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### CHAMBER ACTION

	Senate House
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10	The Committee on Health and Homes Countries Incommistions
11	The Committee on Health and Human Services Appropriations
12	(Peaden) recommended the following amendment:
13	
14	Senate Amendment (with title amendment)
15	Delete everything after the enacting clause
16	
17	and insert:
18	Section 1. Section 409.811, Florida Statutes, is
19	amended to read:
20	409.811 Definitions relating to Florida Kidcare
21	ActAs used in <u>ss. 409.810-409.830</u> <del>ss. 409.810-409.820</del> , the
22	term:
23	(1) "Actuarially equivalent" means that:
24	(a) The aggregate value of the benefits included in
25	health benefits coverage is equal to the value of the benefits
26	in the benchmark benefit plan; and
27	(b) The benefits included in health benefits coverage
28	are substantially similar to the benefits included in the
29	benchmark benefit plan, except that preventive health services
30	must be the same as in the benchmark benefit plan.
31	(2) "Agency" means the Agency for Health Care 1
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- (3) "Applicant" means a parent or guardian of a child or a child whose disability of nonage has been removed under chapter 743, who applies for determination of eligibility for health benefits coverage under <u>ss. 409.810-409.830</u> <u>ss. 409.810-409.820</u>.
- 6 409.810-409.820. 7 (4) "Benchmark benefit p
  - (4) "Benchmark benefit plan" means the form and level of health benefits coverage established in s. 409.815.
    - (5) "Child" means any person under 19 years of age.
  - (6) "Child with special health care needs" means a child who has a chronic physical, developmental, behavioral, or emotional condition and who also required health care and related services of a type or amount beyond that which is generally required by children. whose serious or chronic physical or developmental condition requires extensive preventive and maintenance care beyond that required by typically healthy children. Health care utilization by such a child exceeds the statistically expected usage of the normal child adjusted for chronological age, and such a child often needs complex care requiring multiple providers, rehabilitation services, and specialized equipment in a number of different settings.
  - (7) "Children's Medical Services Network" or "network"
    means a statewide managed care service system as defined in s.
    391.021(1).
  - (8) "Community rate" means a method used to develop premiums for a health insurance plan that spreads financial risk across a large population and allows adjustments only for age, gender, family composition, and geographic area.
    - (9) "Department" means the Department of Health.
  - (10) "Enrollee" means a child who has been determined  $$^2$$  11:36 AM 04/17/07 \$0930.ha02.t01

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eligible for and is receiving coverage under ss. 409.810-409.820.

- (11) "Family" means the group or the individuals whose income is considered in determining eligibility for the Florida Kidcare program. The family includes a child with a custodial parent or caretaker relative who resides in the same house or living unit or, in the case of a child whose disability of nonage has been removed under chapter 743, the child. The family may also include other individuals whose income and resources are considered in whole or in part in determining eligibility of the child.
- (12) "Family income" means cash received at periodic intervals from any source, such as wages, benefits, contributions, or rental property. Income also may include any money that would have been counted as income under the Aid to Families with Dependent Children (AFDC) state plan in effect prior to August 22, 1996.
- (13) "Florida Kidcare Plus" means health benefits

  coverage for children with special health care needs which

  benefits are delivered through the Children's Medical Services

  Network established in chapter 391.
- $\frac{(14)(13)}{(13)} \ \text{"Florida Kidcare program," "Kidcare program,"}$  or "program" means the health benefits program  $\frac{1}{(13)} = \frac{1}{(13)} = \frac{$
- (15)(14) "Guarantee issue" means that health benefits coverage must be offered to an individual regardless of the individual's health status, preexisting condition, or claims history.
- (16)(15) "Health benefits coverage" means protection that provides payment of benefits for covered health care services or that otherwise provides, either directly or 11:36 AM 04/17/07 s0930.ha02.t01

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through arrangements with other persons, covered health care services on a prepaid per capita basis or on a prepaid aggregate fixed-sum basis.

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

- (a) A health plan offered by any certified health maintenance organization or authorized health insurer, except a plan that is limited to the following: a limited benefit, specified disease, or specified accident; hospital indemnity; accident only; limited benefit convalescent care; Medicare supplement; credit disability; dental; vision; long-term care; disability income; coverage issued as a supplement to another health plan; workers' compensation liability or other insurance; or motor vehicle medical payment only; or
- (b) An employee welfare benefit plan that includes health benefits established under the Employee Retirement Income Security Act of 1974, as amended.
- (18) "Healthy Kids" means a component of the Florida

  Kidcare program of medical assistance for children who are 5

  through 18 years of age and whose family or household incomes

  are above the Title XIX-income-eligibility threshold.

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

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

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1	(a) Consistent with the symptom, diagnosis, and
2	treatment of the enrollee's condition;
3	(b) Provided in accordance with generally accepted
4	standards of medical practice;
5	(c) Not primarily intended for the convenience of the
6	enrollee, the enrollee's family, or the health care provider;
7	(d) The most appropriate level of supply or service
8	for the diagnosis and treatment of the enrollee's condition;
9	and
10	(e) Approved by the appropriate medical body or health
11	care specialty involved as effective, appropriate, and
12	essential for the care and treatment of the enrollee's
13	condition.
14	(21)(19) "Medikids" means a component of the Florida
15	Kidcare program of medical assistance authorized by Title XXI
16	of the Social Security Act, and regulations thereunder, and s.
17	409.8132, as administered in the state by the agency.
18	$\frac{(22)(20)}{(20)}$ "Preexisting condition exclusion" means, with
19	respect to coverage, a limitation or exclusion of benefits
20	relating to a condition based on the fact that the condition
21	was present before the date of enrollment for such coverage,
22	whether or not any medical advice, diagnosis, care, or
23	treatment was recommended or received before such date.
24	$\frac{(23)(21)}{(21)}$ "Premium" means the entire cost of a health
25	insurance plan, including the administration fee or the risk
26	assumption charge.
27	$\frac{(24)}{(22)}$ "Premium assistance payment" means the
28	monthly consideration paid by the agency per enrollee in the
29	Florida Kidcare program towards health insurance premiums.

(25)(23) "Qualified alien" means an alien as defined 31 in s. 431 of the Personal Responsibility and Work Opportunity 11:36 AM 04/17/07 s0930.ha02.t01

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Reconciliation Act of 1996, as amended, Pub. L. No. 104-193. (26)<del>(24)</del> "Resident" means a United States citizen, or 2 qualified alien, who is domiciled in this state. 3 4 (27)(25) "Rural county" means a county having a population density of fewer less than 100 persons per square 5 mile, or a county defined by the most recent United States Census as rural, in which there is no prepaid health plan 7 participating in the Medicaid program as of July 1, 1998. 8 9 (28)<del>(26)</del> "Substantially similar" means that, with 10 respect to additional services as defined in s. 2103(c)(2) of Title XXI of the Social Security Act, these services must have 11 an actuarial value equal to at least 75 percent of the 12 13 actuarial value of the coverage for that service in the benchmark benefit plan and, with respect to the basic services 14 15 as defined in s. 2103(c)(1) of Title XXI of the Social Security Act, these services must be the same as the services 16 in the benchmark benefit plan. 17 Section 2. Section 409.812, Florida Statutes, is 18 19 amended to read: 409.812 Program created; purpose.--The Florida Kidcare 20 program is created to provide a defined set of health benefits 21 22 to previously uninsured, low-income children through the establishment of a variety of affordable health benefits 23 2.4 coverage options from which families may select coverage and through which families may contribute financially to the 25 health care of their children. 26 Section 3. Section 409.813, Florida Statutes, is 27 amended to read: 28 29 409.813 Program components; entitlement and nonentitlement. -- The Florida Kidcare program includes health 30 benefits coverage provided to children through the following 11:36 AM 04/17/07 s0930.ha02.t01

1	funding sources, which shall be marketed as the Florida
2	Kidcare program:
3	(1) Title XIX of the Social Security Act Medicaid;
4	(2) <u>Title XXI of the Social Security Act</u> Medikids as
5	<del>created in s. 409.8132</del> ;
6	(3) The Title V Program of the Social Security Act, as
7	it relates to children with special health care needs The
8	Florida Healthy Kids Corporation as created in s. 624.91;
9	(4) Employer-sponsored group health insurance plans
10	approved under ss. 409.810-409.830 ss. 409.810-409.820; and
11	(5) Full pay premiums for children with family incomes
12	above the maximum income threshold or children who are not
13	Title XXI-eligible pursuant to s. 409.8141; and The Children's
14	Medical Services network established in chapter 391.
15	(6) General revenue or local contributions.
16	
17	Except for <u>Title XIX-funded Florida Kidcare</u> coverage <u>under the</u>
18	Medicaid program, coverage under the Florida Kidcare program
19	is not an entitlement. No cause of action shall arise against
20	the state, the Department $of Health$ , the Department of
21	Children and Family Services, <del>or</del> the <u>Florida Healthy Kids</u>
22	Corporation, or the Agency for Health Care Administration
23	agency for failure to make health services available to any
24	person under <u>ss. 409.810-409.830</u> <del>ss. 409.810-409.820</del> .
25	Section 4. Section 409.8132, Florida Statutes, is
26	amended to read:
27	409.8132 Medikids program component
28	(1) PROGRAM COMPONENT CREATED; PURPOSEThe Medikids
29	program component is created in the Agency for Health Care
30	Administration to provide health care services under the
31	Florida Kidcare program to eligible children using the $7$
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administrative structure and provider network of the Medicaid program.

