Florida Senate - 2008

By the Committee on Health Policy; and Senator Dawson

587-07043-08

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1	A bill to be entitled
2	An act relating to the Florida Kidcare program; amending
3	s. 20.43, F.S.; redesignating the Division of Children's
4	Medical Services Network within the Department of Health
5	as the "Division of Children's Medical Services Network
6	and Specialty Programs"; creating the Division of
7	Children's Health Insurance and the Office of Child Health
8	Coordination within the Department of Health; amending s.
9	391.011, F.S.; redesignating ch. 391, F.S., as the
10	"Children's Health Act"; amending s. 391.016, F.S.;
11	revising legislative intent with respect to certain
12	responsibilities of the Children's Health program;
13	amending s. 391.021, F.S.; revising and providing
14	definitions; amending s. 391.025, F.S.; revising the
15	components of the Children's Health program; conforming
16	provisions to changes made by the act; amending s.
17	391.026, F.S.; requiring the Department of Health to
18	administer the Florida Kidcare program; amending s.
19	391.028, F.S.; revising the duties of the Children's
20	Medical Services Network; revising the duties of the
21	director; requiring the Division of Children's Health
22	Insurance to administer the Florida Kidcare program;
23	specifying that the Office of Child Health Coordination is
24	responsible for child health services not directly related
25	to Florida Kidcare; amending s. 391.029, F.S.; requiring
26	the Department of Health to establish clinical eligibility
27	requirements for Florida Kidcare Plus benefits; revising
28	eligibility criteria; amending s. 409.810, F.S.;
29	conforming provisions; amending s. 409.811, F.S.; revising

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30 and providing definitions relating to the Florida Kidcare 31 Act; amending s. 409.812, F.S.; revising the purpose of 32 the Florida Kidcare program; amending s. 409.813, F.S.; specifying the components of the program which are 33 34 marketed collectively as the Florida Kidcare program; 35 amending s. 409.8132, F.S.; revising the assignment requirements in the Medikids program component; amending 36 37 s. 409.8134, F.S.; revising requirements for the 38 department in conducting enrollment in the Florida Kidcare 39 program; amending s. 409.814, F.S.; revising the 40 eligibility requirements for the program; establishing 41 good cause reasons for voluntarily canceling employer or 42 other private coverage; increasing the cap on enrollment 43 of full-pay children in MediKids and Healthy Kids under 44 certain conditions; requiring notification of changes in 45 eligibility for health plans and providers; requiring the 46 electronic verification of an applicant's family income; providing that full-pay enrollees are not subject to the 47 eligibility documentation requirements of this section; 48 49 amending s. 409.815, F.S.; requiring that the health 50 benefits coverage of the Florida Kidcare program be 51 equivalent to the pediatric Medicaid benefit package; 52 amending s. 409.8177, F.S.; requiring the department to 53 assume responsibility from the Agency for Health Care 54 Administration for contracting for the annual evaluation 55 of the Florida Kidcare program; amending s. 409.818, F.S.; 56 requiring the Department of Children and Family Services 57 to develop and use a standardized eligibility application; 58 requiring the Department of Children and Family Services

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59 to develop a plan for determining the eligibility of 60 certain children for coverage and to submit a report of the plan to the Governor and the Legislature by a 61 specified date; revising the duties of the Department of 62 63 Health with respect to reviewing the intake process; 64 requiring the department to publicize the Florida Kidcare 65 program, determine eligibility for Florida Kidcare Plus 66 coverage, and develop standards for pediatric quality 67 assurance and access; requiring the department to adopt 68 rules; authorizing the department to make certain program 69 modifications upon the approval of the Legislature; 70 requiring the Agency for Health Care Administration to 71 establish a toll-free telephone number to assist families; 72 requiring the agency to apply for waivers and adopt rules 73 to comply with federal laws and the requirements of the 74 act; requiring the Florida Healthy Kids Corporation to 75 conduct eligibility determination based on rules developed 76 by the Department of Health; repealing s. 409.820, F.S., 77 relating to quality assurance and access standards; 78 amending s. 624.91, F.S.; revising provisions of the 79 Florida Healthy Kids Corporation Act; providing for the 80 transfer of certain functions to the Department of Health; 81 requiring the Florida Healthy Kids Corporation to 82 administer the program based on the rules and policies 83 developed by the Department of Health; requiring the 84 corporation to allow health plans to market the program; 85 specifying the corporation's assignment process for family 86 members in the program; requesting Florida's Congressional

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          Delegation to support certain amendments to Title XXI of
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          the Social Security Act; providing an effective date.
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     Be It Enacted by the Legislature of the State of Florida:
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 92
          Section 1.
                       Subsection (3) of section 20.43, Florida
93
     Statutes, is amended to read:
 94
          20.43 Department of Health.--There is created a Department
95
     of Health.
96
           (3)
               The following divisions of the Department of Health are
97
     established:
98
           (a)
               Division of Administration.
               Division of Environmental Health.
99
           (b)
               Division of Disease Control.
100
          (C)
101
           (d)
               Division of Family Health Services.
102
               Division of Children's Medical Services Network and
           (e)
103
     Specialty Programs.
104
               Division of Emergency Medical Operations.
           (f)
105
               Division of Medical Quality Assurance, which is
           (a)
106
     responsible for the following boards and professions established
107
     within the division:
108
          1.
              The Board of Acupuncture, created under chapter 457.
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          2.
              The Board of Medicine, created under chapter 458.
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          3.
              The Board of Osteopathic Medicine, created under chapter
     459.
111
112
          4.
              The Board of Chiropractic Medicine, created under
     chapter 460.
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114
          5.
              The Board of Podiatric Medicine, created under chapter
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     461.
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116	6. Naturopathy, as provided under chapter 462.
117	7. The Board of Optometry, created under chapter 463.
118	8. The Board of Nursing, created under part I of chapter
119	464.
120	9. Nursing assistants, as provided under part II of chapter
121	464.
122	10. The Board of Pharmacy, created under chapter 465.
123	11. The Board of Dentistry, created under chapter 466.
124	12. Midwifery, as provided under chapter 467.
125	13. The Board of Speech-Language Pathology and Audiology,
126	created under part I of chapter 468.
127	14. The Board of Nursing Home Administrators, created under
128	part II of chapter 468.
129	15. The Board of Occupational Therapy, created under part
130	III of chapter 468.
131	16. Respiratory therapy, as provided under part V of
132	chapter 468.
133	17. Dietetics and nutrition practice, as provided under
134	part X of chapter 468.
135	18. The Board of Athletic Training, created under part XIII
136	of chapter 468.
137	19. The Board of Orthotists and Prosthetists, created under
138	part XIV of chapter 468.
139	20. Electrolysis, as provided under chapter 478.
140	21. The Board of Massage Therapy, created under chapter
141	480.
142	22. The Board of Clinical Laboratory Personnel, created
143	under part III of chapter 483.

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144	23. Medical physicists, as provided under part IV of
145	chapter 483.
146	24. The Board of Opticianry, created under part I of
147	chapter 484.
148	25. The Board of Hearing Aid Specialists, created under
149	part II of chapter 484.
150	26. The Board of Physical Therapy Practice, created under
151	chapter 486.
152	27. The Board of Psychology, created under chapter 490.
153	28. School psychologists, as provided under chapter 490.
154	29. The Board of Clinical Social Work, Marriage and Family
155	Therapy, and Mental Health Counseling, created under chapter 491.
156	(h) Division of Children's Medical Services Prevention and
157	Intervention.
158	(i) Division of Information Technology.
159	(j) Division of Health Access and Tobacco.
160	(k) Division of Disability Determinations.
161	(1) Division of Children's Health Insurance.
162	(m) Division of Child Health Coordination.
163	Section 2. Section 391.011, Florida Statutes, is amended to
164	read:
165	391.011 Short titleThe provisions of this chapter may be
166	cited as the "Children's <u>Health</u> Medical Services Act."
167	Section 3. Section 391.016, Florida Statutes, is amended to
168	read:
169	391.016 Legislative intentThe Legislature intends that
170	the Children's <u>Health</u> Medical Services program:
171	(1) Provide to children with special health care needs a
172	family-centered, comprehensive, and coordinated statewide managed
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173 system of care that links community-based health care with 174 multidisciplinary, regional, and tertiary pediatric specialty 175 care. The program may provide for the coordination and 176 maintenance of consistency of the medical home for children in 177 families with a Children's Medical Services program participant, 178 in order to achieve family-centered care.

