

# HB3781



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB3781

by Rep. Jil Tracy

#### SYNOPSIS AS INTRODUCED:

215 ILCS 170/20

Amends the Covering ALL KIDS Health Insurance Act. Adds to the criteria for eligibility for the Covering ALL KIDS Health Insurance Program that a person must be a child who does not have access to affordable employer-sponsored dependent health insurance coverage that is comparable to the coverage of the existing Program as determined by the administering agency's rules. Effective immediately.

LRB098 15099 RPM 50069 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

1 AN ACT concerning regulation.

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7 (Section scheduled to be repealed on July 1, 2016)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~~ this item (3.5) is effective July 1, 2011;  
7 ~~and~~

8 (4) who does not have access to affordable  
9 employer-sponsored dependent health insurance coverage  
10 that is comparable to the coverage of the existing Program  
11 as determined by the administering agency's rules.

12 An entity that provides health insurance coverage (as  
13 defined in Section 2 of the Comprehensive Health Insurance Plan  
14 Act) to Illinois residents shall provide health insurance data  
15 match to the Department of Healthcare and Family Services as  
16 provided by and subject to Section 5.5 of the Illinois  
17 Insurance Code. The Department of Healthcare and Family  
18 Services may impose an administrative penalty as provided under  
19 Section 12-4.45 of the Illinois Public Aid Code on entities  
20 that have established a pattern of failure to provide the  
21 information required under this Section.

22 The Department of Healthcare and Family Services, in  
23 collaboration with the Department of Insurance, shall adopt  
24 rules governing the exchange of information under this Section.  
25 The rules shall be consistent with all laws relating to the  
26 confidentiality or privacy of personal information or medical

1 records, including provisions under the Federal Health  
2 Insurance Portability and Accountability Act (HIPAA).

3 (b) The Department shall monitor the availability and  
4 retention of employer-sponsored dependent health insurance  
5 coverage and shall modify the period described in subdivision  
6 (a)(3) if necessary to promote retention of private or  
7 employer-sponsored health insurance and timely access to  
8 healthcare services, but at no time shall the period described  
9 in subdivision (a)(3) be less than 6 months.

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

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

20 (e) A child is not eligible for coverage under the Program  
21 if:

22 (1) the premium required under Section 40 has not been  
23 timely paid; if the required premiums are not paid, the  
24 liability of the Program shall be limited to benefits  
25 incurred under the Program for the time period for which  
26 premiums have been paid; re-enrollment shall be completed

1 before the next covered medical visit, and the first  
2 month's required premium shall be paid in advance of the  
3 next covered medical visit; or

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

6 (f) The Department may adopt rules, including, but not  
7 limited to: rules regarding annual renewals of eligibility for  
8 the Program in conformance with Section 7 of this Act; rules  
9 providing for re-enrollment, grace periods, notice  
10 requirements, and hearing procedures under subdivision (e)(1)  
11 of this Section; and rules regarding what constitutes  
12 availability and affordability of private or  
13 employer-sponsored health insurance, with consideration of  
14 such factors as the percentage of income needed to purchase  
15 children or family health insurance, the availability of  
16 employer subsidies, and other relevant factors.

17 (g) Each child enrolled in the Program as of July 1, 2011  
18 whose family income, as established by the Department, exceeds  
19 300% of the federal poverty level may remain enrolled in the  
20 Program for 12 additional months commencing July 1, 2011.  
21 Continued enrollment pursuant to this subsection shall be  
22 available only if the child continues to meet all eligibility  
23 criteria established under the Program as of the effective date  
24 of this amendatory Act of the 96th General Assembly without a  
25 break in coverage. Nothing contained in this subsection shall  
26 prevent a child from qualifying for any other health benefits

1 program operated by the Department.

2 (Source: P.A. 98-130, eff. 8-2-13.)

3 Section 99. Effective date. This Act takes effect upon  
4 becoming law.