- appoint an administrator of the Medikids program component. The Agency for Health Care Administration is designated as the state agency authorized to make payments for medical assistance and related services for the Medikids program component of the Florida Kidcare program. Payments shall be made, subject to any limitations or directions in the General Appropriations Act, only for covered services provided to eligible children by qualified health care providers under the Florida Kidcare program.
- (3) INSURANCE LICENSURE NOT REQUIRED.--The Medikids program component shall not be subject to the licensing requirements of the Florida Insurance Code or rules adopted thereunder.
- (4) APPLICABILITY OF LAWS RELATING TO MEDICAID.--The provisions of ss. 409.902, 409.905, 409.906, 409.907, 409.908, 409.912, 409.9121, 409.9122, 409.9123, 409.9124, 409.9127, 409.9128, 409.913, 409.916, 409.919, 409.920, and 409.9205 apply to the administration of the Medikids program component of the Florida Kidcare program, except that s. 409.9122 applies to Medikids as modified by the provisions of subsection (7).
- (5) BENEFITS.--Benefits provided under the Medikids program component shall be the same benefits provided to children as specified in ss. 409.905 and 409.906.
  - (6) ELIGIBILITY.--
- (a) A child who has attained the age of 1 year but who is under the age of 5 years is eligible to enroll in the Medikids program component of the Florida Kidcare program, if 8 11:36 AM 04/17/07 80930.ha02.t01

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the child is a member of a family that has a family income which exceeds the Medicaid applicable income level as specified in s. 409.903, but which is equal to or below 200 3 percent of the current federal poverty level. In determining the eligibility of such a child, an assets test is not 5 required. A child who is eligible for Medikids may elect to 7 enroll in Florida Healthy Kids coverage or employer-sponsored group coverage. However, a child who is eligible for Medikids 8 may participate in the Florida Healthy Kids program only if 9 10 the child has a sibling participating in the Florida Healthy 11 Kids program and the child's county of residence permits such enrollment. 12

- (b) The provisions of ss. 409.814, 409.8141, 409.8142, and 409.8149 s. 409.814(3), (4), and (5) shall be applicable to the Medikids program.
- component may occur at any time throughout the year. A child may not receive services under the Medikids program until the child is enrolled in a managed care plan or MediPass. Once determined eligible, an applicant may receive choice counseling and select a managed care plan or MediPass. The agency may initiate mandatory assignment for a Medikids applicant who has not chosen a managed care plan or MediPass provider after the applicant's voluntary choice period ends. An applicant may select MediPass under the Medikids program component only in counties that have fewer than two managed care plans available to serve Medicaid recipients and only if the federal Health Care Financing Administration determines that MediPass constitutes "health insurance coverage" as defined in Title XXI of the Social Security Act.
- (8) PENALTIES FOR VOLUNTARY CANCELLATION. -- The agency
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shall establish enrollment criteria that must include 2 penalties or waiting periods of not fewer than 60 days for reinstatement of coverage upon voluntary cancellation for 3 4 nonpayment of premiums. Section 5. Section 409.8134, Florida Statutes, is 5 6 amended to read: 7 409.8134 Program expenditure ceiling.--(1) Except for the Medicaid program, a ceiling shall 8 be placed on annual federal and state expenditures for the 9 10 Florida Kidcare program as provided each year in the General 11 Appropriations Act. 12 (2) The Florida Kidcare program may conduct enrollment 13 at any time throughout the year for the purpose of enrolling 14 children eligible for all program components listed in s. 15 409.813 except Medicaid. The four Florida Kidcare 16 administrators shall work together to ensure that the year-round enrollment period is announced statewide. Eligible 17 18 children shall be enrolled on a first-come, first-served basis 19 using the date the enrollment application is received. Enrollment shall immediately cease when the expenditure 20 21 ceiling is reached. Year-round enrollment shall only be held 22 if the Social Services Estimating Conference determines that sufficient federal and state funds will be available to 23 24 finance the increased enrollment through federal fiscal year 2007. Any individual who is not enrolled must reapply by 25 26 submitting a new application. The application for the Florida Kidcare program shall be valid for a period of 120 days after 27 28 the date it was received. At the end of the 120-day period, if 29 the applicant has not been enrolled in the program, the application shall be invalid and the applicant shall be 30 31 notified of the action. The applicant may resubmit the 10 11:36 AM 04/17/07 s0930.ha02.t01