(2) Provide essential preventive, evaluative, and early
intervention services for children at risk for or having special
health care needs, in order to prevent or reduce long-term
disabilities.

(3) Serve as a principal provider for children with special
health care needs under Titles XIX and XXI of the Social Security
Act.

186 (4) Be complementary to children's health training programs
187 essential for the maintenance of a skilled pediatric health care
188 workforce for all Floridians.

(5) Consolidate and coordinate Florida Kidcare child health policy, develop pediatric benefit packages, develop budget and federal and state legislative issues, and develop pediatric quality assurance and access standards.

193Section 4. Section 391.021, Florida Statutes, is amended to194read:

195 391.021 Definitions.--When used in this act, unless the 196 context clearly indicates otherwise:

(1) "Children's Medical Services network" or "network"
means a statewide managed care service system that includes
health care providers, <u>health care facilities</u>, or <u>entities</u>
<u>licensed or certified to provide health services in this state</u>
which meet the pediatric access and quality standards established

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202 by the department. The network shall provide Florida Kidcare Plus 203 benefits as defined in s. 409.811 as defined in this section. 204 (2) "Children with special health care needs" means those

205 children younger than 21 years of age who have chronic physical, 206 developmental, behavioral, or emotional conditions and who also 207 require health care and related services of a type or amount 208 beyond that which is generally required by children.

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(3) "Department" means the Department of Health.

(4) "Eligible individual" means a child with a special health care need or a female with a high-risk pregnancy, who meets the financial and medical eligibility standards established in s. 391.029.

(5) "Health care provider" means a health care professional, health care facility, or entity licensed or certified to provide health services in this state that meets the criteria as established by the department.

(6) "Health services" includes the prevention, diagnosis,
and treatment of human disease, pain, injury, deformity, or
disabling conditions.

(7) "Participant" means an eligible individual who isenrolled in the Children's Medical Services program.

(8) <u>"Pediatric benefit" means a benefit that is determined</u>
 to be medically necessary to treat a health condition. The scope,
 duration, and frequency of the service are based on medical necessity criteria "Program" means the Children's Medical
 Services program established in the department.

228 (9) "Program" means the Children's Health program 229 established in the department.

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230	(10) "Safety net" means limited services provided to
231	children with special health care needs who are uninsured or
232	underinsured and do not qualify for Title XIX-funded or Title
233	XXI-funded health benefits coverage.
234	Section 5. Section 391.025, Florida Statutes, is amended to
235	read:
236	391.025 Applicability and scope
237	(1) The Children's <u>Health</u> Medical Services program consists
238	of the following components:
239	(a) The newborn screening program established in s. 383.14.
240	(b) The regional perinatal intensive care centers program
241	established in ss. 383.15-383.21.
242	(c) A federal or state program authorized by the
243	Legislature.
244	(d) The developmental evaluation and intervention program,
245	including the Florida Infants and Toddlers Early Intervention
246	Program.
247	(e) The Children's Medical Services network.
248	(f) The Division of Children's Health Insurance.
249	(g) The Office of Child Health Coordination.
250	(2) The Children's Medical Services <u>Network</u> program shall
251	not be deemed an insurer and is not subject to the licensing
252	requirements of the Florida Insurance Code or the rules adopted
253	thereunder $_{m{ au}}$ when providing services to children who receive <code>Title</code>
254	XIX-funded Medicaid benefits, to other Title XIX-eligible
255	Medicaid-eligible children with special health care needs, <u>or to</u>
256	<u>Title XIX-funded</u> and children with special health care needs
257	participating in the Florida Kidcare program.

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258 Section 6. Subsection (19) is added to section 391.026, 259 Florida Statutes, to read:

260 391.026 Powers and duties of the department.--The 261 department shall have the following powers, duties, and 262 responsibilities:

263 (19) To administer the provisions of the Florida Kidcare
 264 Act assigned to the Department of Health in ss. 409.810-409.821.
 265 Section 7. Section 391.028, Florida Statutes, is amended to

266 read:

267391.028Administration.--The Children's Medical Services268Network program shall have a central office and area offices.

(1) 269 The Director of Children's Health Medical Services must 270 be a physician licensed under chapter 458 or chapter 459 who has 271 specialized training and experience in the provision of health 272 care to children and who has recognized skills in leadership and 273 the promotion of children's health programs. The director shall 274 be the deputy secretary and the Deputy State Health Officer for 275 Children's Health Medical Services and is appointed by and 276 reports to the State Surgeon General. The director may appoint 277 division directors subject to the approval of the State Surgeon 278 General.

(2) The director shall designate Children's Medical Services <u>Network</u> area offices to perform operational activities for children with special health care needs, including, but not limited to:

283 284 (a) Providing case management services for the network.

(b) Providing local oversight of the program.

(c) Determining an individual's <u>clinical</u> medical and financial eligibility for the program.

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287	(d) Participating in the determination of a level of care
288	and medical complexity for long-term care services.
289	(e) Authorizing services in the program and developing
290	spending plans.
291	(f) Participating in the development of treatment plans.
292	(g) Taking part in the resolution of complaints and
293	grievances from participants and health care providers.
294	(3) Each Children's Medical Services <u>Network</u> area office
295	shall be directed by a physician licensed under chapter 458 or
296	chapter 459 who has specialized training and experience in the
297	provision of health care to children. The director of a
298	Children's Medical Services area office shall be appointed by the
299	director from the active panel of Children's Medical Services
300	physician consultants.
301	(4) The Division of Children's Health Insurance shall be
302	responsible for administering the provisions of the Florida
303	Kidcare Act assigned to the Department of Health in ss. 409.810-
304	409.821.
305	(5) The Office of Child Health Coordination is responsible
306	for child health services not directly related to Florida Kidcare
307	health benefits coverage.
308	Section 8. Subsections (1), (2), and (3) of section
309	391.029, Florida Statutes, are amended to read:
310	391.029 Program eligibility
311	(1) The department shall establish <u>clinical eligibility</u> the
312	medical criteria to determine whether if an applicant for Florida
313	Kidcare Plus benefits the Children's Medical Services program is
314	an eligible individual.

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587-07043-08 2008888c1 The following individuals are financially eligible to 315 (2) 316 receive services through the Children's Medical Services Network 317 program: 318 A high-risk pregnant female who is eligible for (a) Medicaid. 319 320 (b) Children with special health care needs from birth to 321 21 years of age who are eligible for Medicaid. 322 (c) Children with special health care needs from birth to 323 19 years of age who are eligible for a program under Title XXI of 324 the Social Security Act. 325 Subject to the availability of funds, the following (3) 326 individuals may receive services through the program: 327 Children with special health care needs from birth to (a) 328 21 years of age whose families do not qualify for Title XIX-329 financed or Title XXI-financed health benefits coverage family 330 income is above the requirements for financial eligibility under 331 Title XXI of the Social Security Act and whose projected annual 332 cost of care adjusts the family income to Medicaid financial 333 criteria. In cases where the family income is adjusted based on a 334 projected annual cost of care, the family shall participate 335 financially in the cost of care based on criteria established by 336 the department. These children may receive safety net services, 337 subject to the availability of funds. 338 (b) Children with special health care needs from birth to 339 21 years of age, as provided in Title V of the Social Security 340 Act. An infant who receives an award of compensation under 341 (C)342 s. 766.31(1). The Florida Birth-Related Neurological Injury 343 Compensation Association shall reimburse the Children's Medical

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344	Services Network the state's share of funding, which must
345	thereafter be used to obtain matching federal funds under Title
346	XXI of the Social Security Act.
347	Section 9. Section 409.810, Florida Statutes, is amended to
348	read:
349	409.810 Short titleSections <u>409.810-409.821</u> 409.810-
350	409.820 may be cited as the "Florida Kidcare Act."
351	Section 10. Section 409.811, Florida Statutes, is amended
352	to read:
353	409.811 Definitions relating to Florida Kidcare ActAs
354	used in <u>ss. 409.810-409.821</u> ss. 409.810-409.820 , the term:
355	(1) "Actuarially equivalent" means that:
356	(a) The aggregate value of the benefits included in health
357	benefits coverage is equal to the value of the benefits in the
358	benchmark benefit plan; and
359	(b) The benefits included in health benefits coverage are
360	substantially similar to the benefits included in the benchmark
361	benefit plan, except that preventive health services must be the
362	same as in the benchmark benefit plan.
363	(2) "Agency" means the Agency for Health Care
364	Administration.
365	(3) "Applicant" means a parent or guardian of a child or a
366	child whose disability of nonage has been removed under chapter
367	743, who applies for determination of eligibility for health
368	benefits coverage under <u>ss. 409.810-409.821</u> ss. 409.810-409.820 .
369	(4) "Benchmark benefit plan" means the form and level of
370	health benefits coverage established in s. 409.815.
371	(5) "Child" means any person under 19 years of age.

