

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 293 Florida Kidcare Program  
**SPONSOR(S):** Health Innovation Subcommittee; Duran  
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 108

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Health Innovation Subcommittee	14 Y, 0 N, As CS	Royal	Crosier
2) Health Care Appropriations Subcommittee			
3) Health & Human Services Committee			

### SUMMARY ANALYSIS

The Florida Kidcare Program (Kidcare or Program) was created by the Florida Legislature in 1998 in response to the federal enactment of the State Children's Health Insurance Program in 1997, later known more simply as the Children's Health Insurance Program (CHIP). The CHIP provides subsidized health insurance coverage to uninsured children who do not qualify for Medicaid but who meet other eligibility requirements. The state statutory authority for the Program is found in part II of ch. 409, F.S.

Kidcare encompasses four programs: Medicaid for children the Medikids program, the Children's Medical Services Network and the Florida Healthy Kids program. Kidcare coverage is funded by state and federal funds through Title XIX (Medicaid) and Title XXI (CHIP) of the federal Social Security Act. Kidcare is administered jointly by the Agency for Health Care Administration (AHCA), the Department of Children and Families (DCF), the Department of Health (DOH), and the Florida Healthy Kids Corporation (FHKC). Each entity has specific duties and responsibilities under Kidcare as detailed in part II of ch. 409, F.S. The DCF determines eligibility for Medicaid, and the FHKC processes all Kidcare applications and determines eligibility for the CHIP, which includes a Medicaid screening and referral process to the DCF, as appropriate.

HB 293 creates the Kidcare Operation Efficiency and Health Care Improvement Workgroup (Workgroup). The bill establishes the Workgroup for the purpose of maximizing the return on investment and streamlining and enhancing the operational efficiencies of the Program to provide improved health services to children.

The bill requires DOH to administratively house the Workgroup and the FHKC to convene and staff the Workgroup. The bill requires the Workgroup to examine successful and innovate models that provide improved value and health care outcomes and provide recommendations to create greater efficiency in the Program. The bill also requires the Workgroup to submit a report on its findings and recommendations to the Governor, President of the Senate and Speaker of the House by December 31, 2018.

The bill does not have a fiscal impact on state or local government.

The bill has an effective date of July 1, 2018.

## FULL ANALYSIS

### I. SUBSTANTIVE ANALYSIS

#### A. EFFECT OF PROPOSED CHANGES:

##### **Background**

##### Florida Kidcare Program

The Florida Kidcare Program (Kidcare or Program) was created by the Florida Legislature in 1998 in response to the federal enactment of the State Children's Health Insurance Program in 1997, later known more simply as the Children's Health Insurance Program (CHIP). The federal authority for the CHIP is located in Title XXI of the Social Security Act. Initially authorized for 10 years, the program was re-authorized through 2019, but the funding portion of the program expired September 30, 2017.<sup>1</sup> The CHIP provides subsidized health insurance coverage to uninsured children who do not qualify for Medicaid but who meet other eligibility requirements. The state statutory authority for the Program is found in part II of ch. 409, F.S.

Kidcare encompasses four programs:

- Medicaid for children;
- The Medikids program;
- The Children's Medical Services Network; and
- The Florida Healthy Kids program.

Kidcare coverage is funded by state and federal funds through Title XIX (Medicaid) and Title XXI (CHIP) of the federal Social Security Act. Families also contribute to the monthly premium cost of the coverage under the Title XXI-funded components of Kidcare based on their household size, income, and other eligibility factors. For families with incomes above the income limits for monthly premium assistance or who do not otherwise qualify for assistance, Kidcare also offers an option under the Healthy Kids component and the Medikids component for the family to obtain coverage for their children by paying the full premium.

Eligibility for the Program components that are funded by Title XXI is determined in part by age and household income as follows:

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

Kidcare is administered jointly by the Agency for Health Care Administration (AHCA), the Department of Children and Families (DCF), the Department of Health (DOH), and the Florida Healthy Kids Corporation (FHKC). Each entity has specific duties and responsibilities under Kidcare as detailed in part II of ch. 409, F.S. The DCF determines eligibility for Medicaid, and the FHKC processes all Kidcare applications and determines eligibility for the CHIP, which includes a Medicaid screening and referral process to the DCF, as appropriate.