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1	application after notification of the action taken by the
2	program. Except for the Medicaid program, whenever the Social
3	Services Estimating Conference determines that there are
4	presently, or will be by the end of the current fiscal year,
5	insufficient funds to finance the current or projected
6	enrollment in the Florida Kidcare program, all additional
7	enrollment must cease and additional enrollment may not resume
8	until sufficient funds are available to finance such
9	enrollment.
10	(3) Upon determination by the Social Services
11	Estimating Conference that there are insufficient funds to
12	finance the current enrollment in the Florida Kidcare program
13	within current appropriations, the program shall initiate
14	disenrollment procedures to remove enrollees, except those
15	children who receive Florida Kidcare Plus benefits enrolled in
16	the Children's Medical Services Network, on a last-in,
17	first-out basis until the expenditure and appropriation levels
18	are balanced.
19	(4) The agencies that administer the Florida Kidcare
20	program components shall collect and analyze the data needed
21	to project program enrollment costs, including price level
22	adjustments, participation and attrition rates, current and
23	projected caseloads, utilization, and current and projected
24	expenditures for the next 3 years. The agencies shall report
25	caseload and expenditure trends to the Social Services
26	Estimating Conference in accordance with chapter 216.
27	Section 6. Section 409.814, Florida Statutes, is
28	amended to read:
29	(Substantial rewording of section. See
30	s. 409.814, F.S., for present text.)
31	409.814 Eliqibility 11
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1	(1) ELIGIBILITY FOR THE FLORIDA KIDCARE PROGRAMTo
2	be eligible for the Florida Kidcare program, a child must be:
3	(a) A resident of the state.
4	(b) Under 19 years of age.
5	(c) Uninsured at the time of application, except for
6	children eligible for Medicaid.
7	(2) ELIGIBILITY FOR FLORIDA KIDCARE PLUS To be
8	eligible for the Florida Kidcare Plus benefit delivered by the
9	Children's Medical Services Network in the Florida Kidcare
10	program, a child must meet the requirements of subsection (1)
11	and must be a child with special health care needs as
12	determined through a clinical-eligibility screening instrument
13	administered by the Department of Health pursuant to s.
14	409.818(2).
15	Section 7. Section 409.8141, Florida Statutes, is
16	created to read:
17	409.8141 Premium assistance
18	(1) The Florida Kidcare program may provide premium
19	assistance to certain children enrolled in the program. To be
20	eligible for premium assistance, the child must meet the
21	requirements of s. 409.814 and must:
22	(a) Reside in a household where the family income is
23	equal to or less than 200 percent of the federal poverty
24	<u>level;</u>
25	(b) Be a United States citizen or a qualified alien as
26	<u>defined in s. 409.811(24);</u>
27	(c) Not be an inmate of a public institution or a
28	patient in an institution for mental diseases;
29	(d) Not be eligible for coverage under a state health
30	benefit plan on the basis of a family member's employment with
31	a public agency in the state; and
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1	(e) Not be currently eligible for or covered under a
2	family member's group health benefit plan or under other
3	employer health insurance coverage, excluding full-pay Florida
4	Kidcare health benefits coverage, if the cost of the child's
5	participation is not greater than 5 percent of the family's
6	income.
7	(2) A child seeking premium assistance for the Florida
8	Kidcare program is not eligible for premium assistance if the
9	child was covered through an employer-sponsored group coverage
10	6 months prior to the family submitting an application for
11	determination of eligibility under the program, unless the
12	employer-sponsored health coverage was discontinued for
13	good-cause reasons. Good-cause reasons for discontinued
14	employer-sponsored health coverage include:
15	(a) The cost of participation in an employer-sponsored
16	health benefit plan is greater than 5 percent of the family's
17	income;
18	(b) The parent lost a job that provided an
19	employer-sponsored health benefit plan for children;
20	(c) The parent who had health benefits coverage for
21	the child is deceased;
22	(d) The child has a medical condition that, without
23	medical care, would cause serious disability, loss of
24	<u>function</u> , <u>or death</u> ;
25	(e) The employer of the parent canceled health
26	benefits coverage for children;
27	(f) The child's health benefits coverage ended because
28	the child reached the maximum lifetime coverage amount;
29	(g) The child has exhausted coverage under a COBRA
30	continuation provision;
31	(h) The health benefits coverage does not cover the 13
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1	child's health care needs; or
2	(i) Domestic violence led to loss of coverage.
3	(3) Eligibility for premium assistance shall be
4	verified for each applicant and enrollee during the
5	application and reverification processes based on:
6	(a) Family income documented with a copy of the
7	applicant's most recent federal income tax return. In the
8	absence of a federal income tax return, an applicant's wages
9	and earnings statements, W-2 forms, or other appropriate
10	documentation obtained from other government sources,
11	including electronic records, may be considered. An assets
12	test is not required.
13	(b) A statement from the applicant or enrollee that
14	the child is not currently insured by an employer-sponsored or
15	other benefit plan.
16	(4) Enrollees not meeting the eligibility requirements
17	of subsection (1) shall pay the full cost of the premium and
18	are not required to document income. The number of children
19	participating in the non-Title XIX-funded Florida Kidcare
20	program under this subsection whose family income exceeds 200
21	percent of the federal poverty level must not exceed 10
22	percent of total enrollees in the non-title XIX-funded Florida
23	Kidcare program.
24	(5)(a) A Title XIX-funded child enrolled in the
25	Florida Kidcare program is eligible for coverage for 6 months
26	without redetermination or reverification of eligibility.
27	(b) A child found eligible for premium assistance in
28	the Florida Kidcare program shall receive premium assistance
29	for 12 months without reverification of eligibility if the
30	family continues to participate in any applicable cost-sharing
31	pursuant to s. 409.816. The Florida Kidcare program shall
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1	conduct an annual eligibility reverification for each enrollee				
2	eligible for premium assistance.				
3	(6) If a child loses eligibility for Florida Kidcare				
4	health benefits coverage, the child's managed health care				
5	provider shall be notified at the same time the family is				
6	notified in order to facilitate necessary action to maintain				
7	continuous health care coverage.				
8	Section 8. Section 409.8142, Florida Statutes, is				
9	created to read:				
10	409.8142 Penalties				
11	(1) Subject to s. 624.91(4), the Florida Kidcare				
12	program shall withhold benefits from an enrollee if the				
13	program obtains evidence that the enrollee is no longer				
14	eligible, submitted incorrect or fraudulent information in				
15	order to establish eligibility, or failed to provide				
16	verification of eligibility. The applicant or enrollee shall				
17	be notified that, because of such evidence, program benefits				
18	will be withheld unless the applicant or enrollee contacts a				
19	designated representative of the program by a specified date,				
20	which must be within 10 business days after the date of				
21	notice, to discuss and resolve the matter. The program shall				
22	make every effort to resolve the matter within a timeframe				
23	that will not cause benefits to be withheld from an eligible				
24	enrollee.				
25	(2) If, subsequent to any eligibility determination,				
26	an individual is determined to be ineligible for coverage, he				
27	or she must immediately be disenrolled from the Florida				
28	Kidcare program.				
29	(3) Waiting periods of not less than 60 days for				
30	reinstatement of coverage upon voluntary cancellation for				
31	nonpayment of premiums when applicable shall be established by				
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1	the agency.
2	Section 9. Section 409.8149, Florida Statutes, is
3	created to read:
4	409.8149 Enrollment; plan choice
5	(1) ENROLLMENT The Florida Kidcare program may
6	conduct enrollment at any time throughout the year for the
7	purpose of enrolling children eligible for all coverage funded
8	pursuant to s. 409.813, except Medicaid. Eligible children
9	shall be enrolled on a first-come, first-served basis, based
10	upon the date the enrollment application is received. The
11	application for the Florida Kidcare program is valid for a
12	period of 120 days after the date the application is received.
13	At the end of the 120-day period, if the applicant has not
14	been enrolled in the program, the application is invalid and
15	the applicant shall be notified of the action. The applicant
16	may resubmit the application after notification of the action
17	taken by the program.
18	(2) PLAN CHOICE
19	(a) Enrollees who do not voluntarily choose a benefit
20	plan shall be assigned to a managed care plan by the Florida
21	Kidcare program. The program shall assign enrollees eligible
22	for Medicaid to a Medicaid managed care plan or to the
23	Medicaid fee-for-service program if a Medicaid managed care
24	plan does not exist in the geographical area in which the
25	enrollee resides. The program shall assign all other enrollees
26	to plans selected pursuant to s. 624.91 in the geographical
27	area in which each enrollee resides.
28	(b) Upon selection or assignment, an enrollee shall
29	have 90 days during which to voluntarily disenroll from a
30	benefit plan and select another.
31	(c) Upon the anniversary of enrollment, each enrollee
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may voluntarily select another benefit plan. The Florida Kidcare program shall notify enrollees of their options with 2 respect to the annual open enrollment 60 days prior to the 3 anniversary of initial enrollment. Section 10. Section 409.815, Florida Statutes, is 5 6 amended to read: 7 409.815 Health benefits coverage; limitations.--(1) MEDICAID BENEFITS. -- For purposes of the Florida 8 Kidcare program, benefits available under Medicaid and 9 10 Medikids include those goods and services provided under the 11 medical assistance program authorized by Title XIX of the Social Security Act, and regulations thereunder, as 12 13 administered in this state by the agency. This includes those mandatory Medicaid services authorized under s. 409.905, and 14 15 optional Medicaid services authorized under s. 409.906, and emergency services provided under s. 409.9128. Effective July 16 1, 2008, health benefits available under the Florida Kidcare 17 program shall include the same mandatory and optional Medicaid 18 19 services as specified in s. 409.830(2)., rendered on behalf of 20 eligible individuals by qualified providers, in accordance with federal requirements for Title XIX, subject to any 21 22 limitations or directions provided for in the General 23 Appropriations Act or chapter 216, and according to 2.4 methodologies and limitations set forth in agency rules and 25 policy manuals and handbooks incorporated by reference 26 thereto. (2) BENCHMARK BENEFITS. -- In order for health benefits 27 28 coverage to qualify for premium assistance payments for an 29 eligible child under ss. 409.810-409.830 ss. 409.810-409.820, the health benefits coverage, except for coverage under 30 Medicaid and Medikids, must include the following minimum 11:36 AM 04/17/07 s0930.ha02.t01

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1	benefits,	as	medically	necessary
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- (a) Preventive health services.--Covered services include:
- 1. Well-child care, including services recommended in the Guidelines for Health Supervision of Children and Youth as developed by the American Academy of Pediatrics;
  - 2. Immunizations and injections;
  - 3. Health education counseling and clinical services;
  - 4. Vision screening; and
  - Hearing screening.
- (b) Inpatient hospital services.—All covered services provided for the medical care and treatment of an enrollee who is admitted as an inpatient to a hospital licensed under part I of chapter 395, with the following exceptions:
- 1. All admissions must be authorized by the enrollee's health benefits coverage provider.
- 2. The length of the patient stay shall be determined based on the medical condition of the enrollee in relation to the necessary and appropriate level of care.
- 3. Room and board may be limited to semiprivate accommodations, unless a private room is considered medically necessary or semiprivate accommodations are not available.
- 4. Admissions for rehabilitation and physical therapy are limited to 15 days per contract year.
- (c) Emergency services.--Covered services include visits to an emergency room or other licensed facility if needed immediately due to an injury or illness and delay means risk of permanent damage to the enrollee's health. Health maintenance organizations shall comply with the provisions of s. 641.513.
- 31 (d) Maternity services.--Covered services include 18 11:36 AM 04/17/07 s0930.ha02.t01

