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HOUSE BILL NO. 2209

Offered January 10, 2001

Prefiled January 10, 2001

A BILL to amend and reenact § 32.1-351 of the Code of Virginia, as it is currently effective and as it may become effective, relating to children's health insurance.

Patrons—Van Landingham, Bloxom, Brink, Cranwell, Diamonstein, Hull, Johnson, Morgan, Scott, Spruill, Tate and Watts

Referred to Committee on Health, Welfare and Institutions

Be it enacted by the General Assembly of Virginia:

1. That § 32.1-351 of the Code of Virginia, as it is currently effective and as it may become effective, is amended and reenacted as follows:

§ 32.1-351. Virginia Children's Medical Security Insurance Plan established.

A. The Department of Medical Assistance Services shall develop, implement and administer the Virginia Children's Medical Security Insurance Plan to provide coverage for individuals, up to the age of nineteen, when such individuals (i) have family incomes at or below 200 percent of the federal poverty level, as set forth in the appropriation act, and (ii) are otherwise eligible for such benefits in compliance with Title XXI of the Social Security Act, as amended, and the Commonwealth's plan for the State Children's Health Insurance Program (SCHIP) as established in Subtitle J of the federal Balanced Budget Act of 1997 (P. L. 105-33).

B. The Department of Medical Assistance Services shall develop and submit to the federal Secretary of Health and Human Services a Title XXI plan for this program and may revise such plan as may be necessary. Such plan and any subsequent revisions shall comply with the requirements of federal law, this chapter, and any conditions set forth in the appropriation act.

C. Funding for this program shall be provided through state and federal appropriations and may include appropriations of any funds which may be generated through the Virginia Children's Medical Security Insurance Plan Trust Fund.

D. The Board of Medical Assistance Services shall promulgate such regulations pursuant to the Administrative Process Act (§ 9-6.14:1 et seq.) as may be necessary for the implementation and administration of the program. *The regulations shall include a provision allowing a child's application to be filed by a parent, legal guardian or any other adult caretaker who is familiar with the child's circumstances.*

§ 32.1-351. Family Access to Medical Insurance Security Plan established.

A. The Department of Medical Assistance Services shall amend the Virginia Children's Medical Security Insurance Plan to be renamed the Family Access to Medical Insurance Security (FAMIS) Plan. The Department of Medical Assistance Services shall provide coverage under the Family Access to Medical Insurance Security Plan for individuals, up to the age of nineteen, when such individuals (i) have family incomes at or below 200 percent of the federal poverty level or were enrolled on the date of federal approval of Virginia's FAMIS Plan in the Children's Medical Security Insurance Plan (CMSIP); such individuals shall continue to be enrolled in FAMIS for so long as they continue to meet the eligibility requirements of CMSIP; (ii) are not eligible for medical assistance services pursuant to Title XIX of the Social Security Act, as amended; (iii) are not covered under a group health plan or under health insurance coverage, as defined in § 2791 of the Public Health Service Act (42 U.S.C. 300gg-91(a) and (b) (1)); (iv) have been without health insurance for at least six months or meet the exceptions as set forth in the Virginia Plan for Title XXI of the Social Security Act, as amended; and (v) meet both the requirements of Title XXI of the Social Security Act, as amended, and the Family Access to Medical Insurance Security Plan.

B. Family Access to Medical Insurance Security Plan participants whose incomes are above 150 percent of the federal poverty level shall participate in cost-sharing to the extent allowed under Title XXI of the Social Security Act, as amended, and as set forth in the Virginia Plan for Title XXI of the Social Security Act. The annual aggregate cost-sharing for all eligible children in a family at or above 150 percent of the federal poverty level shall not exceed five percent of the family's gross income or as allowed by federal law and regulations. Cost-sharing for all eligible children in a family between 100 percent and 150 percent of federal poverty level shall be limited to nominal copayments and the annual aggregate cost-sharing shall not exceed 2.5 percent of the family's gross income. Cost-sharing shall not be required for well-child and preventive services including age-appropriate child immunizations.

C. The Family Access to Medical Insurance Security Plan shall provide comprehensive health care

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58 benefits to program participants, including well-child and preventive services, to the extent required to
59 comply with federal requirements of Title XXI of the Social Security Act. These benefits shall include
60 comprehensive medical, dental, vision, mental health, and substance abuse services, and physical
61 therapy, occupational therapy, speech-language pathology, and skilled nursing services for special
62 education students.