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"Child with special health care needs" means a child 372 (6) 373 who has a chronic physical, developmental, behavioral, or 374 emotional condition and who also requires health care and related 375 services of a type or amount beyond that which is generally 376 required by children whose serious or chronic physical or 377 developmental condition requires extensive preventive and 378 maintenance care beyond that required by typically healthy 379 children. Health care utilization by such a child exceeds the 380 statistically expected usage of the normal child adjusted for chronological age, and such a child often needs complex care 381 382 requiring multiple providers, rehabilitation services, and 383 specialized equipment in a number of different settings. 384 (7) "Children's Medical Services Network" or "network" 385 means a statewide managed care service system as defined in s. 386 391.021(1). 387 (8) "Community rate" means a method used to develop 388 premiums for a health insurance plan that spreads financial risk 389 across a large population and allows adjustments only for age, 390 gender, family composition, and geographic area. 391 (9) "Department" means the Department of Health. 392 (10) "Enrollee" means a child who has been determined 393 eligible for and is receiving coverage under ss. 409.810-409.821 394 ss. 409.810-409.820. (11) "Family" means the group or the individuals whose 395 396 income is considered in determining eligibility for the Florida 397 Kidcare program. The family includes a child with a custodial 398 parent or caretaker relative who resides in the same house or 399 living unit or, in the case of a child whose disability of nonage 400 has been removed under chapter 743, the child. The family may

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401 also include other individuals whose income and resources are 402 considered in whole or in part in determining eligibility of the 403 child.

404 (11) (12) "Family income" means cash received at periodic 405 intervals from any source, such as wages, benefits, 406 contributions, or rental property. Family income is calculated 407 using the budget methodologies authorized under Title XIX of the 408 Social Security Act. Income also may include any money that would 409 have been counted as income under the Aid to Families with Dependent Children (AFDC) state plan in effect prior to August 410 411 22, 1996.

412 (12) Florida Kidcare Plus" means health benefits coverage 413 for children with special health care needs which benefits are 414 delivered through the Children's Medical Services Network 415 established in chapter 391.

(13) "Florida Kidcare program," "Kidcare program," or
"program" means the health benefits program <u>for children</u>
administered through <u>ss. 409.810-409.821</u> ss. 409.810-409.820.

(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.

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

427 (16) "Health insurance plan" means health benefits coverage 428 under the following:

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429 A health plan offered by any certified health (a) 430 maintenance organization or authorized health insurer, except a 431 plan that is limited to the following: a limited benefit, 432 specified disease, or specified accident; hospital indemnity; accident only; limited benefit convalescent care; Medicare 433 434 supplement; credit disability; dental; vision; long-term care; 435 disability income; coverage issued as a supplement to another health plan; workers' compensation liability or other insurance; 436 437 or motor vehicle medical payment only; or

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

441 (17) "Healthy Kids" means a component of the Florida
442 Kidcare program of medical assistance for children who are 5
443 through 18 years of age as authorized under s. 624.91 and
444 administered by the Florida Healthy Kids Corporation.

(18) (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.

(19) (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:

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

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

459 (c) Not primarily intended for the convenience of the460 enrollee, the enrollee's family, or the health care provider;

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

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

466 <u>(20) (19)</u> "Medikids" means a component of the Florida 467 Kidcare program of medical assistance authorized by Title XXI of 468 the Social Security Act, and regulations thereunder, and s. 469 409.8132, as administered in the state by the agency.

470 (21) "Pediatric benefit" means a benefit that is determined 471 to be medically necessary to treat a health condition. The scope, 472 duration, and frequency of the service are based on medical-473 necessity criteria.

474 <u>(22)(20)</u> "Preexisting condition exclusion" means, with 475 respect to coverage, a limitation or exclusion of benefits 476 relating to a condition based on the fact that the condition was 477 present before the date of enrollment for such coverage, whether 478 or not any medical advice, diagnosis, care, or treatment was 479 recommended or received before such date.

480 <u>(23) (21)</u> "Premium" means the entire cost of a health 481 insurance plan, including the administration fee or the risk 482 assumption charge.

483 (24) (22) "Premium assistance payment" means the monthly
484 consideration paid by the agency per enrollee in the Florida
485 Kidcare program towards health insurance premiums.

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486 (25) (23) "Qualified alien" means an alien as defined in s.
487 431 of the Personal Responsibility and Work Opportunity
488 Reconciliation Act of 1996, as amended, Pub. L. No. 104-193.

489 <u>(26) (24)</u> "Resident" means a United States citizen, or 490 qualified alien, who is domiciled in this state.

491 <u>(27)(25)</u> "Rural county" means a county having a population 492 density of less than 100 persons per square mile, or a county 493 defined by the most recent United States Census as rural, in 494 which there is no prepaid health plan participating in the 495 Medicaid program as of July 1, 1998.

496 (28) (26) "Substantially similar" means that, with respect 497 to additional services as defined in s. 2103(c)(2) of Title XXI 498 of the Social Security Act, these services must have an actuarial 499 value equal to at least 75 percent of the actuarial value of the 500 coverage for that service in the benchmark benefit plan and, with 501 respect to the basic services as defined in s. 2103(c)(1) of 502 Title XXI of the Social Security Act, these services must be the 503 same as the services in the benchmark benefit plan.

504 Section 11. Section 409.812, Florida Statutes, is amended 505 to read:

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

513 Section 12. Section 409.813, Florida Statutes, is amended 514 to read:

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515	409.813 Health benefits coverage; program components;
516	entitlement and nonentitlementThe Florida Kidcare program
517	includes health benefits coverage provided to children through
518	the following components, which shall be marketed as the Florida
519	Kidcare program:
520	(1) Medicaid;
521	(2) Medikids as created in s. 409.8132;
522	(3) The Florida Healthy Kids Corporation as created in s.
523	624.91;
524	(4) Employer-sponsored group health insurance plans
525	approved under <u>ss. 409.810-409.821</u>
526	(5) The Children's Medical Services network established in
527	chapter 391.
528	
529	Except for coverage through the Title XIX-funded Florida Kidcare
530	program under the Medicaid program, coverage under the Florida
531	Kidcare program is not an entitlement. No cause of action shall
532	arise against the state, the department, the Department of
533	Children and Family Services, or the agency for failure to make
534	health services available to any person under <u>ss. 409.810-409.821</u>
535	ss. 409.810-409.820 .
536	Section 13. Subsection (7) of section 409.8132, Florida
537	Statutes, is amended to read:
538	409.8132 Medikids program component
539	(7) ENROLLMENTEnrollment in the Medikids program
540	component may occur at any time throughout the year. A child may
541	not receive services under the Medikids program until the child
542	is enrolled in a managed care plan or MediPass. Once determined
543	eligible, an applicant may receive choice counseling and select a

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544 managed care plan or MediPass. The agency may initiate mandatory 545 assignment for a Medikids applicant who has not chosen a managed 546 care plan or MediPass provider after the applicant's voluntary choice period ends. The agency shall assign the Medikids 547 548 applicant to the same managed care plan or to the same MediPass 549 provider to which other family members are assigned, to the 550 greatest extent possible, even if some family members are 551 enrolled in Medicaid and others are enrolled in the Medikids 552 program. An applicant may select MediPass under the Medikids 553 program component only in counties that have fewer than two 554 managed care plans available to serve Medicaid recipients and 555 only if the federal Health Care Financing Administration 556 determines that MediPass constitutes "health insurance coverage" 557 as defined in Title XXI of the Social Security Act.