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maternity and newborn care, including prenatal and postnatal care, with the following limitations:

- 1. Coverage may be limited to the fee for vaginal deliveries; and
- 2. Initial inpatient care for newborn infants of enrolled adolescents shall be covered, including normal newborn care, nursery charges, and the initial pediatric or neonatal examination, and the infant may be covered for up to 3 days following birth.
- (e) Organ transplantation services.--Covered services include pretransplant, transplant, and postdischarge services and treatment of complications after transplantation for transplants deemed necessary and appropriate within the guidelines set by the Organ Transplant Advisory Council under s. 765.53 or the Bone Marrow Transplant Advisory Panel under s. 627.4236.
- (f) Outpatient services.--Covered services include preventive, diagnostic, therapeutic, palliative care, and other services provided to an enrollee in the outpatient portion of a health facility licensed under chapter 395, except for the following limitations:
- Services must be authorized by the enrollee's health benefits coverage provider; and
- 2. Treatment for temporomandibular joint disease (TMJ) is specifically excluded.
  - (g) Behavioral health services.--
  - 1. Mental health benefits include:
- a. Inpatient services, limited to not more than 30 inpatient days per contract year for psychiatric admissions, or residential services in facilities licensed under s.

  31 394.875(8) or s. 395.003 in lieu of inpatient psychiatric 19

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admissions; however, a minimum of 10 of the 30 days shall be available only for inpatient psychiatric services when authorized by a physician; and

- b. Outpatient services, including outpatient visits for psychological or psychiatric evaluation, diagnosis, and treatment by a licensed mental health professional, limited to a maximum of 40 outpatient visits each contract year.
  - 2. Substance abuse services include:
- a. Inpatient services, limited to not more than 7 inpatient days per contract year for medical detoxification only and 30 days of residential services; and
- b. Outpatient services, including evaluation, diagnosis, and treatment by a licensed practitioner, limited to a maximum of 40 outpatient visits per contract year.
- (h) Durable medical equipment.--Covered services include equipment and devices that are medically indicated to assist in the treatment of a medical condition and specifically prescribed as medically necessary, with the following limitations:
  - 1. Low-vision and telescopic aides are not included.
- 2. Corrective lenses and frames may be limited to one pair every 2 years, unless the prescription or head size of the enrollee changes.
- 3. Hearing aids shall be covered only when medically indicated to assist in the treatment of a medical condition.
- 4. Covered prosthetic devices include artificial eyes and limbs, braces, and other artificial aids.
- (i) Health practitioner services.--Covered services include services and procedures rendered to an enrollee when performed to diagnose and treat diseases, injuries, or other conditions, including care rendered by health practitioners

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acting within the scope of their practice, with the following exceptions:

- 1. Chiropractic services shall be provided in the same manner as in the Florida Medicaid program.
- 2. Podiatric services may be limited to one visit per day totaling two visits per month for specific foot disorders.
- (j) Home health services.--Covered services include prescribed home visits by both registered and licensed practical nurses to provide skilled nursing services on a part-time intermittent basis, subject to the following limitations:
- 2. Meals, housekeeping, and personal comfort items may be excluded; and
  - 3. Private duty nursing is limited to circumstances where such care is medically necessary.
- 18 (k) Hospice services.--Covered services include
  19 reasonable and necessary services for palliation or management
  20 of an enrollee's terminal illness, with the following
  21 exceptions:
- 1. Once a family elects to receive hospice care for an enrollee, other services that treat the terminal condition will not be covered; and
  - 2. Services required for conditions totally unrelated to the terminal condition are covered to the extent that the services are included in this section.
- 28 (1) Laboratory and X-ray services.--Covered services
  29 include diagnostic testing, including clinical radiologic,
  30 laboratory, and other diagnostic tests.
  - (m) Nursing facility services.--Covered services
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include regular nursing services, rehabilitation services,
drugs and biologicals, medical supplies, and the use of
appliances and equipment furnished by the facility, with the
following limitations:

- 1. All admissions must be authorized by the health benefits coverage provider.
  - 2. The length of the patient stay shall be determined based on the medical condition of the enrollee in relation to the necessary and appropriate level of care, but is limited to not more than 100 days per contract year.
  - 3. Room and board may be limited to semiprivate accommodations, unless a private room is considered medically necessary or semiprivate accommodations are not available.
- 4. Specialized treatment centers and independent kidney disease treatment centers are excluded.
  - 5. Private duty nurses, television, and custodial care are excluded.
  - 6. Admissions for rehabilitation and physical therapy are limited to 15 days per contract year.
    - (n) Prescribed drugs.--
  - 1. Coverage shall include drugs prescribed for the treatment of illness or injury when prescribed by a licensed health practitioner acting within the scope of his or her practice.
  - 2. Prescribed drugs may be limited to generics if available and brand name products if a generic substitution is not available, unless the prescribing licensed health practitioner indicates that a brand name is medically necessary.
- 30 3. Prescribed drugs covered under this section shall include all prescribed drugs covered under the Florida 22 11:36 AM 04/17/07 s0930.ha02.t01

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- (o) Therapy services.--Covered services include rehabilitative services, including occupational, physical, respiratory, and speech therapies, with the following limitations:
- Services must be for short-term rehabilitation
   where significant improvement in the enrollee's condition will result; and
- 2. Services shall be limited to not more than 24 treatment sessions within a 60-day period per episode or injury, with the 60-day period beginning with the first treatment.
- 13 (p) Transportation services.--Covered services include
  14 emergency transportation required in response to an emergency
  15 situation.
  - (q) Dental services.--Dental services shall be covered and may include those dental benefits provided to children by the Florida Medicaid program under s. 409.906(6).
- (r) Lifetime maximum.--Health benefits coverage
  obtained under ss. 409.810-409.820 shall pay an enrollee's
  covered expenses at a lifetime maximum of \$1 million per
  covered child.
- 23 (s) Cost-sharing.--Cost-sharing provisions must comply 24 with s. 409.816.
  - (t) Exclusions. --
  - Experimental or investigational procedures that have not been clinically proven by reliable evidence are excluded;
- 29 2. Services performed for cosmetic purposes only or 30 for the convenience of the enrollee are excluded; and
  - 3. Abortion may be covered only if necessary to save  $\frac{23}{11:36 \text{ AM}}$  04/17/07 s0930.ha02.t01

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the life of the mother or if the pregnancy is the result of an act of rape or incest.

- (u) Enhancements to minimum requirements. --
- 1. This section sets the minimum benefits that must be included in any health benefits coverage, other than Medicaid or Medikids coverage, offered under ss. 409.810-409.820. Health benefits coverage may include additional benefits not included under this subsection, but may not include benefits excluded under paragraph (s).
- 2. Health benefits coverage may extend any limitations beyond the minimum benefits described in this section.

- Except for the Children's Medical Services Network, the agency may not increase the premium assistance payment for either additional benefits provided beyond the minimum benefits described in this section or the imposition of less restrictive service limitations.
- (v) Applicability of other state laws.--Health insurers, health maintenance organizations, and their agents are subject to the provisions of the Florida Insurance Code, except for any such provisions waived in this section.
- 1. Except as expressly provided in this section, a law requiring coverage for a specific health care service or benefit, or a law requiring reimbursement, utilization, or consideration of a specific category of licensed health care practitioner, does not apply to a health insurance plan policy or contract offered or delivered under ss. 409.810-409.820 unless that law is made expressly applicable to such policies or contracts.
- 2. Notwithstanding chapter 641, a health maintenance organization may issue contracts providing benefits equal to,  $\frac{24}{11:36~\text{AM}}$  04/17/07 s0930.ha02.t01

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exceeding, or actuarially equivalent to the benchmark benefit plan authorized by this section and may pay providers located in a rural county negotiated fees or Medicaid reimbursement rates for services provided to enrollees who are residents of the rural county.

