
1222 integrated, single package.

1223 (a) In addition to benchmark benefits, health reimbursement  
1224 accounts or a comparable health savings account for each  
1225 enrollee must be established through the corporation or the  
1226 contracts managed by the corporation. Enrollees must be rewarded  
1227 for healthy behaviors, wellness program adherence, and other  
1228 activities established by the corporation which demonstrate  
1229 compliance with preventive care or disease management  
1230 guidelines. Funds deposited into these accounts may be used to  
1231 pay cost-sharing obligations or to purchase over-the-counter  
1232 health-related items to the extent allowed under federal law or  
1233 regulation.

1234 (b) Enhanced services may be offered if the cost of such  
1235 additional services provides savings to the overall plan.

1236 (c) The corporation shall establish a process for the  
1237 payment of wrap-around services not covered by the benchmark  
1238 benefit plan through a separate subcapitation process to its  
1239 contracted providers if it is determined that such services are  
1240 required by federal law. Such services would be covered when  
1241 deemed medically necessary on an individual basis. The  
1242 subcapitation pool is subject to a separate reconciliation  
1243 process under the medical loss ratio provisions in s. 624.91.

1244 (d) A prior authorization process and other utilization  
1245 controls may be established by the plan for any benefit if  
1246 approved by the corporation.

1247 (7) COST SHARING.—The corporation may collect premiums and

576-02875-13

20131816\_\_

1248 copayments from enrollees in accordance with federal law.  
1249 Amounts to be collected for the Healthy Florida program must be  
1250 established annually in the General Appropriations Act.

1251 (a) Payment of a monthly premium may be required before the  
1252 establishment of an enrollee's coverage start date and to retain  
1253 monthly coverage.

1254 (b) An enrollee may be required to make copayments as a  
1255 condition of receiving a health care service.

1256 (c) A provider is responsible for the collection of point-  
1257 of-service cost-sharing obligations. The enrollee's cost-sharing  
1258 contribution is considered part of the provider's total  
1259 reimbursement. Failure to collect an enrollee's cost sharing  
1260 reduces the provider's share of the reimbursement.

1261 (8) PROGRAM MANAGEMENT.—The corporation is responsible for  
1262 the oversight of the Healthy Florida program. The agency shall  
1263 seek a state plan amendment or other appropriate federal  
1264 approval to implement the Healthy Florida program. The agency  
1265 shall consult with the corporation in the amendment's  
1266 development and submit by June 14, 2013, the state plan  
1267 amendment to the federal Department of Health and Human  
1268 Services. The agency shall contract with the corporation for the  
1269 administration of the Healthy Florida program and for the timely  
1270 release of federal and state funds. The agency retains its  
1271 authorities as provided in ss. 409.902 and 409.963.

1272 (a) The corporation shall establish a process by which  
1273 grievances can be resolved and Healthy Florida recipients can be  
1274 informed of their rights under the Medicaid Fair Hearing  
1275 Process, as appropriate, or any alternative resolution process  
1276 adopted by the corporation.

576-02875-13

20131816\_\_

1277       (b) The corporation shall establish a program integrity  
1278 process to ensure compliance with program guidelines. At a  
1279 minimum, the corporation shall withhold benefits from an  
1280 applicant or enrollee if the corporation obtains evidence that  
1281 the applicant or enrollee is no longer eligible, submitted  
1282 incorrect or fraudulent information in order to establish  
1283 eligibility, or failed to provide verification of eligibility.  
1284 The corporation shall notify the applicant or enrollee that,  
1285 because of such evidence, program benefits must be withheld  
1286 unless the applicant or enrollee contacts a designated  
1287 representative of the corporation by a specified date, which  
1288 must be within 10 working days after the date of notice, to  
1289 discuss and resolve the matter. The corporation shall make every  
1290 effort to resolve the matter within a timeframe that will not  
1291 cause benefits to be withheld from an eligible enrollee. The  
1292 following individuals may be subject to specific prosecution in  
1293 accordance with s. 414.39:

1294       1. An applicant who obtains or attempts to obtain benefits  
1295 for a potential enrollee under the Healthy Florida program when  
1296 the applicant knows or should have known that the potential  
1297 enrollee does not qualify for the Healthy Florida program.

1298       2. An individual who assists an applicant in obtaining or  
1299 attempting to obtain benefits for a potential enrollee under the  
1300 Healthy Florida program when the individual knows or should have  
1301 known that the potential enrollee does not qualify for the  
1302 Healthy Florida program.

1303       (9) APPLICABILITY OF LAWS RELATING TO MEDICAID.—The  
1304 provisions of ss. 409.902, 409.9128, and 409.920 apply to the  
1305 administration of the Healthy Florida program.

576-02875-13

20131816\_\_

1306       (10) PROGRAM EVALUATION.—The corporation shall collect both  
1307 eligibility and enrollment data from program applicants and  
1308 enrollees as well as encounter and utilization data from all  
1309 contracted entities during the program term. The corporation  
1310 shall submit monthly enrollment reports to the President of the  
1311 Senate, the Speaker of the House of Representative, and the  
1312 Minority Leaders of the Senate and the House of Representatives.  
1313 The corporation shall submit an interim independent evaluation  
1314 of the Healthy Florida program to the presiding officers no  
1315 later than July 1, 2015, with annual evaluations due July 1 each  
1316 year thereafter. The evaluations must address, at a minimum,  
1317 application and enrollment trends and issues, utilization and  
1318 cost data, and customer satisfaction.

1319       (11) PROGRAM EXPIRATION.—The Healthy Florida program shall  
1320 expire at the end of the state fiscal year in which any of these  
1321 conditions occur, whichever occurs first:

1322           (a) The federal match contribution falls below 90 percent.

1323           (b) The federal match contribution falls below the  
1324 increased FMAP for medical assistance for newly eligible  
1325 mandatory individuals as specified in the federal Patient  
1326 Protection and Affordable Care Act, Pub. L. No. 111-148, as  
1327 amended by the federal Health Care and Education Reconciliation  
1328 Act of 2010, Pub. L. No. 111-152.

1329           (c) The federal match for the Healthy Florida program and  
1330 the Medicaid program are blended under federal law or regulation  
1331 in such a way that causes the overall federal contribution to  
1332 diminish when compared to separate, nonblended federal  
1333 contributions.

1334       Section 16. The Florida Healthy Kids Corporation may make

576-02875-13

20131816\_\_

1335 changes to comply with the objections of the federal Department  
1336 of Health and Human Services to gain approval of the Healthy  
1337 Florida program in compliance with the federal Patient  
1338 Protection and Affordable Care Act, upon giving notice to the  
1339 Senate and the House of Representatives of the proposed changes.  
1340 If there is a conflict between a provision in this section and  
1341 the federal Patient Protection and Affordable Care Act, Pub. L.  
1342 No. 111-148, as amended by the federal Health Care and Education  
1343 Reconciliation Act of 2010, Pub. L. No. 111-152, the provision  
1344 must be interpreted and applied so as to comply with the  
1345 requirement of the federal law.

1346 Section 17. This act shall take effect upon becoming a law.