558 Section 14. Section 409.8134, Florida Statutes, is amended 559 to read:

560

409.8134 Program expenditure ceiling.--

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

565 (2) The Florida Kidcare program may conduct enrollment at 566 any time throughout the year for the purpose of enrolling 567 children eligible for all program components listed in s. 409.813 568 except Medicaid. The four Florida Kidcare administrators shall 569 work together to ensure that the year-round enrollment period is 570 announced statewide. Eligible children shall be enrolled on a 571 first-come, first-served basis using the date the enrollment 572 application is received. Enrollment shall immediately cease when

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573 the expenditure ceiling is reached. Year-round enrollment shall 574 only be held only if the Social Services Estimating Conference 575 determines that sufficient federal and state funds will be 576 available to finance the increased enrollment through federal 577 fiscal year 2007. Any individual who is not enrolled must reapply 578 by submitting a new application. The application for the Florida 579 Kidcare program is shall be valid for a period of 120 days after 580 the date it was received. At the end of the 120-day period, if 581 the applicant has not been enrolled in the program, the 582 application is shall be invalid and the applicant must shall be 583 notified of the action. The applicant may resubmit the 584 application after notification of the action taken by the 585 program. Except for the Medicaid program, whenever the Social 586 Services Estimating Conference determines that there are 587 presently, or will be by the end of the current fiscal year, 588 insufficient funds to finance the current or projected enrollment 589 in the Florida Kidcare program, all additional enrollment must 590 cease and additional enrollment may not resume until sufficient 591 funds are available to finance such enrollment.

592 (3) Upon determination by the Social Services Estimating 593 Conference that there are insufficient funds to finance the 594 current enrollment in the Florida Kidcare program within current 595 appropriations, the program shall initiate disenrollment 596 procedures to remove enrollees, except those children who receive 597 Florida Kidcare Plus benefits enrolled in the Children's Medical 598 Services Network, on a last-in, first-out basis until the 599 expenditure and appropriation levels are balanced.

600 (4) The agencies that administer the Florida Kidcare601 program components shall collect and analyze the data needed to

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602 project program enrollment costs, including price level 603 adjustments, participation and attrition rates, current and 604 projected caseloads, utilization, and current and projected 605 expenditures for the next 3 years. The agencies shall report 606 caseload and expenditure trends to the Social Services Estimating 607 Conference in accordance with chapter 216.

608 Section 15. Section 409.814, Florida Statutes, is amended 609 to read:

610 409.814 Eligibility .-- A child who has not reached 19 years 611 of age whose family income is equal to or below 200 percent of 612 the federal poverty level is eligible for the Florida Kidcare 613 program as provided in this section. For enrollment in Florida 614 Kidcare Plus the Children's Medical Services Network, a complete 615 application includes clinical eligibility the medical or 616 behavioral health screening. If, subsequently, an individual is 617 determined to be ineligible for coverage, he or she must 618 immediately be disenrolled from the respective Florida Kidcare 619 program component.

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

(2) A child who is not eligible for Medicaid, but who is
eligible for the Florida Kidcare program, may obtain health
benefits coverage under any of the other components listed in s.
409.813 if such coverage is approved and available in the county
in which the child resides. However, a child who is eligible for
Medikids may participate in the Florida Healthy Kids program only
if the child has a sibling participating in the Florida Healthy

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Kids program and the child's county of residence permits suchenrollment.

(3) A child who is eligible for the Florida Kidcare program
and has who is a child with special health care needs, as
determined through a <u>clinical-eligibility</u> medical or behavioral
screening instrument, is eligible for health benefits coverage
from and <u>must</u> shall be referred to the Children's Medical
Services Network.

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

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

647 A child who is currently eligible for or covered under (b) 648 a family member's group health benefit plan or under other 649 employer health insurance coverage, excluding coverage provided 650 under the Florida Healthy Kids Corporation as established under 651 s. 624.91, provided that the cost of the child's participation is 652 not greater than 5 percent of the family's income. This provision 653 shall be applied during redetermination for children who were 654 enrolled prior to July 1, 2004. These enrollees shall have 6 655 months of eligibility following redetermination to allow for a 656 transition to the other health benefit plan.

657 (c) A child who is seeking premium assistance for the
658 Florida Kidcare program through employer-sponsored group
659 coverage, if the child has been covered by the same employer's

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660	group coverage during the 6 months <u>before</u> prior to the family's
661	submitting an application for determination of eligibility under
662	the program.
663	(d) A child who is an alien, but who does not meet the
664	definition of qualified alien, in the United States.
665	(e) A child who is an inmate of a public institution or a
666	patient in an institution for mental diseases.
667	(f) A child who is otherwise eligible for premium
668	assistance for the Florida Kidcare program and has had his or her
669	coverage in an employer-sponsored <u>or private</u> health benefit plan
670	voluntarily canceled in the last 6 months, except those children
671	whose coverage was voluntarily canceled for good cause,
672	including, but not limited to, the following circumstances:
673	1. The parent lost a job that provided an employer-
674	sponsored health benefit plan for children;
675	2. The parent with health benefits coverage for the child
676	is deceased;
677	3. The child has a medical condition that, without medical
678	care, would cause serious disability, loss of function, or death;
679	4. The employer of the parent canceled health benefits
680	coverage for children;
681	5. The child's health benefits coverage ended because the
682	child reached the maximum lifetime coverage amount;
683	6. The child has exhausted coverage under a COBRA
684	continuation provision;
685	7. The health benefits coverage does not cover the child's
686	health care needs; or
687	8. Domestic violence led to loss of coverage who were on
688	the waiting list prior to March 12, 2004.

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(g) A child who is otherwise eligible for <u>the Florida</u>
Kidcare <u>program</u> and who has a preexisting condition that prevents
coverage under another insurance plan as described in paragraph
(b) which would have disqualified the child for <u>the Florida</u>
Kidcare <u>program</u> if the child were able to enroll in the plan
shall be eligible for <u>Florida</u> Kidcare coverage when enrollment is
possible.

(5) A child whose family income is above 200 percent of the
federal poverty level or a child who is excluded under the
provisions of subsection (4) may participate in the <u>Florida</u>
<u>Kidcare program. However</u>, <u>Medikids program as provided in s.</u>
409.8132 or, if the child is ineligible for Medikids by reason of
age, in the Florida Healthy Kids program, subject to the
following provisions:

703 (a) the family is not eligible for premium assistance 704 payments and must pay the full cost of the premium, including any 705 administrative costs.

706 (a) (b) The agency is authorized to place limits on 707 enrollment in Medikids by these children in order to avoid 708 adverse selection. The number of children participating in 709 Medikids whose family income exceeds 250 200 percent of the federal poverty level must not exceed 25 10 percent of total 710 711 enrollees in the Medikids program. Except for families who are 712 enrolled in the program on July 1, 2008, or who are in transition from coverage in a subsidized Kidcare program, a family whose 713 714 income exceeds 250 percent of the federal poverty level must have 715 been uninsured for 6 consecutive months before enrollment in the 716 program.

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717 (b) (c) The board of directors of the Florida Healthy Kids 718 Corporation is authorized to place limits on enrollment of these 719 children in order to avoid adverse selection. In addition, the 720 board is authorized to offer a reduced benefit package to these 721 children in order to limit program costs for such families. The 722 number of children participating in the Florida Healthy Kids 723 program whose family income exceeds 250 200 percent of the 724 federal poverty level must not exceed 25 10 percent of total 725 enrollees in the Florida Healthy Kids program. However, a family that is enrolled in the program on July 1, 2008, or that is in 726 727 transition from coverage in a subsidized program, or a family whose income exceeds 250 percent of the federal poverty level 728 729 must have been uninsured for 6 consecutive months before 730 enrollment in the program.

731 (6) Once a child is enrolled in the Florida Kidcare 732 program, the child is eligible for coverage under the program for 733 12 months without a redetermination or reverification of 734 eligibility, if the family continues to pay the applicable 735 premium. Eligibility for Florida Kidcare coverage program 736 components funded through Title XXI of the Social Security Act 737 terminates shall terminate when a child attains the age of 19. 738 Effective January 1, 1999, a child who has not attained the age 739 of 5 and who has been determined eligible for the Medicaid 740 program is eligible for coverage for 12 months without a 741 redetermination or reverification of eligibility.

(7) When determining or reviewing a child's eligibility
under the Florida Kidcare program, the applicant <u>must</u> shall be
provided with reasonable notice of changes in eligibility which
may affect enrollment in one or more of the program components.

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746 When a transition from one program component to another is 747 authorized, there must shall be cooperation between the program 748 components, and the affected family, the child's health plan, and 749 the child's health care providers to promote which promotes 750 continuity of health care coverage. When a child is no longer 751 eligible for Florida Kidcare coverage funded through Title XIX or 752 Title XXI of the Social Security Act, the child's health plan and 753 other MediPass providers shall be notified so that the health 754 plans and providers may assist the family in obtaining coverage 755 through other available healthcare providers. Any authorized 756 transfers must be managed within the program's overall 757 appropriated or authorized levels of funding. Each component of 758 the program shall establish a reserve to ensure that transfers 759 between components will be accomplished within current year 760 appropriations. These reserves shall be reviewed by each 761 convening of the Social Services Estimating Conference to 762 determine the adequacy of such reserves to meet actual 763 experience.