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

409.816 Limitations on premiums and cost-sharing:

penalties for nonpayment of premiums.—The following

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

- (1) Enrollees who receive coverage under <u>Title XIX of</u>

  <u>the Social Security Act</u> <u>the Medicaid program</u> may not be
  required to pay:
  - (a) Enrollment fees, premiums, or similar charges; or
- (b) Copayments, deductibles, coinsurance, or similar charges.
- (2) Enrollees in families with a family income equal to or below 150 percent of the federal poverty level, who are not receiving coverage under the Medicaid program, may not be required to pay:
- (a) Enrollment fees, premiums, or similar charges that exceed the maximum monthly charge permitted under  ${\tt s.}$
- 1916(b)(1) of the Social Security Act; or
- (b) Copayments, deductibles, coinsurance, or similar charges that exceed a nominal amount, as determined consistent with regulations referred to in s. 1916(a)(3) of the Social Security Act. However, such charges may not be imposed for preventive services, including well-baby and well-child care, age-appropriate immunizations, and routine hearing and vision screenings.

1	(3) Enrollees in families with a family income above
2	150 percent of the federal poverty level, who are not
3	receiving coverage under <u>Title XIX of the Social Security Act</u>
4	the Medicaid program or who are not eligible under <u>s. 409.814</u>
5	$\frac{1}{10000000000000000000000000000000000$
6	premiums, copayments, deductibles, coinsurance, or similar
7	charges on a sliding scale related to income, except that the
8	total annual aggregate cost-sharing with respect to all
9	children in a family may not exceed 5 percent of the family's
10	income. However, copayments, deductibles, coinsurance, or
11	similar charges may not be imposed for preventive services,
12	including well-baby and well-child care, age-appropriate
13	immunizations, and routine hearing and vision screenings.
14	Section 12. Section 409.817, Florida Statutes, is
15	amended to read:
16	409.817 Approval of health benefits coverage;
17	financial assistanceIn order for health insurance coverage
18	to qualify for premium assistance payments for an eligible
19	child under <u>ss. 409.810-409.830</u> <del>ss. 409.810-409.820</del> , the
20	health benefits coverage must:
21	(1) Be certified by the Office of Insurance Regulation
22	of the Financial Services Commission under s. 409.818 as
23	meeting, exceeding, or being actuarially equivalent to the
24	benchmark benefit plan;
25	$\frac{(1)}{(2)}$ Be guarantee issued;
26	(2)(3) Be community rated;
27	$\frac{(3)}{(4)}$ Not impose any preexisting condition exclusion
28	for covered benefits; however, group health insurance plans
29	may permit the imposition of a preexisting condition
30	exclusion, but only insofar as it is permitted under s.
31	627.6561; 26
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1	$\frac{(4)}{(5)}$ Comply with the applicable limitations on
2	premiums and cost-sharing in s. 409.816;
3	$\frac{(5)}{(6)}$ Comply with the quality assurance and access
4	standards developed under <u>s. 409.818</u> <del>s. 409.820</del> ; and
5	(6) <del>(7)</del> Establish periodic open enrollment periods,
6	which may not occur more frequently than quarterly.
7	Section 13. Section 409.818, Florida Statutes, is
8	amended to read:
9	409.818 AdministrationIn order to implement <u>ss.</u>
10	409.810-409.830 ss. 409.810-409.820, the following agencies
11	shall have the following duties:
12	(1) The Department of Children and Family Services
13	shall:
14	(a) Develop a standardized intake process for all
15	Community Access Network partners which informs applicants
16	about coverage and services available through the Florida
17	Kidcare program and collects all information necessary to
18	assess eliqibility for any premium assistance.
19	( <u>b)<del>(a)</del></u> Develop a <u>standardized</u> <del>simplified</del> eligibility
20	application <u>process</u> mail-in form to be used for determining
21	the eligibility of children for coverage for all funding
22	sources through under the Florida Kidcare program, in
23	consultation with the agency, the Department of Health, and
24	the Florida Healthy Kids Corporation. The <u>department shall</u>
25	collect all information necessary to determine eligibility for
26	premium assistance and provide simplified eligibility
27	application form must include an item that provides an
28	opportunity for the applicant to indicate whether coverage is
29	being sought for a child with special health care needs.
30	Families applying for children's Medicaid coverage must also
31	be able to use the <u>standardized</u> <del>simplified</del> application <u>process</u>
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form without having to pay a premium.

(c)(b) Establish and maintain the eligibility 2 determination process under the program except as specified in 3 subsection (5). No later than July 1, 2008, the department shall directly, or through the services of a contracted 5 third-party administrator, establish and maintain a process 7 for determining eligibility of children for coverage under the entire Florida Kidcare program. The eligibility determination 8 process must be used solely for determining eligibility of 10 applicants for health benefits coverage under the program. The 11 eligibility determination process must include an initial determination of eligibility for any coverage offered under 12 the program, as well as a redetermination or reverification of 13 eligibility each subsequent 6 months. Effective January 1, 14 15 1999, A child who has not attained the age of 5 and who has been determined eligible for the Medicaid program is eligible 16 for coverage for 12 months without a redetermination or 17 reverification of eligibility. In conducting an eligibility 18 determination, the department shall determine if the child has 19 special health care needs. The department, in consultation 20 21 with the Agency for Health Care Administration and the Florida 22 Healthy Kids Corporation, shall develop procedures for redetermining eligibility which enable a family to easily 23 2.4 update any change in circumstances which could affect eligibility. The department may accept changes in a family's 25 status as reported to the department by the Florida Healthy 26 Kids Corporation without requiring a new application from the 27 28 family. Redetermination of a child's eligibility for Medicaid 29 may not be linked to a child's eligibility determination for other programs. 30 31 (d)(c) Inform program applicants about eligibility

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1	determinations and ensure appropriate followup procedures for
2	plan enrollment provide information about eligibility of
3	applicants to Medicaid, Medikids, the Children's Medical
4	Services Network, and the Florida Healthy Kids Corporation,
5	and to insurers and their agents, through a centralized
6	coordinating office.
7	(e) No later than, July 1, 2008, in consultation with
8	the Agency for Health Care Administration, establish a single
9	toll-free telephone line to assist families that have
10	questions about the Florida Kidcare program. The single
11	toll-free line shall also connect the applicant or enrollee

with customer service for account information established
under s. 409.830(1)(b).

 $\underline{(f)(d)}$  Adopt <u>such</u> rules <u>as may be</u> necessary for conducting program eligibility functions.

- (2) The Department of Health shall:
- (a) In consultation with the agency, develop a minimum set of pediatric quality assurance and access standards, including reporting requirements, for the Florida Kidcare program. The standards must include a process for granting exceptions to specific requirements for quality assurance and access. Compliance with the standards shall be a condition of program participation by health benefits coverage providers. These standards shall comply with the provisions of this chapter and chapter 641 and Title XXI of the Social Security Act.
- (b) Determine clinical eligibility for and administer

  the Florida Kidcare Plus health benefits coverage. Design an
  eligibility intake process for the program, in coordination
  with the Department of Children and Family Services, the
  agency, and the Florida Healthy Kids Corporation. The
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1	eligibility intake process may include local intake points
2	that are determined by the Department of Health in
3	coordination with the Department of Children and Family
4	<del>Services.</del>
5	(b) Chair a state-level coordinating council to review
6	and make recommendations concerning the implementation and
7	operation of the program. The coordinating council shall
8	include representatives from the department, the Department of
9	Children and Family Services, the agency, the Florida Healthy
10	Kids Corporation, the Office of Insurance Regulation of the
11	Financial Services Commission, local government, health
12	insurers, health maintenance organizations, health care
13	providers, families participating in the program, and
14	organizations representing low-income families.
15	(c) In consultation with the Florida Healthy Kids
16	Corporation and the Department of Children and Family
17	Services, establish a toll-free telephone line to assist
18	families with questions about the program.
19	(c)(d) Adopt such rules as may be necessary to
20	implement this subsection outreach activities.
21	(3) The Agency for Health Care Administration, under
22	the authority granted in s. 409.914(1), shall:
23	(a) Calculate the premium assistance payment necessary
24	to comply with the premium and cost-sharing limitations
25	specified in s. 409.816. The premium assistance payment for
26	each enrollee in a health insurance plan participating in the
27	Florida Healthy Kids Corporation shall equal the premium
28	approved by the Florida Healthy Kids Corporation and the
29	Office of Insurance Regulation of the Financial Services
30	Commission pursuant to ss. 627.410 and 641.31, less any
31	enrollee's share of the premium established within the
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limitations specified in s. 409.816. The premium assistance
payment for each enrollee in an employer-sponsored health
insurance plan approved under ss. 409.810-409.820 shall equal
the premium for the plan adjusted for any benchmark benefit
plan actuarial equivalent benefit rider approved by the Office
of Insurance Regulation pursuant to ss. 627.410 and 641.31,
less any enrollee's share of the premium established within
the limitations specified in s. 409.816. In calculating the
premium assistance payment levels for children with family
coverage, the agency shall set the premium assistance payment
levels for each child proportionately to the total cost of
family coverage.
(b) Provide fiscal management for Title XIX and Title
XXI funding for the Florida Kidcare program, distributing
funds among Florida Healthy Kids, the Department of Children
and Family Services, and the Department of Health based on
costs and the participation of children in the plans and
programs available to Florida Kidcare program participants.
(c)(b) Make premium assistance payments to health
insurance plans on a periodic basis. The agency may use its
Medicaid fiscal agent or a contracted third-party
administrator in making these payments. The agency may
require health insurance plans that participate in the
Medikids program or employer-sponsored group health insurance
to collect premium payments from an enrollee's family.
Participating health insurance plans shall report premium
payments collected on behalf of enrollees in the program to
the agency in accordance with a schedule established by the
agency.
(d)(c) Monitor compliance with quality assurance and
access standards developed under <u>paragraph (2)(a)</u> <del>s. 409.820</del> .

