2010

#### A bill to be entitled 1 2 An act relating to the Florida Kidcare program; amending 3 s. 409.8132, F.S.; providing that children under the age 4 of 1 may participate in the Medikids program; conforming 5 cross-references; amending s. 409.814, F.S.; providing 6 that children who are eligible for a state-sponsored 7 health benefit plan and the subsidized Kidcare program may 8 enroll in the program; providing that an eligible child 9 who is a lawful immigrant may enroll in the Florida 10 Kidcare program regardless of the child's date of entry; 11 conforming provisions to changes made by the act; amending s. 409.815, F.S.; authorizing Kidcare coverage for 12 temporomandibular joint disease; amending s. 409.816, 13 14 F.S.; conforming cross-references; amending s. 409.904, 15 F.S.; providing that Medicaid-eligible children are deemed 16 eligible for 12 months of coverage regardless of any change in circumstances; providing that a pregnant woman 17 is eligible for Medicaid for the duration of her pregnancy 18 19 and for the postpartum period; amending s. 624.91, F.S., relating to the Florida Healthy Kids Corporation; 20 21 conforming provisions to changes made by the act; 22 expanding the membership of the board of directors of the 23 Florida Healthy Kids Corporation; directing the Agency for 24 Health Care Administration to implement the federal Family 25 Opportunity Act; providing an effective date. 26 27 Be It Enacted by the Legislature of the State of Florida: 28

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29 Section 1. Subsection (6) of section 409.8132, Florida 30 Statutes, is amended to read:

31 409.8132 Medikids program component.-

32 (6) ELIGIBILITY.-

33 A child who has attained the age of 1 year but who is (a) 34 under the age of 5 years is eligible to enroll in the Medikids 35 program component of the Florida Kidcare program, if the child 36 is a member of a family that has a family income that which 37 exceeds the Medicaid applicable income level as specified in s. 38 409.903, but which is equal to or below 200 percent of the 39 current federal poverty level. In determining the eligibility of such a child, an assets test is not required. A child who is 40 41 eligible for Medikids may elect to enroll in Florida Healthy 42 Kids coverage or employer-sponsored group coverage. However, a 43 child who is eligible for Medikids may participate in the 44 Florida Healthy Kids program only if the child has a sibling participating in the Florida Healthy Kids program and the 45 child's county of residence permits such enrollment. 46

47 (b) The provisions of s. <u>409.814(3)-(8) are</u> <del>409.814(3),</del>
48 (4), (5), and (6) shall be applicable to the Medikids program.
49 Section 2. Section 409.814, Florida Statutes, is amended
50 to read:

51 409.814 Eligibility.—A child who has not reached 19 years 52 of age whose family income is equal to or below 200 percent of 53 the federal poverty level is eligible for the Florida Kidcare 54 program as provided in this section. For enrollment in the 55 Children's Medical Services Network, a complete application 56 includes the medical or behavioral health screening. If,

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57 subsequently, an individual is determined to be ineligible for 58 coverage, he or she must <u>be</u> immediately <del>be</del> disenrolled from the 59 respective Florida Kidcare 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.

64 (2) A child who is not eligible for Medicaid, but who is
65 eligible for the Florida Kidcare program, may obtain health
66 benefits coverage under any of the other components listed in s.
67 409.813 if such coverage is approved and available in the county
68 in which the child resides.

69 (3) A Title XXI-funded child who is eligible for the 70 Florida Kidcare program <u>and</u> who is a child with special health 71 care needs, as determined through a medical or behavioral 72 screening instrument, is eligible for health benefits coverage 73 from and shall be assigned to and may opt out of the Children's 74 Medical Services Network.

75 (4) A child who is eligible for a state-sponsored health 76 benefit plan through a family member or guardian employed by the 77 state and who meets the eligibility requirements for the 78 subsidized Florida Kidcare program may enroll in the subsidized 79 Florida Kidcare program, subject to an appropriation or the 80 availability of local contributions collected pursuant to s. 81 624.91. 82 (5) A child who is an immigrant lawfully residing in the 83 United States and who meets the eligibility requirements for the

84 Florida Kidcare program may enroll in the program regardless of

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# 85 the child's date of entry.