764 In determining the eligibility of a child, an assets (8) 765 test is not required. An applicant's information must be 766 available electronically, if possible, to determine eligibility 767 for the Florida Kidcare program. If such information cannot be 768 verified electronically, each applicant shall provide written 769 documentation during the application process and the 770 redetermination process, including, but not limited to, the 771 following:

(a) Proof of family income, which <u>includes</u> must include a
copy of the applicant's most recent federal income tax return. In
the absence of a federal income tax return, an applicant may

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775 submit wages and earnings statements (pay stubs), W-2 forms, or 776 other appropriate documents.

777

(b) A statement from all <u>employed</u> family members that:

778 1. Their employer does not sponsor a health benefit plan779 for employees; or

780 2. The potential enrollee is not covered by the employer-781 sponsored health benefit plan because the potential enrollee is 782 not eligible for coverage, or, if the potential enrollee is 783 eligible but not covered, a statement of the cost to enroll the 784 potential enrollee in the employer-sponsored health benefit plan.

785 (9)Subject to paragraph (4)(b) and s. 624.91(4), the 786 Florida Kidcare program shall withhold benefits from an enrollee 787 if the program obtains evidence that the enrollee is no longer 788 eligible, submitted incorrect or fraudulent information in order 789 to establish eligibility, or failed to provide verification of 790 eligibility. The applicant or enrollee shall be notified that 791 because of such evidence program benefits will be withheld unless 792 the applicant or enrollee contacts a designated representative of 793 the program by a specified date, which must be within 10 working 794 days after the date of notice, to discuss and resolve the matter. 795 The program shall make every effort to resolve the matter within 796 a timeframe that will not cause benefits to be withheld from an 797 eligible enrollee.

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

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

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

810 <u>A person applying for full-pay coverage under the Florida Kidcare</u> 811 <u>program is not required to provide the information required under</u> 812 this section.

813 Section 16. Section 409.815, Florida Statutes, is amended 814 to read:

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409.815 Health benefits coverage; limitations.--

816 MEDICAID BENEFITS. -- For purposes of the Florida Kidcare (1)817 program, benefits available under Medicaid and Medikids include 818 those goods and services provided under the medical assistance 819 program authorized by Title XIX of the Social Security Act, and 820 regulations thereunder, as administered in this state by the 821 agency. This includes those mandatory Medicaid services 822 authorized under s. 409.905 and optional Medicaid services 823 authorized under s. 409.906, rendered on behalf of eligible 824 individuals by qualified providers, in accordance with federal 825 requirements for Title XIX, subject to any limitations or 826 directions provided for in the General Appropriations Act or 827 chapter 216, and according to methodologies and limitations set 828 forth in agency rules and policy manuals and handbooks 829 incorporated by reference thereto.

830 (2) BENCHMARK BENEFITS.--In order for health benefits
831 coverage to qualify for premium assistance payments for an
832 eligible child under ss. 409.810-409.821, except for waiver

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833	services provided to eligible Title XIX-funded children ss.
834	409.810-409.820, the health benefits coverage <u>must be equivalent</u>
835	to the pediatric Medicaid benefit package and be based upon a
836	standard and appropriate assessment of need for the services
837	consistent with requirements for early and periodic screening,
838	diagnosis, and treatment specified in s.409.905(2) and Title XIX
839	of the Social Security Act, except for coverage under Medicaid
840	and Medikids, must include the following minimum benefits, as
841	medically necessary.
842	(a) Preventive health servicesCovered services include:
843	1. Well-child care, including services recommended in the
844	Guidelines for Health Supervision of Children and Youth as
845	developed by the American Academy of Pediatrics;
846	2. Immunizations and injections;
847	3. Health education counseling and clinical services;
848	4. Vision screening; and
849	5. Hearing screening.
850	(b) Inpatient hospital servicesAll covered services
851	provided for the medical care and treatment of an enrollee who is
852	admitted as an inpatient to a hospital licensed under part I of
853	chapter 395, with the following exceptions:
854	1. All admissions must be authorized by the enrollee's
855	health benefits coverage provider.
856	2. The length of the patient stay shall be determined based
857	on the medical condition of the enrollee in relation to the
858	necessary and appropriate level of care.
859	3. Room and board may be limited to semiprivate
860	accommodations, unless a private room is considered medically
861	necessary or semiprivate accommodations are not available.

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862 4. Admissions for rehabilitation and physical therapy are 863 limited to 15 days per contract year. 864 (c) Emergency services.--Covered services include visits to an emergency room or other licensed facility if needed 865 866 immediately due to an injury or illness and delay means risk of 867 permanent damage to the enrollee's health. Health maintenance 868 organizations shall comply with the provisions of s. 641.513. 869 (d) Maternity services.--Covered services include maternity and newborn care, including prenatal and postnatal care, with the 870 871 following limitations: 872 1. Coverage may be limited to the fee for vaginal 873 deliveries; and 874 2. Initial inpatient care for newborn infants of enrolled 875 adolescents shall be covered, including normal newborn care, 876 nursery charges, and the initial pediatric or neonatal 877 examination, and the infant may be covered for up to 3 days 878 following birth. 879 (e) Organ transplantation services.--Covered services 880 include pretransplant, transplant, and postdischarge services and 881 treatment of complications after transplantation for transplants 882 deemed necessary and appropriate within the guidelines set by the 883 Organ Transplant Advisory Council under s. 765.53 or the Bone 884 Marrow Transplant Advisory Panel under s. 627.4236. 885 (f) Outpatient services.--Covered services include preventive, diagnostic, therapeutic, palliative care, and other 886 887 services provided to an enrollee in the outpatient portion of a 888 health facility licensed under chapter 395, except for the 889 following limitations:

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890	1. Services must be authorized by the enrollee's health
891	benefits coverage provider; and
892	2. Treatment for temporomandibular joint disease (TMJ) is
893	specifically excluded.
894	(g) Behavioral health services
895	1. Mental health benefits include:
896	a. Inpatient services, limited to not more than 30
897	inpatient days per contract year for psychiatric admissions, or
898	residential services in facilities licensed under s. 394.875(6)
899	or s. 395.003 in licu of inpatient psychiatric admissions;
900	however, a minimum of 10 of the 30 days shall be available only
901	for inpatient psychiatric services when authorized by a
902	physician; and
903	b. Outpatient services, including outpatient visits for
904	psychological or psychiatric evaluation, diagnosis, and treatment
905	by a licensed mental health professional, limited to a maximum of
906	40 outpatient visits each contract year.
907	2. Substance abuse services include:
908	a. Inpatient services, limited to not more than 7 inpatient
909	days per contract year for medical detoxification only and 30
910	days of residential services; and
911	b. Outpatient services, including evaluation, diagnosis,
912	and treatment by a licensed practitioner, limited to a maximum of
913	40 outpatient visits per contract year.
914	(h) Durable medical equipmentCovered services include
915	equipment and devices that are medically indicated to assist in
916	the treatment of a medical condition and specifically prescribed
917	as medically necessary, with the following limitations:
918	1. Low-vision and telescopic aides are not included.