1	$\frac{(e)}{(d)}$ Establish a mechanism for investigating and
2	resolving complaints and grievances from program applicants,
3	enrollees, and health benefits coverage providers, and
4	maintain a record of complaints and confirmed problems. In the
5	case of a child who is enrolled in a health maintenance
6	organization, the agency must use the provisions of s. 641.511
7	to address grievance reporting and resolution requirements.
8	(e) Approve health benefits coverage for participation
9	in the program, following certification by the Office of
10	Insurance Regulation under subsection (4).
11	(f) Adopt rules necessary for calculating premium
12	assistance payment levels, making premium assistance payments,
13	monitoring access and quality assurance standards,
14	investigating and resolving complaints and grievances,
15	administering the Medikids program, and approving health
16	benefits coverage. The agency is designated the lead state
17	agency for Title XXI of the Social Security Act for purposes
18	of receipt of federal funds, for reporting purposes, and for
19	ensuring compliance with federal and state regulations and
20	rules.
21	(g) Develop and implement an outreach and marketing
22	program that educates the public about the Florida Kidcare
23	program, explains procedures for enrolling in Florida Kidcare,
24	and maintains public awareness of the program.
25	(h) Seek and implement federal waivers or state plan
26	amendments necessary to implement this section and ss.
27	409.810-409.830.
28	(4) The Office of Insurance Regulation shall certify
29	that health benefits coverage plans that seek to provide
30	services under the Florida Kidcare program, except those
31	offered through the Florida Healthy Kids Corporation or the 32

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1	Children's Medical Services Network, meet, exceed, or are
2	actuarially equivalent to the benchmark benefit plan and that
3	health insurance plans will be offered at an approved rate. In
4	determining actuarial equivalence of benefits coverage, the
5	Office of Insurance Regulation and health insurance plans must
б	comply with the requirements of s. 2103 of Title XXI of the
7	Social Security Act. The department shall adopt rules
8	necessary for certifying health benefits coverage plans.
9	(5) The Florida Healthy Kids Corporation shall retain
10	its functions as authorized in s. 624.91, including
11	eligibility determination for participation in the Healthy
12	Kids program.
13	$\overline{(4)}$ The agency, in consultation with the Department
14	of Health, the Department of Children and Family Services, the
15	Florida Healthy Kids Corporation, and the Office of Insurance
16	Regulation, after consultation with and approval of the
17	Speaker of the House of Representatives and the President of
18	the Senate, <u>is</u> are authorized to make program modifications
19	that are necessary to overcome any objections of the United
20	States Department of Health and Human Services to obtain
21	approval of the state's child health insurance plan under
22	Title XXI of the Social Security Act.
23	Section 14. <u>Section 409.820, Florida Statutes, is</u>
24	repealed.
25	Section 15. Section 409.821, Florida Statutes, is
26	amended to read:
27	409.821 Florida Kidcare program public records
28	exemptionNotwithstanding any other law to the contrary, Any
29	information identifying a Florida Kidcare program applicant or
30	enrollee, as defined in s. 409.811, held by the Agency for
31	Health Care Administration, the Department of Children and
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1	Family Services, the Department of Health, or the Florida
2	Healthy Kids Corporation is confidential and exempt from s.
3	119.07(1) and s. 24(a), Art. I of the State Constitution. Such
4	information may be disclosed to another governmental entity
5	only if disclosure is necessary for the entity to perform its
6	duties and responsibilities under the Florida Kidcare program
7	and shall be disclosed to the Department of Revenue for
8	purposes of administering the state Title IV-D program. The
9	receiving governmental entity must maintain the confidential
10	and exempt status of such information. Furthermore, such
11	information may not be released to any person without the
12	written consent of the program <u>enrollee or the parent or</u>
13	guardian of the enrollee applicant. This exemption applies to
14	any information identifying a Florida Kidcare program
15	applicant or enrollee held by the Agency for Health Care
16	Administration, the Department of Children and Family
17	Services, the Department of Health, or the Florida Healthy
18	Kids Corporation before, on, or after the effective date of
19	this exemption. A violation of this section is a misdemeanor
20	of the second degree, punishable as provided in s. 775.082 or
21	s. 775.083. This section does not prohibit an enrollee's
22	parent or legal guardian from obtaining confirmation of
23	coverage, dates of coverage, name of the enrollee's health
24	plan, and amount of premium being paid.
25	Section 16. Section 409.830, Florida Statutes, is
26	created to read:
27	409.830 Florida Kidcare Program Consolidation
28	Initiative The Florida Kidcare Program Consolidation
29	Initiative is created to provide a seamless delivery system of
30	health benefits to uninsured, low-income children. The
31	initiative shall consolidate the administration of the Florida
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1	Kidcare program under the fewest entities necessary for the
2	purpose of conducting marketing and outreach, eligibility
3	determination, premium collection, contract management of
4	health plans and fiscal agents, quality assurance and
5	grievance resolution, and fiscal management of all the
6	components of the Florida Kidcare program. The initiative
7	shall consolidate the Florida Kidcare program's administrative
8	structure and align polices by no later than July 1, 2009. The
9	Agency for Health Care Administration shall manage the
10	consolidation of the Florida Kidcare program. A deputy
11	secretary of Florida Kidcare is created within the agency to
12	represent the interest of children in obtaining necessary
13	health care services and health care coverage. The deputy
14	secretary of Florida Kidcare shall develop policies and
15	strategies for issues related to children's lack of access to
16	high-quality and affordable health care services and coverage.
17	The deputy secretary shall identify and provide
18	recommendations for ways to improve the delivery of services
19	for children through the Florida Kidcare program.
20	(1) ADMINISTRATION
21	(a) The Agency for Health Care Administration is
22	designated as the single state agency authorized to make
23	payments for medical assistance and related services; to
24	conduct contract management of health plans, providers, and
25	fiscal agents; to collect premiums; to develop and implement
26	quality assurance and grievance-resolution processes; to
27	conduct marketing and outreach programs; and to conduct other
28	fiscal-management activities relating to all the components of
29	the Florida Kidcare program no later than July 1, 2008.
30	1. The agency, in consultation with the Department of
31	Children and Family Services, shall adopt a standardized 35
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1	application form for the purpose of collecting all information
2	necessary to determine eligibility for all components of the
3	Florida Kidcare program. All eligibility information shall be
4	electronically verified to the extent possible. Each applicant
5	shall supply written documentation of any eligibility
6	information that cannot be electronically verified.
7	2. The agency may contract with capitated managed care
8	plans and other providers to deliver health benefits as
9	necessary under this section and to begin providing services
10	by July 1, 2008.
11	3. No later than July 1, 2008, the agency is
12	responsible for developing and distributing marketing and
13	outreach materials that educate families about the Florida
14	Kidcare program as a whole, including eligibility
15	requirements, application procedures, benefit design, and
16	other information considered necessary to assist families in
17	applying for and remaining in the Florida Kidcare program.
18	Marketing and outreach materials shall present the Florida
19	Kidcare program as a single program and explain that the
20	family's information is collected in order to determine if the
21	family is eligible for a premium discount or for no premium
22	requirement.
23	4. The agency may adopt rules as necessary to
24	administer the Florida Kidcare program, except as specified in
25	<u>s. 409.818.</u>
26	(b) The Department of Children and Family Services is
27	responsible for conducting eligibility determination for all
28	components of the Florida Kidcare program no later than July
29	1, 2008.
30	1. No later than July 1, 2008, the Department of
31	Children and Family Services, in coordination with the agency, 36
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1	shall be responsible for eligibility determination, including
2	receiving and processing applications for all program
3	components, determining eligibility for all program
4	components, receiving electronic verification, and
5	transmitting and receiving all correspondence related to the
6	eligibility-determination process. All correspondence shall be
7	identified solely with the Florida Kidcare program as a whole.
8	2. No later than July 1, 2008, the Department of
9	Children and family Services is responsible to provide a
10	single toll-free line for a customer service call center to
11	access account information and provide general information
12	concerning the Florida Kidcare program.
13	(c) The Florida Healthy Kids Corporation's remaining
14	roles and responsibilities as defined in s. 624.91 shall be
15	transferred to the agency no later than July 1, 2009.
16	(2) BENEFITSNo later than July 1, 2008, health
17	benefits, as specified in paragraphs (a) and (b), shall be
18	provided to eligible children under the Florida Kidcare
19	program, except those children with special health care needs
20	who shall be provided benefits under the Florida Kidcare Plus
21	Plan.
22	(a) No later than July 1, 2008, the Florida Kidcare
23	program shall contain the same benefits as specified in ss.
24	409.905 and 409.906 and emergency services provided under s.
25	409.9128.
26	(b) The Florida Kidcare Plus Plan as defined in s.
27	409.811(13) shall contain the same benefits as specified in
28	ss. 409.905 and 409.906 and emergency services provided under
29	s. 409.9128.
30	(3) SERVICE DELIVERY SYSTEMSNo later than July 1,
31	2008, health care services under the Florida Kidcare program
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1	shall be delivered through managed care plans, primary care
2	case management providers, and fee-for-service providers under
3	contract or other arrangement with the agency. Title XXI
4	enrollees, excluding those enrolled in the Florida Kidcare
5	Plus Plan, shall enroll in a managed care plan if two or more
6	plans are available. Florida Healthy Kids Corporation shall
7	extend health plan contracts through June 30, 2009, for
8	children enrolled in the Florida Healthy Kids program as of
9	July 1, 2008.
10	(4) ELIGIBILITYEffective July 1, 2008, children
11	eligible to participate in the Florida Kidcare program are
12	those qualified under the eliqibility standards specified in
13	ss. 409.8132, 409.814, 409.8141, 409.903, and 409.904.
14	(5) ENROLLMENTEffective July 1, 2008, the parents,
15	guardians or persons applying on behalf of children determined
16	eligible after June 30, 2008, shall choose a Florida Kidcare
17	Plan providing the benefits as described in s. 409.830(2)(a)
18	and (b). Children enrolled in Florida Healthy Kids plans on
19	June 30, 2008, shall transfer to a Florida Kidcare Plan
20	providing the benefits as described in s. 409.830(2)(a) and
21	(b) no later than June 30, 2009.
22	(6) CAPITATION RATESNo later than July 1, 2008, any
23	managed care plan that participates in the Florida Kidcare
24	program shall be compensated in accordance with s. 409.9124,
25	except in counties compensated in accordance with s.
26	409.91211.
27	(7) WAIVER AUTHORITY The agency shall seek federal
28	waiver approval or amendments to the Medicaid state plan and
29	Title XXI state plan which are necessary to implement the
30	initiative as specified in this section.
31	Section 17. Section 624.91, Florida Statutes, is
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624.91 The Florida Healthy Kids Corporation Act.--

