ENROLLED ACT NO. 58, HOUSE OF REPRESENTATIVES

FIFTY-SEVENTH LEGISLATURE OF THE STATE OF WYOMING 2003 GENERAL SESSION

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

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

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 W.S. 35-25-101 through 35-25-108 are repealed and recreated to read:

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

There is created a child health insurance program for families with a gross monthly income at or below one hundred eighty-five percent (185%) of the federal poverty level, until July 1, 2005, and thereafter, for families with a gross monthly income at or below two hundred percent (200%) of the federal poverty level.

35-25-102. Definitions.

- (a) As used in this act:
- (i) "Child" means a person who has not yet reached the nineteenth anniversary of his birth;
- (ii) "Department" means the department of
 health;
- (iii) "Federal poverty level" means the federal poverty guideline updated annually in the federal register by the United States department of health and human

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services under the authority of section 673(2) of the Omnibus Budget Reconciliation Act of 1981;

- (iv) "Private health insurance" means an individual insurance policy or contract for the purpose of paying for or reimbursing the cost of hospital and medical care;
- (v) "State plan" means the state plan required by Public Law 105-33 to be submitted by the state to the United States secretary of health and human services to receive federal funding for a child health insurance program;
- (vi) "This act" means W.S. 35-25-101 through 35-25-108.

35-25-103. Child health insurance program eligibility.

Subject to approval of the state plan by the United States secretary of health and human services, and subject to available state and federal funding the department shall provide a health insurance plan offered through a private insurance company licensed by the insurance commissioner to write insurance in Wyoming for an eligible child whose monthly gross family income is not more than one hundred eighty-five percent (185%) of the federal poverty level, until July 1, 2005, and thereafter, whose monthly gross family income is not more than two hundred percent (200%) of the federal poverty level. A child who is determined eligible to receive benefits under this section shall remain eligible for twelve (12) months as long as the child resides in the state of Wyoming and has not yet attained nineteen (19) years of age. A child's eligibility to receive benefits under this act shall be redetermined on an

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annual basis. A simplified application process, which includes minimum eligibility requirements, shall be provided throughout the state at various public and private establishments approved by the department of health. To be determined eligible to receive benefits under this section, a child shall not be eligible under the Wyoming Medical Assistance and Services Act, shall not have been covered under another health insurance plan for a minimum of one (1) month prior to application for coverage under this act or, upon birth, the child would not otherwise be covered by a public or private health insurance plan. Eligibility under this section shall be determined by the department of health or its designee.

35-25-104. Private insurance program benefits.

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

35-25-105. Health benefits plan committee.

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

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- (i) The director of the Wyoming department of health or his designee;
- (ii) The director of the Wyoming department of family services or his designee;
- (iii) The Wyoming insurance commissioner or his designee;
- (iv) One (1) representative each, appointed by the governor, consisting of:
- (A) An authorized insurer writing individual and group health insurance business in Wyoming;
 - (B) An employer;
 - (C) A parent;
- (D) A licensed insurance agent experienced in selling health insurance;
- (E) A licensed physician who specializes in pediatric care or family medicine;
- (F) A licensed health care provider experienced in providing pediatric care; and
 - (G) A member of the general public.
- (b) The terms of the committee members appointed by the governor shall be four (4) years. Members of the committee appointed prior to July 1, 2003 may continue to serve the remainder of their terms. The committee shall review on at least a biennial basis the form and level of benefits to be made available pursuant W.S. 35-25-104.

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- (c) The committee shall develop a package of benefits as allowed by section 2103(a)(4) of Public Law 105-33, including cost sharing factors, exclusions and limitations.
- (d) The committee shall submit its recommendations to the director of the department for approval no later than October 1, 2003, and at least biennially thereafter.
- (e) Members of the committee shall be reimbursed for travel and per diem in the same manner as state employees. Members may also be reimbursed for any committee-related expenses which receive prior approval by the department. Members shall not be otherwise compensated for their services.
 - (f) Committee meetings shall be open to the public.