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919	2. Corrective lenses and frames may be limited to one pair
920	every 2 years, unless the prescription or head size of the
921	enrollee changes.
922	3. Hearing aids shall be covered only when medically
923	indicated to assist in the treatment of a medical condition.
924	4. Covered prosthetic devices include artificial eyes and
925	limbs, braces, and other artificial aids.
926	(i) Health practitioner servicesCovered services include
927	services and procedures rendered to an enrollee when performed to
928	diagnose and treat diseases, injuries, or other conditions,
929	including care rendered by health practitioners acting within the
930	scope of their practice, with the following exceptions:
931	1. Chiropractic services shall be provided in the same
932	manner as in the Florida Medicaid program.
933	2. Podiatric services may be limited to one visit per day
934	totaling two visits per month for specific foot disorders.
935	(j) Home health servicesCovered services include
936	prescribed home visits by both registered and licensed practical
937	nurses to provide skilled nursing services on a part-time
938	intermittent basis, subject to the following limitations:
939	1. Coverage may be limited to include skilled nursing
940	services only;
941	2. Meals, housekeeping, and personal comfort items may be
942	excluded; and
943	3. Private duty nursing is limited to circumstances where
944	such care is medically necessary.
945	(k) Hospice servicesCovered services include reasonable
946	and necessary services for palliation or management of an
947	enrollee's terminal illness, with the following exceptions:

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948	1. Once a family elects to receive hospice care for an
949	enrollee, other services that treat the terminal condition will
950	not be covered; and
951	2. Services required for conditions totally unrelated to
952	the terminal condition are covered to the extent that the
953	services are included in this section.
954	(1) Laboratory and X-ray servicesCovered services
955	include diagnostic testing, including clinical radiologic,
956	laboratory, and other diagnostic tests.
957	(m) Nursing facility servicesCovered services include
958	regular nursing services, rehabilitation services, drugs and
959	biologicals, medical supplies, and the use of appliances and
960	equipment furnished by the facility, with the following
961	limitations:
962	1. All admissions must be authorized by the health benefits
963	coverage provider.
964	2. The length of the patient stay shall be determined based
965	on the medical condition of the enrollee in relation to the
966	necessary and appropriate level of care, but is limited to not
967	more than 100 days per contract year.
968	3. Room and board may be limited to semiprivate
969	accommodations, unless a private room is considered medically
970	necessary or semiprivate accommodations are not available.
971	4. Specialized treatment centers and independent kidney
972	disease treatment centers are excluded.
973	5. Private duty nurses, television, and custodial care are
974	excluded.
975	6. Admissions for rehabilitation and physical therapy are
976	limited to 15 days per contract year.

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977	(n) Prescribed drugs
978	1. Coverage shall include drugs prescribed for the
979	treatment of illness or injury when prescribed by a licensed
980	health practitioner acting within the scope of his or her
981	practice.
982	2. Prescribed drugs may be limited to generics if available
983	and brand name products if a generic substitution is not
984	available, unless the prescribing licensed health practitioner
985	indicates that a brand name is medically necessary.
986	3. Prescribed drugs covered under this section shall
987	include all prescribed drugs covered under the Florida Medicaid
988	program.
989	(o) Therapy servicesCovered services include
990	rehabilitative services, including occupational, physical,
991	respiratory, and speech therapies, with the following
992	limitations:
993	1. Services must be for short-term rehabilitation where
994	significant improvement in the enrollee's condition will result;
995	and
996	2. Services shall be limited to not more than 24 treatment
997	sessions within a 60-day period per episode or injury, with the
998	60-day period beginning with the first treatment.
999	(p) Transportation servicesCovered services include
1000	emergency transportation required in response to an emergency
1001	situation.
1002	(q) Dental servicesDental services shall be covered and
1003	may include those dental benefits provided to children by the
1004	Florida Medicaid program under s. 409.906(6).

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1005 (r) Lifetime maximum. -- Health benefits coverage obtained under ss. 409.810-409.820 shall pay an enrollee's covered 1006 1007 expenses at a lifetime maximum of \$1 million per covered child. 1008 (a) (s) Cost-sharing.--Cost-sharing provisions must comply with s. 409.816. 1009 1010 (b) (t) Exclusions.--Experimental or investigational procedures that have not 1011 1. 1012 been clinically proven by reliable evidence are excluded; 1013 2. Services performed for cosmetic purposes only or for the 1014 convenience of the enrollee are excluded; and 1015 3. Abortion may be covered only if necessary to save the 1016 life of the mother or if the pregnancy is the result of an act of

rape or incest.

(c) (u) Enhancements to minimum requirements.--

1019 1. This section sets the minimum benefits that must be 1020 included in any health benefits coverage, other than Medicaid or 1021 Medikids coverage, offered under ss. 409.810-409.820. Health 1022 benefits coverage may include additional benefits not included <u>in</u> 1023 <u>the pediatric Medicaid benefit package</u> under this subsection, but 1024 may not include benefits excluded under paragraph <u>(b)</u> (s).

1025 2. Health benefits coverage may extend any limitations1026 beyond the minimum benefits described in this section.

Except for <u>Florida Kidcare Plus benefits</u> the <u>Children's Medical</u> 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.

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1033 (d) (v) Applicability of other state laws.--Health insurers, 1034 health maintenance organizations, and their agents are subject to 1035 the provisions of the Florida Insurance Code, except for any such 1036 provisions waived in this section.

1037 Except as expressly provided in this section, a law 1. 1038 requiring coverage for a specific health care service or benefit, 1039 or a law requiring reimbursement, utilization, or consideration 1040 of a specific category of licensed health care practitioner, does 1041 not apply to a health insurance plan policy or contract offered or delivered under ss. 409.810-409.821 ss. 409.810-409.820 unless 1042 that law is made expressly applicable to such policies or 1043 1044 contracts.

1045 2. Notwithstanding chapter 641, a health maintenance 1046 organization may issue contracts providing benefits equal to, 1047 exceeding, or actuarially equivalent to the benchmark benefit 1048 plan authorized by this section and may pay providers located in 1049 a rural county negotiated fees or Medicaid reimbursement rates 1050 for services provided to enrollees who are residents of the rural 1051 county.

1052Section 17. Paragraph (i) of subsection (1) of section1053409.8177, Florida Statutes, is amended to read:

1054

409.8177 Program evaluation. --

(1) The agency, in consultation with the Department of Health, the Department of Children and Family Services, and the Florida Healthy Kids Corporation, shall contract for an evaluation of the Florida Kidcare program and shall by January 1 of each year submit to the Governor, the President of the Senate, and the Speaker of the House of Representatives a report of the program. In addition to the items specified under s. 2108 of

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1062 Title XXI of the Social Security Act, the report shall include an 1063 assessment of crowd-out and access to health care, as well as the 1064 following:

(i) An assessment of the effectiveness of <u>the Florida</u>
<u>Kidcare program</u> Medikids, Children's Medical Services network,
and other public and private programs in the state in increasing
the availability of affordable quality health insurance and
health care for children. <u>Effective July 1, 2009, the Department</u>
<u>of Health shall assume responsibility for contracting for an</u>
evaluation of the Florida Kidcare program.

1072 Section 18. Section 409.818, Florida Statutes, is amended 1073 to read:

409.818 Administration.--In order to implement <u>ss. 409.810-</u> <u>409.821</u> ss. 409.810-409.820, the following agencies shall have the following duties:

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

1078 Develop a standardized simplified eligibility (a) 1079 application mail-in form to be used for determining the 1080 eligibility of children for coverage for all components of under 1081 the Florida Kidcare program, in consultation with the agency, the 1082 Department of Health, and the Florida Healthy Kids Corporation. 1083 The standardized simplified eligibility application form must 1084 include an item that provides an opportunity for the applicant to indicate whether coverage is being sought for a child with 1085 1086 special health care needs. Families applying for children's 1087 Medicaid coverage must also be able to use the standardized 1088 simplified application form without having to pay a premium. The 1089 standardized eligibility application form must be available for 1090 use no later than July 1, 2009.

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1091 (b) Establish and maintain the eligibility determination 1092 process under the program except as specified in subsections (2) 1093 and (4) subsection (5). The department shall directly, or through 1094 the services of a contracted third-party administrator, establish 1095 and maintain a process for determining eligibility of children 1096 for coverage under the program which shall be conducted in 1097 accordance with administrative rules and policies established by 1098 the Department of Health. The eligibility determination process 1099 must be used solely for determining eligibility of applicants for 1100 health benefits coverage under the program. The eligibility determination process must include an initial determination of 1101 1102 eligibility for any coverage offered under the program, as well 1103 as a redetermination or reverification of eligibility each subsequent 6 months. Effective January 1, 1999, a child who has 1104 1105 not attained the age of 5 and who has been determined eligible 1106 for the Medicaid program is eligible for coverage for 12 months 1107 without a redetermination or reverification of eligibility. In conducting an eligibility determination, the department shall 1108 1109 determine if the child has special health care needs. The department, in consultation with the Agency for Health Care 1110 1111 Administration and the Florida Healthy Kids Corporation, shall 1112 develop procedures for redetermining eligibility which enable a 1113 family to easily update any change in circumstances which could 1114 affect eligibility. The department may accept changes in a 1115 family's status as reported to the department by the Florida 1116 Healthy Kids Corporation without requiring a new application from 1117 the family. Redetermination of a child's eligibility for Medicaid 1118 may not be linked to a child's eligibility determination for other programs. 1119

