

**SENATE BILL No. 271**

By Committee on Ways and Means

2-17

1 AN ACT concerning the state children's health insurance program; relating  
2 to eligibility; updating income requirements therefor; amending K.S.A.  
3 38-2001 and repealing the existing section.

4  
5 *Be it enacted by the Legislature of the State of Kansas:*

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

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

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

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

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

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

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

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

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

1 environment; and

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

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

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

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

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

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

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

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

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

42 (7) may provide for payment of health insurance premiums, including  
43 contributions to a health savings account if applicable, and, in conjunction

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

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

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

19 ~~(c) A child shall not be eligible for coverage and shall lose coverage~~  
20 ~~under the plan developed under subsection (a) of K.S.A. 38-2001, and~~  
21 ~~amendments thereto, if such child's family has not paid the enrollee's~~  
22 ~~applicable share of any premium due. If the family pays all of the~~  
23 ~~delinquent premiums owed during the year, such child will again be~~  
24 ~~eligible for coverage for the remaining months of the continuous eligibility~~  
25 ~~period.~~

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

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

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

2       Sec. 3. This act shall take effect and be in force from and after its  
3       publication in the statute book.