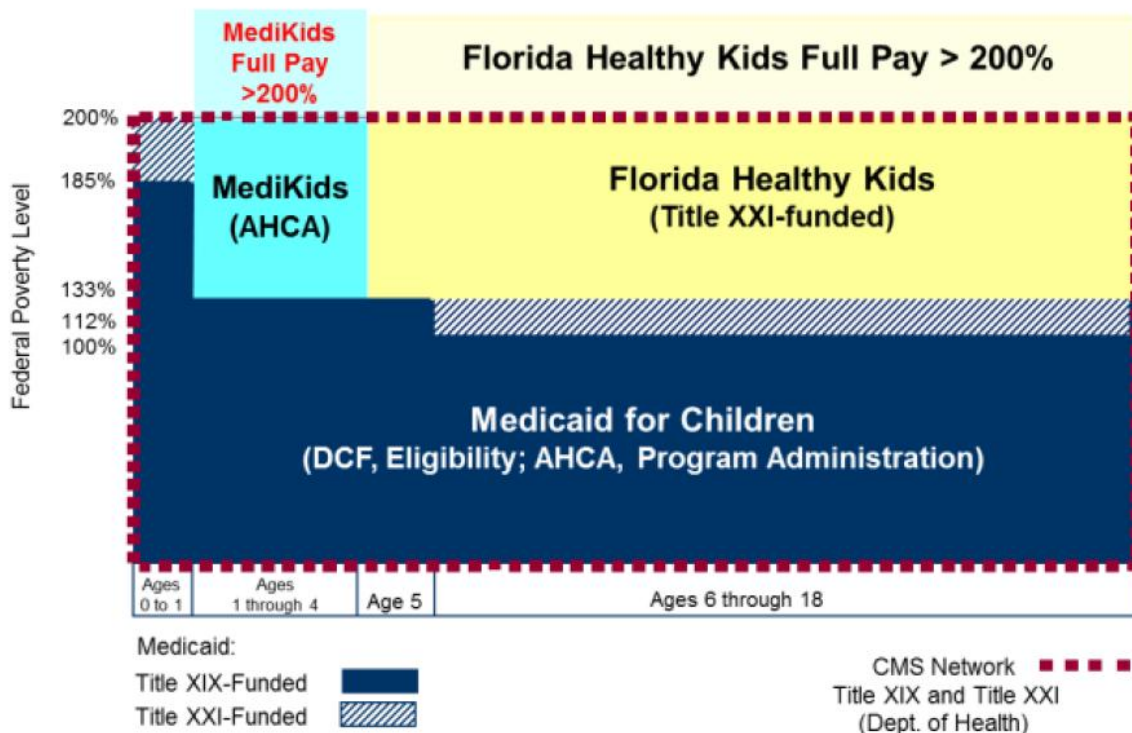
---

<sup>1</sup> Pub. L. No. 114-10, s. 301.  
**STORAGE NAME:** h0293a.HIS  
**DATE:** 1/10/2018

To enroll in Kidcare, families utilize a form that is both a Medicaid and CHIP application. Families may apply using the paper application or an online application. Both formats are available in English, Spanish, and Creole. Income eligibility is determined through electronic data matches with available databases or, in cases where income cannot be verified electronically, through submission of current pay stubs, tax returns, or W-2 forms. Children are then determined to be eligible or ineligible for the appropriate Program component based on the applicable income standards. Currently 2.4 million Florida children are enrolled in Kidcare.<sup>2</sup>

Currently, FHKC receives all KidCare applications and screens for Medicaid eligibility. Families can apply for Medicaid for children or the Title XXI programs using the KidCare application. Families may also apply for Medicaid using the DCF form, Request for Assistance. The DCF Request for Assistance form cannot be used to apply for the Title XXI programs. Families can apply for both programs online. KidCare applications for children potentially eligible for Medicaid are electronically sent to the DCF for a complete Medicaid eligibility determination. If the child is not eligible for Medicaid, FHKC is notified to continue the Title XXI eligibility determination. FHKC determines eligibility for all of the Title XXI programs.