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1120	(c) Inform program applicants about eligibility				
1121	determinations and provide information about eligibility of				
1122	applicants to the Florida Kidcare program Medicaid, Medikids, the				
1123	Children's Medical Services Network, and the Florida Healthy Kids				
1124	Corporation, and to insurers and their agents, through a				
1125	centralized coordinating office.				
1126	(d) Design a plan, in consultation with the Florida Healthy				
1127	Kids Corporation, to determine an applicant's eligibility for				
1128	B public assistance or Medicaid which allows:				
1129	1. Applicants who have children and are applying for				
1130	Medicaid or other public assistance to use the same information				
1131	provided when applying for the Kidcare program if they are found				
1132	ineligible for Medicaid.				
1133	2. Applicants to submit all information required for				
1134	enrollment in the Kidcare program, including whether coverage is				
1135	being sought for a child who has special health care needs.				
1136	3. The department to forward an applicant's information and				
1137	accompanying documentation to the Florida Healthy Kids				
1138	Corporation, if necessary.				
1139	4. The Florida Healthy Kids Corporation to process				
1140	application information and other documents for enrollment in the				
1141	Kidcare program without requiring the applicant to submit a				
1142	separate application.				
1143					
1144	The department shall submit the plan to the Governor, the				
1145	President of the Senate, and the Speaker of the House of				
1146	Representatives by December 31, 2008.				
1147	<u>(e)</u> Adopt rules necessary for conducting program				
1148	eligibility functions.				

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1149	(2) The Department of Health shall:					
1150	(a) Design an eligibility intake process and policies for					
1151						
1152	coordination with the Department of Children and Family Services,					
1153	the agency, and the Florida Healthy Kids Corporation. The					
1154	eligibility intake process may include local intake points that					
1155	are determined by the Department of Health in coordination with					
1156	the Department of Children and Family Services.					
1157	(b) Develop and implement a plan to publicize the Florida					
1158	Kidcare program, the eligibility requirements of the program, and					
1159	the procedures for enrollment in the program and to maintain					
1160	public awareness of and outreach for the Florida Kidcare program.					
1161	(c) Determine clinical eligibility for and administer					
1162	Florida Kidcare Plus health benefits coverage.					
1163	(d) In consultation with the agency, develop a minimum set					
1164	of pediatric quality assurance and access standards, including					
1165	reporting requirements, for the Florida Kidcare program. The					
1166	standards must include a process for granting exceptions to					
1167	specific requirements for quality assurance and access.					
1168	Compliance with the standards shall be a condition of program					
1169	participation by health benefits coverage providers. These					
1170	standards shall comply with the provisions of this chapter,					
1171	chapter 641, and Title XXI of the Social Security Act.					
1172	(e) In consultation with the agency, the Department of					
1173	Children and Family Services, and the Florida Healthy Kids					
1174	Corporation and effective July 1, 2009, coordinate non-Title XIX-					
1175	funded Florida Kidcare administrative activities, including, but					
1176	not limited to:					
1177	1. Florida Kidcare policy development;					

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1178	2. Federal and state legislative and budget request issue					
1179	development; and					
1180	3. Administrative rules as assigned by this act.					
1181	(f) In consultation with the agency, develop pediatric					
1182	benefit packages for Florida Kidcare enrollees.					
1183	(b) Chair a state-level coordinating council to review and					
1184	make recommendations concerning the implementation and operation					
1185	of the program. The coordinating council shall include					
1186	representatives from the department, the Department of Children					
1187	and Family Services, the agency, the Florida Healthy Kids					
1188	Corporation, the Office of Insurance Regulation of the Financial					
1189	Services Commission, local government, health insurers, health					
1190	maintenance organizations, health care providers, families					
1191	participating in the program, and organizations representing low-					
1192	income families.					
1193	(c) In consultation with the Florida Healthy Kids					
1194	Corporation and the Department of Children and Family Services,					
1195	establish a toll-free telephone line to assist families with					
1196	questions about the program.					
1197	(d) Adopt rules necessary to implement outreach activities.					
1198	(3) The Agency for Health Care Administration, under the					
1199	authority granted in s. 409.914(1), shall:					
1200	(a) Calculate the premium assistance payment necessary to					
1201	comply with the premium and cost-sharing limitations specified in					
1202	s. 409.816. The premium assistance payment for each enrollee in a					
1203	health insurance plan participating in the Florida Healthy Kids					
1204	Corporation <u>must</u> shall equal the premium approved by the Florida					
1205	Healthy Kids Corporation and the Office of Insurance Regulation					
1206	of the Financial Services Commission pursuant to ss. 627.410 and					
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1207 641.31, less any enrollee's share of the premium established 1208 within the limitations specified in s. 409.816. The premium 1209 assistance payment for each enrollee in an employer-sponsored health insurance plan approved under ss. 409.810-409.821 must ss. 1210 1211 409.810-409.820 shall equal the premium for the plan adjusted for 1212 any benchmark benefit plan actuarial equivalent benefit rider 1213 approved by the Office of Insurance Regulation pursuant to ss. 1214 627.410 and 641.31, less any enrollee's share of the premium 1215 established within the limitations specified in s. 409.816. In 1216 calculating the premium assistance payment levels for children 1217 with family coverage, the agency shall set the premium assistance 1218 payment levels for each child proportionately to the total cost 1219 of family coverage.

1220 (b) Make premium assistance payments to health insurance 1221 plans on a periodic basis. The agency may use its Medicaid fiscal 1222 agent or a contracted third-party administrator in making these 1223 payments. The agency may require health insurance plans that 1224 participate in the Medikids program or employer-sponsored group 1225 health insurance to collect premium payments from an enrollee's 1226 family. Participating health insurance plans shall report premium 1227 payments collected on behalf of enrollees in the program to the 1228 agency in accordance with a schedule established by the agency.

(c) Monitor compliance with <u>pediatric</u> quality assurance and
access standards developed <u>by the Department of Health</u> under s.
409.820.

(d) Establish a mechanism for investigating and resolving complaints and grievances from program applicants, enrollees, and health benefits coverage providers, and maintain a record of complaints and confirmed problems. In the case of a child who is

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1236	enrolled in a health maintenance organization, the agency must					
1237	use the provisions of s. 641.511 to address grievance reporting					
1238	and resolution requirements.					
1239	(e) Approve health benefits coverage for participation in					
1240	the program, following certification by the Office of Insurance					
1241	Regulation under subsection (4).					
1242	(f) In consultation with the Department of Children and					
1243	Family Services and the Florida Healthy Kids Corporation,					
1244	establish a single toll-free telephone number by July 1, 2009, to					
1245	assist families who have questions about the Florida Kidcare					
1246	program. The toll-free number must provide information regarding					
1247	eligibility, enrollment, benefits, and other information relating					
1248	to all components of the Florida Kidcare program and ensure that					
1249	such information is easily accessible.					
1250	(g) Seek and implement federal waivers or state plan					
1251	amendments necessary to implement this section and ss. 409.810-					
1252	409.820.					
1253	(h) Adopt all rules necessary to comply with or administer					
1254	ss. 409.810-409.821 and all rules necessary to comply with					
1255	federal requirements, including, at a minimum, rules specifying					
1256	policies, procedures, and criteria for the following activities:					
1257	1. Calculating premium assistance payment levels;					
1258	2. Making premium assistance payments;					
1259	3. Monitoring access and quality assurance standards;					
1260	4. Investigating and resolving complaints and grievances;					
1261	5. Administering the Medikids program;					
1262	6. Approving health benefits coverage; and					
1263	7. Except for Title XIX-funded Florida Kidcare, determining					
1264	application and enrollment requirements, including documentation					

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1265	requirements, eligibility determinations and redeterminations,				
1266	enrollee premium payment requirements, cancellation of coverage,				
1267	reinstatement of coverage, disenrollment procedures, applicant				
1268	and enrollee notification requirements, application and				
1269	enrollment time processing standards, and call center standards.				
1270					
1271	Effective July 1, 2009, the Department of Health shall assume				
1272	responsibility for administrative rulemaking activities specified				
1273	in subparagraphs 3, 4, 6, and 7.				
1274	(f) Adopt rules necessary for calculating premium				
1275	assistance payment levels, making premium assistance payments,				
1276	monitoring access and quality assurance standards, investigating				
1277	and resolving complaints and grievances, administering the				
1278	Medikids program, and approving health benefits coverage.				
1279					
1280	The agency is designated the lead state agency for Title XXI of				
1281	the Social Security Act for purposes of receipt of federal funds,				
1282	for reporting purposes, and for ensuring compliance with federal				
1283	and state regulations and rules.				
1284	(4) The Office of Insurance Regulation shall certify that				
1285	health benefits coverage plans that seek to provide services				
1286	under the Florida Kidcare program, except those offered through				
1287	the Florida Healthy Kids Corporation or the Children's Medical				
1288	Services Network, meet, exceed, or are actuarially equivalent to				
1289	the benchmark benefit plan and that health insurance plans will				
1290	be offered at an approved rate. In determining actuarial				
1291	equivalence of benefits coverage, the Office of Insurance				
1292	Regulation and health insurance plans must comply with the				
1293	requirements of s. 2103 of Title XXI of the Social Security Act.				