86 <u>(6)(4)</u> The following children are not eligible to receive 87 Title XXI-funded premium assistance for health benefits coverage 88 under the Florida Kidcare program, except under Medicaid if the 89 child would have been eligible for Medicaid under s. 409.903 or 90 s. 409.904 as of June 1, 1997:

91 (a) A child who is eligible for coverage under a state 92 health benefit plan on the basis of a family member's employment 93 with a public agency in the state.

(a) (b) A child who is covered under a family member's 94 95 group health benefit plan or under other private or employer 96 health insurance coverage, if the cost of the child's participation is not greater than 5 percent of the family's 97 98 income. If a child is otherwise eligible for a subsidy under the 99 Florida Kidcare program and the cost of the child's 100 participation in the family member's health insurance benefit plan is greater than 5 percent of the family's income, the child 101 102 may enroll in the appropriate subsidized Kidcare program.

103 (b) (c) A child who is seeking premium assistance for the 104 Florida Kidcare program through employer-sponsored group 105 coverage, if the child has been covered by the same employer's 106 group coverage during the 60 days <u>before the family submitted</u> 107 prior to the family's submitting an application for 108 determination of eligibility under the program.

109 (d) A child who is an alien, but who does not meet the 110 definition of qualified alien, in the United States.

111 (c) (e) A child who is an inmate of a public institution or 112 a patient in an institution for mental diseases.

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113 (d) (f) A child who is otherwise eligible for premium 114 assistance for the Florida Kidcare program and has had his or 115 her coverage in an employer-sponsored or private health benefit 116 plan voluntarily canceled in the last 60 days, except those 117 children whose coverage was voluntarily canceled for good cause, including, but not limited to, the following circumstances: 118 119 1. The cost of participation in an employer-sponsored 120 health benefit plan is greater than 5 percent of the family's 121 income; The parent lost a job that provided an employer-122 2. 123 sponsored health benefit plan for children; 124 The parent who had health benefits coverage for the 3. 125 child is deceased; 126 4. The child has a medical condition that, without medical care, would cause serious disability, loss of function, or 127 128 death; The employer of the parent canceled health benefits 129 5. 130 coverage for children; 131 6. The child's health benefits coverage ended because the 132 child reached the maximum lifetime coverage amount; 133 7. The child has exhausted coverage under a COBRA 134 continuation provision; 135 8. The health benefits coverage does not cover the child's 136 health care needs; or 137 9. Domestic violence led to loss of coverage. (7) (5) A child who is otherwise eligible for the Florida 138 Kidcare program and who has a preexisting condition that 139 140 prevents coverage under another insurance plan as described in Page 5 of 17

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141 paragraph (6) (a) (4) (b) which would have disqualified the child 142 for the Florida Kidcare program if the child were able to enroll 143 in the plan is shall be eligible for Florida Kidcare coverage 144 when enrollment is possible.

145 <u>(8) (6)</u> A child whose family income is above 200 percent of 146 the federal poverty level or a child who is excluded under the 147 provisions of subsection <u>(6)</u> (4) may participate in the Florida 148 Kidcare program as provided in s. 409.8132 or, if the child is 149 ineligible for Medikids by reason of age, in the Florida Healthy 150 Kids program, subject to the following provisions:

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

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

157 (9) (7) Once a child is enrolled in the Florida Kidcare 158 program, the child is eligible for coverage under the program 159 for 12 months without a redetermination or reverification of 160 eligibility, if the family continues to pay the applicable 161 premium. Eligibility for program components funded through Title 162 XXI of the Social Security Act shall terminate when a child 163 attains the age of 19. A child who has not attained the age of 5 164 and who has been determined eligible for the Medicaid program is eligible for coverage for 12 months without a redetermination or 165 reverification of eligibility. 166

167 <u>(10) (8)</u> When determining or reviewing a child's 168 eligibility under the Florida Kidcare program, the applicant Page 6 of 17

