HOUSE BILL NO. HB0120

CHIP-state administration.

Sponsored by: Joint Appropriations Committee

A BILL

for

- 1 AN ACT relating to the child health insurance program;
- 2 authorizing the program to be provided by the state or by a
- 3 private insurance company; amending charge and collection
- 4 limits; discontinuing the CHIP health benefits plan
- 5 committee; making conforming amendments; and providing for
- 6 an effective date.

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

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- 10 **Section 1.** W.S. 35-25-103, 35-25-104(a)(intro),
- 11 35-25-106(a) and (b) and 35-25-108(b)(i) are amended to
- 12 read:

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- 14 35-25-103. Child health insurance program
- 15 eligibility; services by department or private health

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16 insurance.

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2 (a) Subject to approval of the state plan by the 3 United States secretary of health and human services, and 4 subject to available state and federal funding the department shall provide a health insurance plan offered 5 through a private insurance company licensed by the 6 insurance commissioner to write insurance in Wyoming for an 7 8 eligible child whose monthly gross family income is not 9 more than one hundred eighty-five percent (185%) of the 10 federal poverty level, until July 1, 2005, and thereafter, 11 whose monthly gross family income is not more than two 12 hundred percent (200%) of the federal poverty level. child who is determined eligible to receive benefits under 13 this section shall remain eligible for twelve (12) months 14 15 as long as the child resides in the state of Wyoming and 16 has not yet attained nineteen (19) years of age. A child's 17 eligibility to receive benefits under this act shall be redetermined on an annual basis. A simplified application 18 19 process, which includes minimum eligibility requirements, 20 shall be provided throughout the state at various public 21 and private establishments approved by the department of health. To be determined eligible to receive benefits under 22 23 this section, a child shall not be eligible under the

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1 Wyoming Medical Assistance and Services Act, shall not have

2 been covered under another health insurance plan for a

3 minimum of one (1) month prior to application for coverage

4 under this act or, upon birth, the child would not

5 otherwise be covered by a public or private health

6 insurance plan. Eligibility under this section shall be

7 determined by the department of health or its designee.

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(b) The child health insurance plan required by 9 10 subsection (a) of this section shall be provided either 11 through a private health insurance company licensed by the 12 insurance commissioner to write insurance in Wyoming or by 13 the department of health's division responsible for administering the Medicaid program. The department's 14 15 division shall be used to provide the insurance plan only 16 if it can provide the plan at a lower cost than can a qualified private insurance company or if use of the 17 division will otherwise accrue more benefits to the state 18 19 than will use of a private insurance company. If the child 20 health insurance plan required by subsection (a) of this 21 section is provided through the department's division, the department shall competitively procure the contract at 22 <u>least once every five (5) years. In awarding the contract</u> 23

- 1 the department shall compare the cost of operating the
- 2 program through a private insurance company to a forecasted
- 3 <u>state administered alternative.</u>

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- 5 (c) A medical provider who accepts payment for
- 6 services provided under this section shall not charge or
- 7 attempt to collect payments in excess of a rate schedule
- 8 established by the department or in excess of rates
- 9 negotiated with a private health insurance company who is
- 10 offering child health insurance pursuant to this act.

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12 35-25-104. Program benefits.

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- 14 (a) A child eligible for services under this act
- 15 shall receive benefits developed by the health benefits
- 16 committee established under W.S. 35-25-105 department as
- 17 allowed by 42 U.S.C. 1397cc et seq. and that include:

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- 19 35-25-106. Private health insurance plan request for
- 20 proposals.

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- 22 (a) If the child health insurance plan required by
- 23 W.S. 35-25-103 is provided through a private health

1 insurance company, the department shall publish notice of 2 <u>issue</u> a request for proposals from qualified insurers to 3 provide a health insurance plan for children insured under 4 W.S. 35-25-103 of this act not less than once every five (5) years, in addition to the requirements set forth in 5 W.S. 35-25-103(b). The department shall award the contract 6 for this service to an insurer based on price, the 7 provision of benchmark required services 8 determined 9 pursuant to W.S. 35-25-105(c), and other factors listed in 10 the department's request for proposals. The A contract for health insurance awarded under this section shall contain 11 provisions with respect to exclusions from coverage for 12 preexisting conditions that are no more restrictive than 13 those described in 42 U.S.C. 1397bb(b)(1)(B)(ii). 14 The 15 contract shall include provisions for changes in terms and 16 conditions and for rebidding in case major changes are 17 needed. The department shall have the right to rebid the 18 contract after two (2) years.

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20 (b) Biennially, the department may allow the a
21 contractor providing child health insurance pursuant to
22 subsection (a) of this section to adjust the price charged
23 for the coverage, but if the price is increased, the

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(END)