

HOUSE BILL NO. HB0064

Child health insurance.

Sponsored by: Joint Labor, Health and Social Services
Interim Committee

A BILL

for

1 AN ACT relating to the child health insurance program;
2 repealing and recreating the child health insurance program
3 to provide for the establishment of a private health
4 insurance program for uninsured children as specified;
5 reauthorizing the health benefits committee; providing an
6 appropriation; and providing for an effective date.

7

8 *Be It Enacted by the Legislature of the State of Wyoming:*

9

10 **Section 1.** W.S. 35-25-101 through 35-25-108 are
11 repealed and recreated to read:

12

13 **35-25-101. Uninsured child health insurance program.**

14

15 There is created a child health insurance program for
16 families with a gross monthly income at or below one

1 hundred eighty-five percent (185%) of the federal poverty
2 level, until July 1, 2005, and thereafter, for families
3 with a gross monthly income at or below two hundred percent
4 (200%) of the federal poverty level.

5

6 **35-25-102. Definitions.**

7

8 (a) As used in this act:

9

10 (i) "Child" means a person who has not yet
11 reached the nineteenth anniversary of his birth;

12

13 (ii) "Department" means the department of
14 health;

15

16 (iii) "Federal poverty level" means the federal
17 poverty guideline updated annually in the federal register
18 by the United States department of health and human
19 services under the authority of section 673(2) of the
20 Omnibus Budget Reconciliation Act of 1981;

21

22 (iv) "Private health insurance" means an
23 individual insurance policy or contract for the purpose of

1 paying for or reimbursing the cost of hospital and medical
2 care;

3

4 (v) "State plan" means the state plan required
5 by Public Law 105-33 to be submitted by the state to the
6 United States secretary of health and human services to
7 receive federal funding for a child health insurance
8 program;

9

10 (vi) "This act" means W.S. 35-25-101 through
11 35-25-108.

12

13 **35-25-103. Child health insurance program**
14 **eligibility.**

15

16 Subject to approval of the state plan by the United States
17 secretary of health and human services, and subject to
18 available state and federal funding the department shall
19 provide a health insurance plan offered through a private
20 insurance company licensed by the insurance commissioner to
21 write insurance in Wyoming for an eligible child whose
22 monthly gross family income is not more than one hundred
23 eighty-five percent (185%) of the federal poverty level,
24 until July 1, 2005, and thereafter, whose monthly gross

1 family income is not more than two hundred percent (200%)
2 of the federal poverty level. A child who is determined
3 eligible to receive benefits under this section shall
4 remain eligible for twelve (12) months as long as the child
5 resides in the state of Wyoming and has not yet attained
6 nineteen (19) years of age. A child's eligibility to
7 receive benefits under this act shall be redetermined on an
8 annual basis. A simplified application process, which
9 includes minimum eligibility requirements, shall be
10 provided throughout the state at various public and private
11 establishments approved by the department of health. To be
12 determined eligible to receive benefits under this section,
13 a child shall not be eligible under the Wyoming Medical
14 Assistance and Services Act, shall not have been covered
15 under another health insurance plan for a minimum of one
16 (1) month prior to application for coverage under this act
17 or, upon birth, the child would not otherwise be covered by
18 a public or private health insurance plan. Eligibility
19 under this section shall be determined by the department of
20 health or its designee.

21

22 **35-25-104. Private insurance program benefits.**

23

1 A child eligible for services under this act shall receive
2 benefits developed by the health benefits committee
3 established under W.S. 35-25-105 that include cost sharing
4 factors, not to exceed the maximum allowable under Public
5 Law 105-33, exclusions and limitations. The benefit package
6 shall include, at a minimum, inpatient and outpatient
7 hospital services, physician services, laboratory and x-ray
8 services, well-baby and well-child care including age
9 appropriate immunizations and the additional services of
10 prescription drug coverage, vision coverage and dental
11 coverage which will include preventive and basic services
12 developed by the health benefits committee.

13

14 **35-25-105. Health benefits plan committee.**

15

16 (a) A health benefits plan committee is hereby
17 established and shall be composed of ten (10) members,
18 which include:

19

20 (i) The director of the Wyoming department of
21 health or his designee;

22

23 (ii) The director of the Wyoming department of
24 family services or his designee;

1

2 (iii) The Wyoming insurance commissioner or his
3 designee;

4

5 (iv) One (1) representative each, appointed by
6 the governor, consisting of:

7

8 (A) An authorized insurer writing
9 individual and group health insurance business in Wyoming;

10

11 (B) An employer;

12

13 (C) A parent;

14

15 (D) A licensed insurance agent experienced
16 in selling health insurance;

17

18 (E) A licensed physician who specializes in
19 pediatric care or family medicine;

20

21 (F) A licensed health care provider
22 experienced in providing pediatric care; and

23

24 (G) A member of the general public.

1

2 (b) The terms of the committee members appointed by
3 the governor shall be four (4) years. Members of the
4 committee appointed prior to July 1, 2003 may continue to
5 serve the remainder of their terms. The committee shall
6 review on at least a biennial basis the form and level of
7 benefits to be made available pursuant W.S. 35-25-104.

8

9 (c) The committee shall develop a package of benefits
10 as allowed by section 2103(a)(4) of Public Law 105-33,
11 including cost sharing factors, exclusions and limitations.

12

13 (d) The committee shall submit its recommendations to
14 the director of the department for approval no later than
15 October 1, 2003, and at least biennially thereafter.

16

17 (e) Members of the committee shall be reimbursed for
18 travel and per diem in the same manner as state employees.
19 Members may also be reimbursed for any committee-related
20 expenses which receive prior approval by the department.
21 Members shall not be otherwise compensated for their
22 services.