- (1) SHORT TITLE.--This section may be cited as the "William G. 'Doc' Myers Healthy Kids Corporation Act."
  - (2) LEGISLATIVE INTENT.--
- (a) The Legislature finds that increased access to health care services could improve children's health and reduce the incidence and costs of childhood illness and disabilities among children in this state. Many children do not have comprehensive, affordable health care services available. It is the intent of the Legislature that the Florida Healthy Kids Corporation provide comprehensive health insurance coverage to such children. The corporation is encouraged to cooperate with any existing health service programs funded by the public or the private sector.
- (b) It is the intent of the Legislature that the Florida Healthy Kids Corporation serve as one of several providers of services to children eligible for medical assistance under Title XXI of the Social Security Act.

  Although the corporation may serve other children, the Legislature intends the primary recipients of services provided through the corporation be school-age children with a family income below 200 percent of the federal poverty level, who do not qualify for Medicaid. It is also the intent of the Legislature that state and local government Florida Healthy Kids funds be used to continue coverage, subject to specific appropriations in the General Appropriations Act, to children not eligible for federal matching funds under Title XXI.
- (3) ELIGIBILITY FOR STATE-FUNDED ASSISTANCE.--Only the following individuals are eligible for state-funded assistance in paying Florida Healthy Kids premiums:

1	(a) Residents of this state who are eligible for the
2	Florida Kidcare program pursuant to s. 409.814.
3	(b) Notwithstanding s. 409.814, legal aliens who are
4	enrolled in the Florida Healthy Kids program as of January 31,
5	2004, who do not qualify for Title XXI federal funds because
6	they are not qualified aliens as defined in s. 409.811.
7	(3) $(4)$ NONENTITLEMENTNothing in this section shall
8	be construed as providing an individual with an entitlement to
9	health care services. No cause of action shall arise against
10	the state, the Florida Healthy Kids Corporation, or a unit of
11	local government for failure to make health services available
12	under this section.
13	(4) (5) CORPORATION AUTHORIZATION, DUTIES, POWERS
14	(a) There is created the Florida Healthy Kids
15	Corporation, a not-for-profit corporation.
16	(b) The Florida Healthy Kids Corporation shall:
17	1. Arrange for the collection of any family, local
18	contributions, or employer payment or premium, in an amount to
19	be determined by the board of directors, to provide for
20	payment of premiums for <u>health benefits</u> comprehensive
21	insurance coverage and for the actual or estimated
22	administrative expenses. No later than July 1, 2009, the
23	collection of family premiums shall be transferred to the
24	Agency for Health Care Administration.
25	2. Arrange for the collection of any voluntary
26	contributions to provide for payment of Florida Kidcare
27	premiums for children who are not eligible for medical
28	assistance under Title XXI of the Social Security Act. ${ m No}$
29	later than July 1, 2009, this function shall be transferred to
30	the Agency for Health Care Administration.
31	3. Subject to the provisions of s. 409.8134, accept
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voluntary supplemental local match contributions that comply with the requirements of Title XXI of the Social Security Act for the purpose of providing additional Florida Kidcare 3 coverage in contributing counties under Title XXI. No later than July 1, 2009, this function shall be transferred to the 5 Agency for Health Care Administration. 6

- 4. Establish the administrative and accounting procedures for the operation of the corporation.
- 5. Establish, with consultation from appropriate professional organizations, standards for preventive health services and providers and comprehensive insurance benefits appropriate to children, provided that the such standards for rural areas do shall not limit primary care providers to board-certified pediatricians. 14
  - 6. Determine eligibility for children seeking to participate in the Title XXI-funded components of the Florida Kidcare program consistent with the requirements specified in s. 409.814, as well as the non-Title-XXI-eligible children as provided in subsection (3). No later than July 1, 2008, this function shall be transferred to the Department of Children and Family Services.
  - 7. Establish procedures under which providers of local match to, applicants to and participants in the program may have grievances reviewed by an impartial body and reported to the board of directors of the corporation. No later than July 1, 2009, this function shall be transferred to the Agency for <u>Health Care Administration.</u>
  - 8. Establish participation criteria and, if appropriate, contract with an authorized insurer, health maintenance organization, or third-party administrator to provide administrative services to the corporation.

