

**SENATE BILL No. 367**

By Committee on Financial Institutions and Insurance

1-27

10 AN ACT concerning the state children's health insurance program;  
11 amending K.S.A. 38-2004 and K.S.A. 2003 Supp. 38-2001 and repeal-  
12 ing the existing sections.

13  
14 *Be it enacted by the Legislature of the State of Kansas:*

15 Section 1. K.S.A. 2003 Supp. 38-2001 is hereby amended to read as  
16 follows: 38-2001. (a) The secretary of social and rehabilitation services  
17 shall develop and submit a plan consistent with federal guidelines estab-  
18 lished under section 4901 of public law 105-33 (42 U.S.C. 1397aa *et seq.*;  
19 title XXI).

20 (b) The plan developed under subsection (a) shall be a ~~capitated cap-~~  
21 **itated** managed care plan covering Kansas children from zero to 19 years  
22 which:

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

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

26 (3) provides continuous eligibility for 12 months once a formal de-  
27 termination is made that a child is eligible subject to subsection (e);

28 (4) has performance based contracting with measurable outcomes in-  
29 dicating age appropriate utilization of plan services to include, but not  
30 limited to, such measurable services as immunizations, vision, hearing and  
31 dental exams, emergency room utilization, annual physical exams and  
32 asthma;

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

36 (6) will provide targeted low-income children, as defined under sec-  
37 tion 4901 of public law 105-33 (42 U.S.C. 1397aa, *et seq.*), coverage sub-  
38 ject to appropriations.

39 (c) The secretary is authorized to contract with entities authorized to  
40 transact health insurance business in this state to implement the health  
41 insurance coverage plan pursuant to subsection (a) providing for several  
42 plan options to enrollees which are coordinated with federal and state  
43 child health care programs, except that when contracting to provide man-

1 aged mental health care services the secretary shall assure that contracted  
2 entities demonstrate the ability to provide a full array of mental health  
3 services in accordance with the early and periodic screening, diagnosis  
4 and treatment plan. The secretary shall not develop a request for proposal  
5 process which excludes community mental health centers from the op-  
6 portunity to bid for managed mental health care services.

7 (d) When developing and implementing the plan in subsection (a),  
8 the secretary to the extent authorized by law:

9 (1) Shall include provisions that encourage contracting insurers to  
10 utilize and coordinate with existing community health care institutions  
11 and providers;

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

15 (3) shall plan for outreach and maximum enrollment of eligible chil-  
16 dren through cooperation with local health departments, schools, child  
17 care facilities and other community institutions and providers;

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

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

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

23 (7) may provide for payment of health insurance premiums, including  
24 contributions to a medical savings account if applicable, if it is determined  
25 cost effective, taking into account the number of children to be served  
26 and the benefits to be provided; *and*

27 (8) ***may provide that prescription drugs, transportation services***  
28 ***and dental services are purchased outside of the capitated managed***  
29 ***care plan to improve the efficiency, accessibility and effectiveness***  
30 ***of the program.***

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

35 If the family pays all of the delinquent premiums owed during the year,  
36 such child will again be eligible for coverage for the remaining months  
37 of the continuous eligibility period.

38 (f) The plan developed under section 4901 of public law 105-33 (42  
39 U.S.C. 1397aa *et seq.*, and amendments thereto) is not an entitlement  
40 program. The availability of the plan benefits shall be subject to funds  
41 appropriated. The secretary shall not utilize waiting lists, but shall monitor  
42 costs of the program and make necessary adjustments to stay within the  
43 program's appropriations.

1     Sec. 2. K.S.A. 38-2004 is hereby amended to read as follows: 38-  
2 2004. The secretary in contracting for ~~capitated~~ **capitated** managed  
3 health care for children shall include in the pool of persons to be covered  
4 those eligible children covered by the Kansas medicaid program as law  
5 allows.

6     Sec. 3. K.S.A. 38-2004 and K.S.A. 2003 Supp. 38-2001 are hereby  
7 repealed.

8     Sec. 4. This act shall take effect and be in force from and after its  
9 publication in the statute book.