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169 shall be provided with reasonable notice of changes in 170 eligibility which may affect enrollment in one or more of the 171 program components. If When a transition from one program 172 component to another is authorized, there shall be cooperation 173 between the program components and the affected family which 174 promotes continuity of health care coverage. Any authorized 175 transfers must be managed within the program's overall 176 appropriated or authorized levels of funding. Each component of 177 the program shall establish a reserve to ensure that transfers 178 between components will be accomplished within current year 179 appropriations. These reserves shall be reviewed by each 180 convening of the Social Services Estimating Conference to 181 determine the adequacy of such reserves to meet actual 182 experience.

183 <u>(11)(9)</u> In determining the eligibility of a child, an 184 assets test is not required. Each applicant shall provide 185 documentation during the application process and the 186 redetermination process, including, but not limited to, the 187 following:

188 Each applicant's Proof of family income, which must (a) 189 shall be verified electronically to determine financial 190 eligibility for the Florida Kidcare program. Written 191 documentation, which may include wages and earnings statements or pay stubs, W-2 forms, or a copy of the applicant's most 192 recent federal income tax return, are shall be required only if 193 the electronic verification is not available or does not 194 195 substantiate the applicant's income.

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(b)

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Each applicant shall provide A statement from all

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197 applicable, employed family members that:

198 1. Their employers do not sponsor health benefit plans for 199 employees;

200 2. the potential enrollee is not covered by an employer-201 sponsored health benefit plan; or

202 3. The potential enrollee is covered by an employer203 sponsored health benefit plan and the cost of the employer204 sponsored health benefit plan is more than 5 percent of the
205 family's income.

(12) (10) Subject to paragraph (6) (a) (4) (b), the Florida 206 207 Kidcare program shall withhold benefits from an enrollee if the 208 program obtains evidence that the enrollee is no longer 209 eligible, submitted incorrect or fraudulent information in order 210 to establish eligibility, or failed to provide verification of 211 eligibility. The applicant or enrollee shall be notified that 212 because of such evidence program benefits will be withheld 213 unless the applicant or enrollee contacts a designated 214 representative of the program by a specified date, which must be 215 within 10 working days after the date of notice, to discuss and 216 resolve the matter. The program shall make every effort to 217 resolve the matter within a timeframe that will not cause 218 benefits to be withheld from an eligible enrollee.

219 <u>(13)(11)</u> The following individuals may be subject to 220 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 <u>if</u> when the applicant knows or should have known <u>that</u>
the potential enrollee does not qualify for the <del>Florida Kidcare</del>

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225 program.

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

231 Section 3. Paragraph (f) of subsection (2) of section
232 409.815, Florida Statutes, is amended to read:

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409.815 Health benefits coverage; limitations.-

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

(f) Outpatient services.-Covered services include preventive, diagnostic, therapeutic, palliative care, and other services <u>authorized by the enrollee's health benefits coverage</u> <u>provider and provided to an enrollee in the outpatient portion</u> of a health facility licensed under chapter 395, except for the following limitations:

245 1. Services must be authorized by the enrollee's health 246 benefits coverage provider; and

247 2. Treatment for temporomandibular joint disease (TMJ) is
 248 specifically excluded.

249 Section 4. Subsection (3) of section 409.816, Florida 250 Statutes, is amended to read:

251409.816Limitations on premiums and cost-sharing.—The252following limitations on premiums and cost-sharing are

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253 established for the program.

254 Enrollees in families with a family income above 150 (3) 255 percent of the federal poverty level who are not receiving 256 coverage under the Medicaid program or who are not eligible 257 under s. 409.814(8) 409.814(7) may be required to pay enrollment 258 fees, premiums, copayments, deductibles, coinsurance, or similar 259 charges on a sliding scale related to income, except that the 260 total annual aggregate cost-sharing with respect to all children 261 in a family may not exceed 5 percent of the family's income. 262 However, copayments, deductibles, coinsurance, or similar 263 charges may not be imposed for preventive services, including 264 well-baby and well-child care, age-appropriate immunizations, 265 and routine hearing and vision screenings.