23

24 (f) Committee meetings shall be open to the public.

1

2 **35-25-106. Private health insurance plan request for**
3 **proposals.**

4

5 (a) The department shall publish notice of a request
6 for proposals from qualified insurers to provide a health
7 insurance plan for children insured under W.S. 35-25-103 of
8 this act. The department shall award the contract for this
9 service to an insurer based on price, the provision of
10 benchmark services determined pursuant to W.S.
11 35-25-105(c), and other factors listed in the department's
12 request. The contract for health insurance awarded under
13 this section shall contain provisions with respect to
14 exclusions from coverage for preexisting conditions that
15 are no more restrictive than those described in section
16 2102 (b) (1) (B) (ii) of Public Law 105-33. The contract
17 shall include provisions for changes in terms and
18 conditions and for rebidding in case major changes are
19 needed. The department shall have the right to rebid the
20 contract after two (2) years.

21

22 (b) Biennially, the department may allow the
23 contractor to adjust the price charged for the coverage,

1 but if the price is increased, the department may, after
2 public notice, rebid the contract.

3

4 (c) If the department does not receive a proposal
5 from an insurance company within one hundred twenty (120)
6 days after issuing the request for proposals required in
7 subsection (a) of this section, the department may provide
8 services to children eligible under this act with a public
9 health benefit package designed to provide the same
10 services as authorized under the Wyoming Medical Assistance
11 and Services Act. A medical provider who accepts payment
12 for services provided under this subsection shall not
13 charge or attempt to collect payments in excess of the rate
14 schedule established by the department of health.

15

16 **35-25-107. Program expenditures; monitoring;**
17 **recommendations; required action to limit expenditures to**
18 **budget available.**

19

20 (a) The department shall project monthly expenditures
21 under this act each month through the end of the biennium
22 based upon the level of activity for the previous months
23 and the trend in expenditures compared to previous
24 expenditures. If the projections indicate that expenditures

1 may exceed the federal and state funds available under this
2 act, the department, may, by rule and regulation and
3 subject to availability of funds, limit participation in
4 the program under this section as follows:

5

6 (i) The department may impose a partial or total
7 moratorium on new enrollments in the programs under this
8 act until funds are available to meet the needs of new
9 enrollees;

10

11 (ii) For current recipients of benefits under
12 this act, priority for the continuation of funding shall be
13 given to those families with the lowest incomes.

14

15 (b) In the last six (6) months of the biennium, the
16 department shall include a projection of expenditures for
17 the next biennium based on the spending for the current
18 biennium unless the legislature provides for a different
19 level of funding for the next biennium.

20

21 (c) The funding for the child health insurance
22 program shall be deemed to be included within the community
23 and family health division line item within the department
24 of health budget unless a separate line item is provided in

1 the budget bill. General fund expenditures for the child
2 health program shall not exceed the amount needed to match
3 federal funds without explicit authorization enacted in the
4 budget bill.

5

6 **35-25-108. Implementation; duties; restrictions on**
7 **the department of health.**

8

9 (a) The department shall:

10

11 (i) Administer this act within the fiscal
12 constraints of Public Law 105-33 and subsequent federal
13 enactments governing this program and the state budget as
14 enacted by the legislature;

15

16 (ii) Develop a state plan for child health
17 insurance to qualified recipients under this act and
18 otherwise provide for the effective administration of this
19 act;

20

21 (iii) Maintain records on the administration of
22 this act and report to the federal government as required
23 by federal law and regulation;

24

1 (iv) Adopt, amend and rescind rules and
2 regulations on the administration of this act following
3 notice and public hearing in accordance with the Wyoming
4 Administrative Procedure Act;

5

6 (v) Establish indicators for measuring access,
7 process, quality and outcomes effectiveness in improving
8 children's health.

9

10 (b) The department shall not implement:

11

12 (i) The program under this act until a state
13 plan has been approved by the United States secretary of
14 health and human services; and

15

16 (ii) Any state plan that does not conform to the
17 requirements of this act.

18

19 **Section 2.** W.S. 35-25-109 and 35-25-110 are repealed.

20

21 **Section 3.** Notwithstanding W.S. 35-25-108(b), as
22 recreated in section 1 of this act, if the department has
23 not received federal approval of the state plan required
24 under W.S. 35-25-108(a)(ii), as recreated in section 1 of

1 this act, by July 1, 2003, the department shall continue to
2 provide services under the child health insurance program
3 as authorized by the legislature in 1999 Wyoming session
4 laws, chapter 137, to children found eligible for services
5 under W.S. 35-25-103, as created by that act until the plan
6 required under W.S. 35-25-108(a)(ii), as recreated in
7 section 1 of this act receives federal approval and is
8 ready for implementation by the department. The department
9 shall certify the date of the federal approval of the state
10 plan, and submit a copy of the approval, to the governor
11 and the joint labor, health and social services interim
12 committee. The governor shall certify to the secretary of
13 state that the state plan has been approved and the date
14 the department has begun implementing the child health
15 insurance program as authorized under this act.

16

17 **Section 4.**

18

19 (a) In addition to any other appropriation to
20 implement the child health insurance program, there is
21 appropriated to the department of health to implement the
22 purposes of this act for the fiscal year beginning July 1,
23 2003:

24

1 (i) Six hundred fifty-seven thousand nine
2 hundred ninety-one dollars (\$657,991.00) from the general
3 fund; and

4

5 (ii) One million seven hundred sixty thousand
6 two hundred six dollars (\$1,760,206.00) from federal funds.

7

8 **Section 5.** This act is effective July 1, 2003.

9

10

(END)