63 D. The Virginia Plan for Title XXI of the Social Security Act shall include a provision that
64 participants in the Family Access to Medical Insurance Security Plan who have access to
65 employer-sponsored health insurance coverage, as defined in § 32.1-351.1, may, but shall not be required
66 to, enroll in an employer's health plan, and the Department of Medical Assistance Services or its
67 designee shall make premium payments to such employer's plan on behalf of eligible participants if the
68 Department of Medical Assistance Services or its designee determines that such enrollment is
69 cost-effective, as defined in § 32.1-351.1. The Family Access to Medical Insurance Security Plan shall
70 provide for benefits not included in the employer-sponsored health insurance benefit plan through
71 supplemental insurance equivalent to the comprehensive health care benefits provided in subsection C.

72 E. The Family Access to Medical Insurance Security Plan shall ensure that coverage under this
73 program does not substitute for private health insurance coverage.

74 F. The health care benefits provided under the Family Access to Medical Insurance Security Plan
75 shall be through existing Department of Medical Assistance Services' contracts with health maintenance
76 organizations and other providers, or through new contracts with health maintenance organizations,
77 health insurance plans, other similarly licensed entities, or other entities as deemed appropriate by the
78 Department of Medical Assistance Services, or through employer-sponsored health insurance.

79 G. The Department of Medical Assistance Services may establish a centralized processing site for the
80 administration of the program to include responding to inquiries, distributing applications and program
81 information, and receiving and processing applications. *The Family Access to Medical Insurance Security*
82 *Plan shall include a provision allowing a child's application to be filed by a parent, legal guardian or*
83 *any other adult caretaker who is familiar with the child's circumstances.* The Department of Medical
84 Assistance Services may contract with third-party administrators to provide any additional administrative
85 services. Duties of the third-party administrators may include, but shall not be limited to, enrollment,
86 outreach, eligibility determination, data collection, premium payment and collection, financial oversight
87 and reporting, and such other services necessary for the administration of the Family Access to Medical
88 Insurance Security Plan. Any centralized processing site shall determine a child's eligibility for either
89 Title XIX or Title XXI and shall enroll eligible children in Title XIX or Title XXI. In the event that an
90 application is denied, the applicant shall be notified of any services available in his locality that can be
91 accessed by contacting the local department of social services.

92 H. The Virginia Plan for Title XXI of the Social Security Act, as amended, shall include a provision
93 that, in addition to any centralized processing site, local social services agencies shall provide and accept
94 applications for the Family Access to Medical Insurance Security Plan and shall assist families in the
95 completion of applications. Contracting health plans, providers, and others may also provide applications
96 for the Family Access to Medical Insurance Security Plan and may assist families in completion of the
97 applications.

98 I. The Department of Medical Assistance Services shall develop and submit to the federal Secretary
99 of Health and Human Services an amended Title XXI plan for the Family Access to Medical Insurance
100 Security Plan and may revise such plan as may be necessary. Such plan and any subsequent revisions
101 shall comply with the requirements of federal law, this chapter, and any conditions set forth in the
102 appropriation act. In addition, the plan shall provide for coordinated implementation of publicity,
103 enrollment, and service delivery with existing local programs throughout the Commonwealth that
104 provide health care services, educational services, and case management services to children. In
105 developing and revising the plan, the Department of Medical Assistance Services shall advise and
106 consult with the Joint Commission on Health Care and shall provide quarterly reports on enrollment,
107 policies affecting enrollment, such as the exceptions that apply to the six months' prior coverage
108 limitation referenced in subsection A of this section, benefit levels, outreach efforts, including efforts to
109 enroll uninsured children of former Temporary Assistance to Needy Families (TANF) recipients, and
110 other topics.

111 J. Funding for the Family Access to Medical Insurance Security Plan shall be provided through state
112 and federal appropriations and shall include appropriations of any funds which may be generated
113 through the Virginia Family Access to Medical Insurance Security Plan Trust Fund.

114 K. The Board of Medical Assistance Services, or the Director, as the case may be, shall adopt,
115 promulgate, and enforce such regulations pursuant to the Administrative Process Act (§ 9-6.14:1 et seq.)
116 as may be necessary for the implementation and administration of the Family Access to Medical
117 Insurance Security Plan.

118 L. Children enrolled in the Virginia Plan for Title XXI of the Social Security Act prior to
119 implementation of these amendments shall continue their eligibility under the Family Access to Medical

120 Insurance Security Plan and shall be given reasonable notice of any changes in their benefit packages.
121 Continuing eligibility in the Family Access to Medical Insurance Security Plan for children enrolled in
122 the Virginia Plan for Title XXI of the Social Security Act prior to implementation of these amendments
123 shall be determined in accordance with their regularly scheduled review dates or pursuant to changes in
124 income status. Families may select among the options available pursuant to subsections D and F of this
125 section.
126 M. The provisions of Chapter 9 (§ 32.1-310 et seq.) of this title relating to the regulation of medical
127 assistance shall apply, mutatis mutandis, to the Family Access to Medical Insurance Security Plan.