The following chart summarizes eligibility and funding for Kidcare.<sup>3</sup>



### Florida Kidcare Coordinating Council

Per Section 409.818(2)(b), F.S., the DOH chairs the Florida KidCare Coordinating Council (Council), which reviews and makes recommendations concerning the implementation and operation of the Florida KidCare program. Council membership includes representatives from the Department of Health, the Department of Children and Families, the Agency for Health Care Administration, the Florida Healthy Kids Corporation, the Office of Insurance Regulation of the Financial Services Commission,

<sup>2</sup> Healthy Kids, *What is Florida KidCare?*, available at: <https://www.healthykids.org/kidcare/what/> (last visited December 1, 2017).

<sup>3</sup> Institute for Child Health Policy at University of Florida, *Florida KidCare Program Evaluation 2015*, available at [http://ahca.myflorida.com/medicaid/Policy\\_and\\_Quality/Policy/program\\_policy/FLKidCare/PDF/2015\\_Florida\\_Kidcare\\_Evaluation\\_Report.pdf](http://ahca.myflorida.com/medicaid/Policy_and_Quality/Policy/program_policy/FLKidCare/PDF/2015_Florida_Kidcare_Evaluation_Report.pdf) (last viewed December 15, 2017).

local government, health insurance companies, health maintenance organizations, health care providers, families participating in the program, and organizations representing low-income families. The Council has not met since 2013 and does not have any future meetings scheduled.<sup>4</sup>

### **Effect of the Bill**

HB 293 creates the Kidcare Operation Efficiency and Health Care Improvement Workgroup (Workgroup). The bill establishes the Workgroup for the purpose of maximizing the return on investment and streamlining and enhancing the operational efficiencies of the Program to provide improved health services to children.

The bill requires DOH to administratively house the Workgroup and the FHKC to convene and staff the Workgroup. Membership in the Workgroup is voluntarily and must consist of:

- A representative of the Department of Health Policy and Management, College of Public Health at the University of South Florida to serve as chair
- The President of the Florida Chapter of the American Academy of Pediatrics or his or her designee.
- The State Health Officer or his or her designee.
- The Secretary of AHCA or his or her designee, who must have a background in children's health policy.
- The assistant secretary for child welfare of the DCF or his or her designee.
- A representative of directors of the FHKC.
- A representative of the Florida Association of Children's Hospitals, Inc.
- A representative of the Florida Covering Kids and Families Coalition.
- A representative of the Florida Association of Health Plans.
- A representative of the Florida Children's Council with a background in children's health policy.
- A representative of the Florida Dental Association.
- The Director of Children's Medical Services or his or her designee.
- A parent of a child enrolled in the Florida Kidcare program.

The bill prohibits members of the workgroup from receiving compensation.

The bill requires the Workgroup to examine successful and innovate models that provide improved value and health care outcomes and provide recommendations to create greater efficiency in the Program. The bill also requires the Workgroup to submit a report on its findings and recommendations to the Governor, President of the Senate and Speaker of the House by December 31, 2018.

The bill provides an effective date of July 1, 2018.

#### **B. SECTION DIRECTORY:**

**Section 1:** Creates an unnumbered section relating to Kidcare Operation Efficiency and Health Care Improvement Workgroup.

**Section 2:** Provides an effective date of July 1, 2018.

## **II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

#### **A. FISCAL IMPACT ON STATE GOVERNMENT:**

##### **1. Revenues:**

None.

---

<sup>4</sup> Email correspondence with DOH. (On file with the Health Innovation Subcommittee)

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

FHKC may experience increased expenditures associated with convening and staffing the Workgroup.

D. FISCAL COMMENTS:

None.

### III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. The bill does not affect local government.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

Not applicable.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

### IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 10, 2018, the Health Innovation Subcommittee adopted an amendment that:

- Prohibits members of the workgroup from receiving compensation.
- Designates a representative of the Department of Health Policy and Management, College of Public Health at the University of South Florida to serve as chair.

The bill was reported favorably as a committee substitute. The analysis is drafted to the committee substitute.