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

The department shall publish notice of a request for proposals from qualified insurers to provide a health insurance plan for children insured under W.S. 35-25-103 of this act. The department shall award the contract for this service to an insurer based on price, the provision of benchmark services determined pursuant 35-25-105(c), and other factors listed in the department's request. The contract for health insurance awarded under this section shall contain provisions with respect to exclusions from coverage for preexisting conditions that are no more restrictive than those described in section 2102 (b)(1)(B)(ii) of Public Law 105-33. The contract shall include provisions for changes in terms conditions and for rebidding in case major changes are

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needed. The department shall have the right to rebid the contract after two (2) years.

- (b) Biennially, the department may allow the contractor to adjust the price charged for the coverage, but if the price is increased, the department may, after public notice, rebid the contract.
- (c) If the department does not receive a proposal from an insurance company within one hundred twenty (120) days after issuing the request for proposals required in subsection (a) of this section, the department may provide services to children eligible under this act with a public health benefit package designed to provide the same services as authorized under the Wyoming Medical Assistance and Services Act. A medical provider who accepts payment for services provided under this subsection shall not charge or attempt to collect payments in excess of the rate schedule established by the department of health.

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

- (a) The department shall project monthly expenditures under this act each month through the end of the biennium based upon the level of activity for the previous months and the trend in expenditures compared to previous expenditures. If the projections indicate that expenditures may exceed the federal and state funds available under this act, the department, may, by rule and regulation and subject to availability of funds, limit participation in the program under this section as follows:
- (i) The department may impose a partial or total moratorium on new enrollments in the programs under this

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act until funds are available to meet the needs of new enrollees;

- (ii) For current recipients of benefits under this act, priority for the continuation of funding shall be given to those families with the lowest incomes.
- (b) In the last six (6) months of the biennium, the department shall include a projection of expenditures for the next biennium based on the spending for the current biennium unless the legislature provides for a different level of funding for the next biennium.
- (c) The funding for the child health insurance program shall be deemed to be included within the community and family health division line item within the department of health budget unless a separate line item is provided in the budget bill. General fund expenditures for the child health program shall not exceed the amount needed to match federal funds without explicit authorization enacted in the budget bill.

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

- (a) The department shall:
- (i) Administer this act within the fiscal constraints of Public Law 105-33 and subsequent federal enactments governing this program and the state budget as enacted by the legislature;
- (ii) Develop a state plan for child health insurance to qualified recipients under this act and otherwise provide for the effective administration of this act;

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- (iii) Maintain records on the administration of this act and report to the federal government as required by federal law and regulation;
- (iv) Adopt, amend and rescind rules and regulations on the administration of this act following notice and public hearing in accordance with the Wyoming Administrative Procedure Act;
- (v) Establish indicators for measuring access, process, quality and outcomes effectiveness in improving children's health.
 - (b) The department shall not implement:
- (i) The program under this act until a state plan has been approved by the United States secretary of health and human services; and
- (ii) Any state plan that does not conform to the requirements of this act.
 - **Section 2.** W.S. 35-25-109 and 35-25-110 are repealed.
- **Section 3.** Notwithstanding W.S. 35-25-108(b), as recreated in section 1 of this act, if the department has not received federal approval of the state plan required under W.S. 35-25-108(a)(ii), as recreated in section 1 of this act, by July 1, 2003, the department shall continue to provide services under the child health insurance program as authorized by the legislature in 1999 Wyoming session laws, chapter 137, to children found eligible for services under W.S. 35-25-103, as created by that act until the plan required under W.S. 35-25-108(a)(ii), as recreated in section 1 of this act receives federal approval and is

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ready for implementation by the department. The department shall certify the date of the federal approval of the state plan, and submit a copy of the approval, to the governor and the joint labor, health and social services interim committee. The governor shall certify to the secretary of state that the state plan has been approved and the date the department has begun implementing the child health insurance program as authorized under this act.

Section 4.

- (a) In addition to any other appropriation to implement the child health insurance program, there is appropriated to the department of health to implement the purposes of this act for the fiscal year beginning July 1, 2003:
- (i) Six hundred fifty-seven thousand nine hundred ninety-one dollars (\$657,991.00) from the general fund; and
- (ii) One million seven hundred sixty thousand two hundred six dollars (\$1,760,206.00) from federal funds.

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

(END)

Speaker of the House	President of the Senate
Governo	r
TIME APPROVED: _ DATE APPROVED: _	
I hereby certify that this act or	riginated in the House.
Chief Clerk	