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1294 The department shall adopt rules necessary for certifying health 1295 benefits coverage plans.

1296 <u>(4) (5)</u> The Florida Healthy Kids Corporation shall retain 1297 its functions as authorized in s. 624.91, including eligibility 1298 determination for participation in the <u>non-Title XIX-funded</u> 1299 <u>Florida Kidcare Healthy Kids</u> program. <u>Effective July 1, 2009,</u> 1300 <u>non-Title XIX-funded Florida Kidcare eligibility determinations</u> 1301 <u>shall be conducted in accordance with administrative rules and</u> 1302 <u>policies established by the Department of Health.</u>

1303 (5) The Department of Health, in consultation with the 1304 agency, the Department of Children and Family Services, and the 1305 Florida Healthy Kids Corporation, and

1306 (6) The agency, the Department of Health, the Department of 1307 Children and Family Services, the Florida Healthy Kids 1308 Corporation, and the Office of Insurance Regulation, after 1309 consultation with and approval of the Speaker of the House of 1310 Representatives and the President of the Senate, are authorized 1311 to make program modifications that are necessary to overcome any 1312 objections of the United States Department of Health and Human 1313 Services to obtain approval of the state's child health insurance 1.314 plan under Title XXI of the Social Security Act.

1315 Section 19. <u>Section 409.820, Florida Statutes, is repealed.</u>
1316 Section 20. Subsection (5) of section 624.91, Florida
1317 Statutes, is amended to read:

1318 1319 624.91 The Florida Healthy Kids Corporation Act.--

(5) CORPORATION AUTHORIZATION, DUTIES, POWERS.--

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

1322

(b) The Florida Healthy Kids Corporation shall:

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1323 1. Arrange for the collection of any family, local 1324 contributions, or employer payment or premium, in an amount to be 1325 determined by the board of directors, to provide for payment of 1326 premiums for <u>health benefits</u> comprehensive insurance coverage and 1327 for the actual or estimated administrative expenses.

Arrange for the collection of any voluntary
 contributions to provide for payment of <u>Florida Kidcare</u> premiums
 for children who are not eligible for medical assistance under
 Title XXI of the Social Security Act.

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

1337 4. Establish the administrative and accounting procedures1338 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, <u>if provided that</u> such standards for rural areas <u>do shall</u> not limit primary care providers to boardcertified pediatricians.

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). Effective July 1, 2009, this function
shall be performed in accordance with administrative rules and
policies established by the Department of Health.

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1352 7. Establish procedures under which providers of local 1353 match to, applicants to and participants in the program may have 1354 grievances reviewed by an impartial body and reported to the 1355 board of directors of the corporation.

8. Establish participation criteria and, if appropriate,
Contract with an authorized insurer, health maintenance
organization, or third-party administrator to provide
administrative services for Florida Kidcare. Effective July 1,
2009, this function shall be performed in accordance with
administrative rules and policies established by the Department
of Health to the corporation.

9. Establish enrollment criteria <u>that</u> 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.

1367 10. Contract with authorized insurers or any provider of 1368 health care services τ meeting quality assurance and access standards established by the Department of Health corporation, 1369 1370 for the provision of comprehensive insurance coverage to 1371 participants. Such standards shall include criteria under which 1372 the corporation may contract with more than one provider of 1373 health care services in program sites. Health plans shall be 1374 selected through a competitive bid process. The Florida Healthy 1375 Kids Corporation shall purchase goods and services in the most 1376 cost-effective manner consistent with the delivery of quality 1377 medical care. The maximum administrative cost for a Florida 1378 Healthy Kids Corporation contract shall be 15 percent. For health 1379 care contracts, the minimum medical loss ratio for a Florida Healthy Kids Corporation contract shall be 85 percent. For dental 1380

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1381 contracts, the remaining compensation to be paid to the 1382 authorized insurer or provider under a Florida Healthy Kids 1383 Corporation contract shall be no less than an amount which is 85 1384 percent of premium; to the extent any contract provision does not 1385 provide for this minimum compensation, this section shall 1386 prevail. The health plan selection criteria and scoring system, 1387 and the scoring results, shall be available upon request for 1388 inspection after the bids have been awarded.

1389 11. Establish disenrollment criteria in the event local1390 matching funds are insufficient to cover enrollments.

1391 12. Develop and implement a plan to publicize the Florida 1392 Healthy Kids Corporation, the eligibility requirements of the 1393 program, and the procedures for enrollment in the program and to 1394 maintain public awareness of the corporation and the program.

1395 <u>12.13.</u> Secure staff necessary to properly administer the 1396 corporation. Staff costs shall be funded from state and local 1397 matching funds and such other private or public funds as become 1398 available. The board of directors shall determine the number of 1399 staff members necessary to administer the corporation.

1400 <u>13. No later than January 1, 2009, the health benefits</u> 1401 <u>coverage provided by the corporation's authorized insurers and</u> 1402 <u>health maintenance organizations shall conform with the benchmark</u> 1403 benefits specified in s. 409.815.

1404 <u>14. Allow health and dental plans participating in the</u>
 1405 <u>Florida Healthy Kids program to develop and distribute marketing</u>
 1406 <u>and promotional materials and participate in activities, such as</u>
 1407 <u>health fairs and public events, which are approved by the</u>
 1408 <u>corporation. The health and dental plans may also contact their</u>
 1409 current and former enrollees to encourage continued participation

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1410in the program and to assist the enrollees with transferring from1411a Title XIX-financed plan to a Title XXI-financed plan.

1412 <u>15. Establish an assignment process that keeps enrollees in</u>
1413 <u>the Florida Healthy Kids program with family members assigned to</u>
1414 <u>the same managed care plans, to the greatest extent possible,</u>
1415 <u>even if some family members are enrolled in a Medicaid managed</u>
1416 <u>care plan and others are enrolled in a plan under the program.</u>
1417 <u>The Agency for Health Care Administration shall work with the</u>
1418 <u>corporation to implement this subparagraph.</u>

1419a. The assignment process must allow an enrollee in the1420program to enroll in a sibling's Medicaid provider service1421network for coverage under the program if the enrollee's sibling1422is currently enrolled in a Medicaid provider service network in1423the same county as the enrollee and the county does not contain a1424health plan under the program.

b. The assignment process must allow an enrollee in the program to enroll in a sibling's Medicaid health maintenance organization for coverage under the program if the enrollee's sibling is currently enrolled in a Medicaid health maintenance organization in the same county as the enrollee and the county does not contain a health plan under the program that is operated by or related to the Medicaid health maintenance organization.

1432 14. Provide a report annually to the Governor, Chief 1433 Financial Officer, Commissioner of Education, Senate President, 1434 Speaker of the House of Representatives, and Minority Leaders of 1435 the Senate and the House of Representatives.

1436 15. Establish benefit packages which conform to the 1437 provisions of the Florida Kideare program, as created in ss. 1438 409.810-409.820.

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

1445 (d) The Florida Healthy Kids Corporation shall be a private corporation not for profit, organized pursuant to chapter 617, 1446 1447 and shall have all powers necessary to carry out the purposes of 1448 this act, including, but not limited to, the power to receive and 1449 accept grants, loans, or advances of funds from any public or 1450 private agency and to receive and accept from any source 1451 contributions of money, property, labor, or any other thing of value, to be held, used, and applied for the purposes of this 1452 1453 act.

1454Section 21. The Legislature respectfully requests that1455Florida's Congressional Delegation support the amendment of Title1456XXI of the Social Security Act to allow federal matching funds1457for the purpose of premium assistance for dependents of state1458employees and nonqualified legal aliens.

1459

Section 22. This act shall take effect July 1, 2008.