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- 9. Establish enrollment criteria which shall include penalties or waiting periods of not fewer than 60 days for reinstatement of coverage upon voluntary cancellation for nonpayment of family premiums.
- 10. Contract with authorized insurers or any provider of health care services, meeting standards established by the corporation, for the provision of comprehensive insurance coverage to participants. Such standards shall include criteria under which the corporation may contract with more than one provider of health care services in program sites. Health plans shall be selected through a competitive bid process. The Florida Healthy Kids Corporation shall purchase goods and services in the most cost-effective manner consistent with the delivery of quality medical care. The maximum administrative cost for a Florida Healthy Kids Corporation contract shall be 15 percent. For health care contracts, the minimum medical loss ratio for a Florida Healthy Kids Corporation contract shall be 85 percent. For dental contracts, the remaining compensation to be paid to the authorized insurer or provider under a Florida Healthy Kids Corporation contract shall be no less than an amount which is 85 percent of premium; to the extent any contract provision does not provide for this minimum compensation, this section shall prevail. The health plan selection criteria and scoring system, and the scoring results, shall be available upon request for inspection after the bids have been awarded.
- 11. Establish disenrollment criteria in the event local matching funds are insufficient to cover enrollments.
- 12. Health and dental plans participating in the

  Florida Healthy Kids program may develop and distribute

  marketing and other promotional materials and participate in

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1	activities, such as health fairs and public events, as
2	approved by the corporation. The health and dental plans may
3	also contact their current and former enrollees to encourage
4	continued participation in the program and to assist the
5	enrollee in transferring from a Title XIX-financed plan to a
6	Title XXI-financed plan. No later than July 1, 2008, this
7	function shall be transferred to the Department of Children
8	and Family Services. Develop and implement a plan to publicize
9	the Florida Healthy Kids Corporation, the eligibility
10	requirements of the program, and the procedures for enrollment
11	in the program and to maintain public awareness of the
12	corporation and the program.
13	13. Secure staff necessary to properly administer the
14	corporation. Staff costs shall be funded from state and local
15	matching funds and such other private or public funds as
16	become available. The board of directors shall determine the
17	number of staff members necessary to administer the
18	corporation.
19	14. Provide a report annually to the Governor, Chief
20	Financial Officer, Commissioner of Education, Senate
21	President, Speaker of the House of Representatives, and
22	Minority Leaders of the Senate and the House of
23	Representatives.
24	15. Establish benefit packages which conform to the
25	provisions of the Florida Kidcare program, as created in <u>ss.</u>
26	<u>409.810-409.830</u> ss. 409.810-409.820.
27	(c) Coverage under the corporation's program is
28	secondary to any other available private coverage held by, or
29	applicable to, the participant child or family member.
30	Insurers under contract with the corporation are the payors of
31	last resort and must coordinate benefits with any other $43$

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third-party payor that may be liable for the participant's medical care.

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

### (5)(6) BOARD OF DIRECTORS.--

- (a) The Florida Healthy Kids Corporation shall operate subject to the supervision and approval of a board of directors chaired by the Chief Financial Officer or her or his designee, and composed of 10 other members selected for 3-year terms of office as follows:
- 1. The Secretary of Health Care Administration, or his or her designee;
- 2. One member appointed by the Commissioner of Education from the Office of School Health Programs of the Florida Department of Education;
- 3. One member appointed by the Chief Financial Officer from among three members nominated by the Florida Pediatric Society;
- 4. One member, appointed by the Governor, who represents the Children's Medical Services Program;
- 5. One member appointed by the Chief Financial Officer from among three members nominated by the Florida Hospital Association;
  - 6. One member, appointed by the Governor, who is an 44 11:36 AM 04/17/07 80930.ha02.t01

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| expert on child health policy;

- 7. One member, appointed by the Chief Financial
  Officer, from among three members nominated by the Florida
  Academy of Family Physicians;
- 8. One member, appointed by the Governor, who represents the state Medicaid program;
- 9. One member, appointed by the Chief Financial
  Officer, from among three members nominated by the Florida
  Association of Counties; and
  - 10. The State Health Officer or her or his designee.
- (b) A member of the board of directors may be removed by the official who appointed that member. The board shall appoint an executive director, who is responsible for other staff authorized by the board.
- (c) Board members are entitled to receive, from funds of the corporation, reimbursement for per diem and travel expenses as provided by s. 112.061.
- (d) There shall be no liability on the part of, and no cause of action shall arise against, any member of the board of directors, or its employees or agents, for any action they take in the performance of their powers and duties under this act.
  - (6)<del>(7)</del> LICENSING NOT REQUIRED; FISCAL OPERATION.--
- (a) The corporation shall not be deemed an insurer. The officers, directors, and employees of the corporation shall not be deemed to be agents of an insurer. Neither the corporation nor any officer, director, or employee of the corporation is subject to the licensing requirements of the insurance code or the rules of the Department of Financial Services. However, any marketing representative utilized and compensated by the corporation must be appointed as a 11:36 AM 04/17/07 soy30.ha02.to1

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representative of the insurers or health services providers with which the corporation contracts.

- (b) The board has complete fiscal control over the corporation and is responsible for all corporate operations.
- (c) The Department of Financial Services shall supervise any liquidation or dissolution of the corporation and shall have, with respect to such liquidation or dissolution, all power granted to it pursuant to the insurance code.

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

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

Section 18. Effective July 1, 2009, section 624.91,

Florida Statutes, as amended by this act, is repealed.

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1	Section 19. The Agency for Health Care Administration
2	shall provide a consolidation transition plan that identifies
3	budget, statutory, and administrative issues that need to be
4	addressed in order to implement the provisions of s. 409.830,
5	Florida Statutes. The transition plan shall be provided to the
6	Governor, the President of the Senate, and the Speaker of the
7	House of Representatives by January 1, 2008.
8	Section 20. The sum of \$333,049 in nonrecurring funds
9	from the General Revenue Fund and \$780,082 in nonrecurring
10	funds from the Administrative Trust Fund are appropriated to
11	the Agency for Health Care Administration, and 10 full time
12	equivalent positions and associated salary rate of 519,766 is
13	authorized to implement the provisions of this act during the
14	2007-2008 fiscal year.
15	Section 21. The sum of \$1,233,995 in nonrecurring
16	funds from the General Revenue Fund and \$2,890,319 in
17	nonrecurring funds from the Federal Grants Trust Fund are
18	appropriated to the Department of Children and Family Services
19	and 115 full-time equivalent positions and associated salary
20	rate of 948,602 is authorized to implement the provisions of
21	this act during the 2007-2008 fiscal year.
22	Section 22. Except as otherwise expressly provided in
23	this act, this act shall take effect July 1, 2007.
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26	======== T I T L E A M E N D M E N T =========
27	And the title is amended as follows:
28	Delete everything before the enacting clause
29	
30	and insert:
31	A bill to be entitled
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## Bill No. <u>CS for CS for SB 930</u>

	Ba160ac 001092
1	An act relating to medical assistance; amending
2	s. 409.811, F.S.; revising and providing
3	definitions relating to the Florida Kidcare
4	Act; amending s. 409.812, F.S.; revising the
5	purpose of the Florida Kidcare program;
6	amending s. 409.813, F.S.; revising the funding
7	sources for the health benefits coverage
8	provided to children under the program;
9	amending s. 409.8132, F.S.; revising the
10	eligibility and enrollment requirements in the
11	Medikids program component; amending s.
12	409.8134, F.S.; revising enrollment procedures;
13	amending s. 409.814, F.S.; revising eligibility
14	requirements for the program; creating s.
15	409.8141, F.S.; specifying requirements for
16	premium assistance eligibility; creating s.
17	409.8142, F.S.; specifying penalties for
18	fraudulent actions, failure to verify
19	eligibility, and nonpayment of premiums;
20	creating s. 409.8149, F.S.; specifying
21	enrollment procedures and requirements for plan
22	choice; amending s. 409.815, F.S.; revising the
23	health benefits coverage of the Florida Kidcare
24	program; amending s. 409.816, F.S.; revising
25	the limitations on premiums and cost-sharing;
26	amending s. 409.817, F.S.; revising the
27	qualifications for health insurance plans
28	serving the program; amending s. 409.818, F.S.;
29	specifying the duties and responsibilities of
30	the Department of Children and Family Services,
31	the Department of Health, the Agency for Health 48
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Care Administration, the Florida Healthy Kids
Corporation, and the Office of Insurance
Regulation pertaining to the administration of
the Florida Kidcare program; repealing s.
409.820, F.S., relating to quality assurance
and access standards; amending s. 409.821,
F.S.; clarifying that provisions exempting
certain records from public-records
requirements does not prevent an enrollee's
parent or guardian from obtaining records and
information concerning the enrollee; creating
s. 409.830, F.S.; establishing the Florida
Kidcare Program Consolidation Initiative, which
shall combine the administration of the
program; creating a deputy secretary of Florida
Kidcare within the Agency for Health Care
Administration; amending s. 624.91, F.S.;
revising provisions of the Florida Healthy Kids
Corporation Act; deleting certain eligibility
requirements; providing for the transfer of
functions to the Agency for Health Care
Administration and the Department of Children
and Family Services; repealing s. 624.91, F.S.,
relating to the Florida Healthy Kids
Corporation; requiring a consolidation
transition plan; providing an appropriation and
authorizing additional positions; providing
effective dates.