266 Section 5. Subsections (6) and (7) of section 409.904, 267 Florida Statutes, are amended to read:

268 409.904 Optional payments for eligible persons.-The agency 269 may make payments for medical assistance and related services on 270 behalf of the following persons who are determined to be 271 eligible subject to the income, assets, and categorical 272 eligibility tests set forth in federal and state law. Payment on 273 behalf of these Medicaid eligible persons is subject to the availability of moneys and any limitations established by the 274 275 General Appropriations Act or chapter 216.

(6) A child who has not attained the age of 19 who has
been determined eligible for the Medicaid program is deemed to
be eligible for a total of 6 months, regardless of changes in
circumstances other than attainment of the maximum age.
Effective January 1, 1999, a child who has not attained the age

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281 of 5 and who has been determined eligible for the Medicaid 282 program is deemed to be eligible for a total of 12 months 283 regardless of changes in circumstances other than attainment of 284 the maximum age.

285 A pregnant woman for the duration of her pregnancy and (7) 286 for the postpartum period as defined in federal law and rule, or 287 a child under 1 year of age who lives in a family that has an 288 income above 185 percent of the most recently published federal poverty level, but which is at or below 200 percent of such 289 poverty level. In determining the eligibility of such child, an 290 assets test is not required. An individual A child who is 291 292 eligible for Medicaid under this subsection must be offered the 293 opportunity, subject to federal rules, to be made presumptively 294 eligible.

295 Section 6. Subsection (3), paragraph (b) of subsection 296 (5), and paragraph (a) of subsection (6) of section 624.91, 297 Florida Statutes, are amended to read:

298

624.91 The Florida Healthy Kids Corporation Act.-

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

302 (a) Residents of this state who are eligible for the303 Florida Kidcare program pursuant to s. 409.814.

304 (b) Notwithstanding s. 409.814, Legal aliens who are
305 enrolled in the Florida Healthy Kids program as of January 31,
306 2004, who do not qualify for Title XXI federal funds because
307 they are not qualified aliens as defined in s. 409.811.

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

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(b) The Florida Healthy Kids Corporation shall:

310 1. Arrange for the collection of any family, local 311 contributions, or employer payment or premium, in an amount to 312 be determined by the board of directors, to provide for payment 313 of premiums for comprehensive insurance coverage and for the 314 actual or estimated administrative expenses.

315 2. Arrange for the collection of any voluntary 316 contributions to provide for payment of Florida Kidcare program 317 premiums for children who are not eligible for medical 318 assistance under Title XIX or Title XXI of the Social Security 319 Act.

320 3. Subject to the provisions of s. 409.8134, accept 321 voluntary supplemental local match contributions that comply 322 with the requirements of Title XXI of the Social Security Act 323 for the purpose of providing additional Florida Kidcare coverage 324 in contributing counties under Title XXI.

325 4. Establish the administrative and accounting procedures326 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</u>, provided that such standards for rural areas <u>do</u> shall not limit primary care providers to boardcertified pediatricians.

333 6. Determine eligibility for children seeking to
334 participate in the Title XXI-funded components of the Florida
335 Kidcare program consistent with the requirements specified in s.
336 409.814, as well as the non-Title-XXI-eligible children as

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## 337 provided in subsection (3).

338 7. Establish procedures under which providers of local 339 match to, applicants to, and participants in the program may 340 have grievances reviewed by an impartial body and reported to 341 the board of directors of the corporation.

342 8. Establish participation criteria and, if appropriate,
343 contract with an authorized insurer, health maintenance
344 organization, or third-party administrator to provide
345 administrative services to the corporation.

346 9. Establish enrollment criteria that include penalties or
 347 <u>30-day</u> waiting periods of <u>30 days</u> for reinstatement of coverage
 348 upon voluntary cancellation for nonpayment of family premiums.

