

SENATE BILL No. 407

By Committee on Ways and Means

1-27

1 AN ACT concerning the state children's health insurance program; relating
2 to eligibility; updating income requirements therefor; eliminating
3 waiting period for certain persons to receive coverage; amending
4 K.S.A. 38-2001 and repealing the existing section.

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6 *Be it enacted by the Legislature of the State of Kansas:*

7 Section 1. K.S.A. 38-2001 is hereby amended to read as follows: 38-
8 2001. (a) The department of health and environment shall develop and
9 submit a plan consistent with federal guidelines established under section
10 4901 of public law 105-33-~~4~~, 42 U.S.C. § 1397aa et seq., title XXI.

11 (b) The plan developed under subsection (a) shall be a capitated
12 managed care plan covering Kansas children from zero to 19 years ~~which~~
13 *that*:

14 (1) Contains benefit levels at least equal to those for the early and
15 periodic screening, diagnosis and treatment program;

16 (2) provides for presumptive eligibility for children where applicable;

17 (3) provides continuous eligibility for 12 months once a formal
18 determination is made that a child is eligible subject to subsection (e);

19 (4) has ~~performance-based~~ *performance-based* contracting with
20 measurable outcomes indicating age appropriate utilization of plan
21 services ~~to include~~, *including*, but not limited to, such measurable services
22 as immunizations, vision, hearing and dental exams, emergency room
23 utilization, annual physical exams and asthma;

24 (5) shall use the same prior authorization standards and requirements
25 as used for health care services under medicaid to further the goal of
26 seamlessness of coverage between the two programs;

27 (6) shall provide targeted low-income children, as defined under
28 section 4901 of public law 105-33-~~4~~, 42 U.S.C. § 1397aa, et seq.),
29 coverage subject to appropriations; *and*

30 (7) shall provide coverage, subject to appropriation of funds and
31 eligibility requirements, for children residing in a household having a
32 gross household income ~~(A) for 2009, at or under 225% of the 2008~~
33 ~~federal poverty income guidelines and (B) for 2010 and subsequent years,~~
34 at or under 250% of the ~~2008~~ federal poverty income guidelines. The
35 participants receiving coverage shall contribute to the payment for such
36 coverage through a sliding-fee scale based upon ability to pay as

1 established by rules and regulations of the secretary of health and
2 environment; and

3 ~~(8) contains a provision which requires the newly enrolled~~
4 ~~participants with a family income over 200% of the federal poverty~~
5 ~~income guidelines to wait at least 8 months before participating in this~~
6 ~~program, if such participants previously had comprehensive health benefit~~
7 ~~coverage through an individual policy or a health benefit plan provided by~~
8 ~~any health insurer as defined in K.S.A. 40-4602, and amendments thereto.~~
9 ~~This waiting period provision shall not apply when the prior coverage~~
10 ~~ended due to loss of employment other than the voluntary termination,~~
11 ~~change to a new employer that does not provide an option for dependent~~
12 ~~coverage, discontinuation of health benefits to all employees, expiration of~~
13 ~~COBRA coverage period or any other situations where the prior coverage~~
14 ~~ended due to reasons unrelated to the availability of this program.~~

15 (c) The secretary of health and environment is authorized to contract
16 with entities authorized to transact health insurance business in this state to
17 implement the health insurance coverage plan pursuant to subsection (a)
18 providing for several plan options to enrollees which are coordinated with
19 federal and state child health care programs, except that when contracting
20 to provide managed mental health care services the secretary of health and
21 environment shall assure that contracted entities demonstrate the ability to
22 provide a full array of mental health services in accordance with the early
23 and periodic screening, diagnosis and treatment plan. The secretary of
24 health and environment shall not develop a request for proposal process
25 which excludes community mental health centers from the opportunity to
26 bid for managed mental health care services.

27 (d) When developing and implementing the plan in subsection (a), the
28 secretary of health and environment to the extent authorized by law:

29 (1) Shall include provisions that encourage contracting insurers to
30 utilize and coordinate with existing community health care institutions and
31 providers;

32 (2) may work with public health care providers and other community
33 resources to provide educational programs promoting healthy lifestyles
34 and appropriate use of the plan's health services;

35 (3) shall plan for outreach and maximum enrollment of eligible
36 children through cooperation with local health departments, schools, child
37 care facilities and other community institutions and providers;

38 (4) shall provide for a simplified enrollment plan;

39 (5) shall provide cost sharing as allowed by law;

40 (6) shall not count the caring program for children, the Kansas health
41 insurance association plan or any charity health care plan as insurance
42 ~~under subsection (e)(1);~~

43 (7) may provide for payment of health insurance premiums, including

1 contributions to a health savings account if applicable, and, in conjunction
2 with an employer sponsored insurance premium assistance plan, may
3 provide that supplemental benefits be purchased outside of the capitated
4 managed care plan, if it is determined cost effective, taking into account
5 the number of children to be served and the benefits to be provided;

6 (8) may provide that prescription drugs, transportation services and
7 dental services are purchased outside of the capitated managed care plan to
8 improve the efficiency, accessibility and effectiveness of the program; and

9 (9) shall include a provision that requires any individual to be a
10 citizen or an alien lawfully admitted to the United States for purposes of
11 establishing eligibility for benefits under the plan and to present
12 satisfactory documentary evidence of citizenship or lawful admission of
13 the individual. The criteria for determining whether the documentation is
14 satisfactory shall be no more restrictive than the criteria used by the social
15 security administration to determine citizenship. A document issued by a
16 federally-recognized Indian tribe evidencing membership or enrollment in,
17 or affiliation with, such tribe, such as a tribal enrollment card or certificate
18 of degree of Indian blood shall be satisfactory documentary evidence of
19 citizenship or lawful admission.

20 (e) (1) A child shall not be eligible for coverage and shall lose
21 coverage under the plan developed under subsection (a) ~~of K.S.A. 38-~~
22 ~~2001, and amendments thereto~~, if such child's family has not paid the
23 enrollee's applicable share of any premium due.

24 (2) If the family pays all of the delinquent premiums owed during the
25 year, such child ~~will~~ shall again be eligible for coverage for the remaining
26 months of the continuous eligibility period.

27 (f) The plan developed under section 4901 of public law 105-33 ~~42~~
28 ~~U.S.C. § 1397aa et seq., and amendments thereto~~ is not an entitlement
29 program. The availability of the plan benefits shall be subject to funds
30 appropriated. The secretary of health and environment shall not utilize
31 waiting lists; but shall monitor costs of the program and make necessary
32 adjustments to stay within the program's appropriations.

33 (g) Eligibility and benefits under the plan prescribed by subsection
34 (b)(7) are not and shall not be construed to be entitlements, are for legal
35 residents of the state of Kansas and are subject to availability of state and
36 federal funds and to any state and federal requirements and the provisions
37 of appropriation acts. If the secretary of health and environment
38 determines that the available federal funds and the state funds appropriated
39 are insufficient to sustain coverage for the income eligibility levels
40 prescribed by subsection (b)(7), a lower income level shall be adopted and
41 implemented by the secretary of health and environment, within the limits
42 of appropriations available therefor, and all such changes shall be
43 published by the secretary of health and environment in the Kansas

1 register.

2 Sec. 2. K.S.A. 38-2001 is hereby repealed.

3 Sec. 3. This act shall take effect and be in force from and after its

4 publication in the statute book.