



## 97TH GENERAL ASSEMBLY

### State of Illinois

2011 and 2012

HB3260

Introduced 2/24/2011, by Rep. Michael W. Tryon

#### SYNOPSIS AS INTRODUCED:

215 ILCS 170/20

Amends the Covering ALL KIDS Health Insurance Act. In the provision concerning eligibility, provides that the Department of Healthcare and Family Services, in cooperation with the Department of Human Services, shall develop and implement procedures in administration of the Covering ALL KIDS Health Insurance Program to require certain proofs of eligibility from applicants. Effective immediately.

LRB097 09430 RPM 49565 b

1 AN ACT concerning insurance.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Covering ALL KIDS Health Insurance Act is  
5 amended by changing Section 20 as follows:

6 (215 ILCS 170/20)

7 (Section scheduled to be repealed on July 1, 2016)

8 Sec. 20. Eligibility.

9 (a) To be eligible for the Program, a person must be a  
10 child:

11 (1) who is a resident of the State of Illinois;

12 (2) who is ineligible for medical assistance under the  
13 Illinois Public Aid Code or benefits under the Children's  
14 Health Insurance Program Act;

15 (3) either (i) who has been without health insurance  
16 coverage for 12 months, (ii) whose parent has lost  
17 employment that made available affordable dependent health  
18 insurance coverage, until such time as affordable  
19 employer-sponsored dependent health insurance coverage is  
20 again available for the child as set forth by the  
21 Department in rules, (iii) who is a newborn whose  
22 responsible relative does not have available affordable  
23 private or employer-sponsored health insurance, or (iv)

1           who, within one year of applying for coverage under this  
2           Act, lost medical benefits under the Illinois Public Aid  
3           Code or the Children's Health Insurance Program Act; and

4           (3.5) whose household income, as determined by the  
5           Department, is at or below 300% of the federal poverty  
6           level. This item (3.5) is effective July 1, 2011.

7           An entity that provides health insurance coverage (as  
8           defined in Section 2 of the Comprehensive Health Insurance Plan  
9           Act) to Illinois residents shall provide health insurance data  
10          match to the Department of Healthcare and Family Services as  
11          provided by and subject to Section 5.5 of the Illinois  
12          Insurance Code.

13          The Department of Healthcare and Family Services, in  
14          collaboration with the Department of Insurance, shall adopt  
15          rules governing the exchange of information under this Section.  
16          The rules shall be consistent with all laws relating to the  
17          confidentiality or privacy of personal information or medical  
18          records, including provisions under the Federal Health  
19          Insurance Portability and Accountability Act (HIPAA).

20          (b) The Department shall monitor the availability and  
21          retention of employer-sponsored dependent health insurance  
22          coverage and shall modify the period described in subdivision  
23          (a) (3) if necessary to promote retention of private or  
24          employer-sponsored health insurance and timely access to  
25          healthcare services, but at no time shall the period described  
26          in subdivision (a) (3) be less than 6 months.

1 (c) The Department, at its discretion, may take into  
2 account the affordability of dependent health insurance when  
3 determining whether employer-sponsored dependent health  
4 insurance coverage is available upon reemployment of a child's  
5 parent as provided in subdivision (a) (3).

6 (d) A child who is determined to be eligible for the  
7 Program shall remain eligible for 12 months, provided that the  
8 child maintains his or her residence in this State, has not yet  
9 attained 19 years of age, and is not excluded under subsection  
10 (e).

11 (e) A child is not eligible for coverage under the Program  
12 if:

13 (1) the premium required under Section 40 has not been  
14 timely paid; if the required premiums are not paid, the  
15 liability of the Program shall be limited to benefits  
16 incurred under the Program for the time period for which  
17 premiums have been paid; re-enrollment shall be completed  
18 before the next covered medical visit, and the first  
19 month's required premium shall be paid in advance of the  
20 next covered medical visit; or

21 (2) the child is an inmate of a public institution or  
22 an institution for mental diseases.

23 (f) The Department may adopt rules, including, but not  
24 limited to: rules regarding annual renewals of eligibility for  
25 the Program in conformance with Section 7 of this Act; rules  
26 providing for re-enrollment, grace periods, notice

1 requirements, and hearing procedures under subdivision (e) (1)  
2 of this Section; and rules regarding what constitutes  
3 availability and affordability of private or  
4 employer-sponsored health insurance, with consideration of  
5 such factors as the percentage of income needed to purchase  
6 children or family health insurance, the availability of  
7 employer subsidies, and other relevant factors.

8 (g) Each child enrolled in the Program as of July 1, 2011  
9 whose family income, as established by the Department, exceeds  
10 300% of the federal poverty level may remain enrolled in the  
11 Program for 12 additional months commencing July 1, 2011.  
12 Continued enrollment pursuant to this subsection shall be  
13 available only if the child continues to meet all eligibility  
14 criteria established under the Program as of the effective date  
15 of this amendatory Act of the 96th General Assembly without a  
16 break in coverage. Nothing contained in this subsection shall  
17 prevent a child from qualifying for any other health benefits  
18 program operated by the Department.

19 (h) Within 90 days after the effective date of this  
20 amendatory Act of the 97th General Assembly, the Department, in  
21 cooperation with the Department of Human Services, shall  
22 develop and implement procedures in administration of the  
23 Program to do both of the following:

24 (1) Require applicants to provide proof of the  
25 applicant's date of birth, including, but not limited to,  
26 by providing a birth certificate to prove the age of the

1           applicant.

2           (2) Require applicants to provide documentation to  
3           prove the identity of the applicant.

4           (Source: P.A. 96-1272, eff. 1-1-11; 96-1501, eff. 1-25-11.)

5           Section 99. Effective date. This Act takes effect upon  
6           becoming law.