349 Contract with authorized insurers or providers any 10. 350 provider of health care services, who meet meeting standards 351 established by the corporation, for the provision of 352 comprehensive insurance coverage to participants. Such standards 353 must shall include criteria under which the corporation may 354 contract with more than one provider of health care services in 355 program sites. Health plans shall be selected through a 356 competitive bid process. The Florida Healthy Kids Corporation 357 shall purchase goods and services in the most cost-effective 358 manner consistent with the delivery of quality medical care. The 359 maximum administrative cost for a Florida Healthy Kids 360 Corporation contract is shall be 15 percent. For health care contracts, the minimum medical loss ratio for a Florida Healthy 361 362 Kids Corporation contract is shall be 85 percent. For dental 363 contracts, the remaining compensation to be paid to the 364 authorized insurer or provider must be at least under a Florida

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365 Healthy Kids Corporation contract shall be no less than an amount which is 85 percent of the premium; to the extent any contract provision does not provide for this minimum compensation, this section prevails shall prevail. The health plan selection criteria and scoring system, and the scoring results, <u>must shall</u> be available upon request for inspection after the bids have been awarded.

372 11. Establish disenrollment criteria <u>if</u> in the event local
373 matching funds are insufficient to cover enrollments.

12. Develop and implement a plan to publicize the Florida Kidcare program, the eligibility requirements of the program, and the procedures for enrollment in the program and to maintain public awareness of the corporation and the program.

378 13. Secure staff necessary to properly administer the 379 corporation. Staff costs shall be funded from state and local 380 matching funds and such other private or public funds as become 381 available. The board of directors shall determine the number of 382 staff members necessary to administer the corporation.

383 14. In consultation with the partner agencies, provide a 384 report on the Florida Kidcare program annually to the Governor, 385 the Chief Financial Officer, the Commissioner of Education, the 386 President of the Senate, the Speaker of the House of 387 Representatives, and the Minority Leaders of the Senate and the 388 House of Representatives.

389 15. Provide information on a quarterly basis to the 390 Legislature and the Governor which compares the costs and 391 utilization of the full-pay enrolled population and the Title 392 XXI-subsidized enrolled population in the Florida Kidcare

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393 program. The information, At a minimum, the information must 394 include:

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

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

By February 1, 2010, the Florida Healthy Kids Corporation shall provide a study to the Legislature and the Governor on premium impacts to the subsidized portion of the program from the inclusion of the full-pay program, which <u>must</u> shall include recommendations on how to eliminate or mitigate possible impacts to the subsidized premiums.

408 16. Establish benefit packages that conform to the
409 provisions of the Florida Kidcare program, as created in ss.
410 409.810-409.821.

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(6) BOARD OF DIRECTORS.-

(a) The Florida Healthy Kids Corporation <u>is</u> 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 <u>12</u> <del>11</del> other members selected for 3-year terms of office as follows:

417 1. The Secretary of Health Care Administration, or his or418 her designee.

419 2. One member appointed by the Commissioner of Education420 from the Office of School Health Programs of the Florida

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421 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 represents426 the Children's Medical Services Program.

427 5. One member appointed by the Chief Financial Officer
428 from among three members nominated by the Florida Hospital
429 Association.

6. One member, appointed by the Governor, who is an experton child health policy.

432 7. One member, appointed by the Chief Financial Officer,
433 from among three members nominated by the Florida Academy of
434 Family Physicians.

435 8. One member, appointed by the Governor, who represents436 the state Medicaid program.

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

10. The State Health Officer, or her or his designee.

11. The Secretary of Children and Family Services, or hisor her designee.

443 <u>12. One member, appointed by the Governor, from among</u>
444 <u>three members nominated by the Florida Dental Association.</u>
445 Section 7. <u>Subject to appropriation, the Agency for Health</u>
446 <u>Care Administration shall implement the federal Family</u>
447 <u>Opportunity Act, ss. 6062-6071 of the Deficit Reduction Act of</u>
448 2005, to allow families whose income is up to 300 percent of the

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FLORIDA HOUSE OF REPRESENTATIVE	S
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