

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 352

BY HEALTH AND WELFARE COMMITTEE

AN ACT

1 RELATING TO PUBLIC ASSISTANCE; AMENDING SECTION 56-237, IDAHO CODE, TO RE-
2 VISE A PROVISION RELATING TO GROSS INCOME; AMENDING SECTION 56-238,
3 IDAHO CODE, TO REVISE DEFINITIONS AND TO MAKE TECHNICAL CORRECTIONS;
4 AMENDING SECTION 56-239, IDAHO CODE, TO REVISE A PROVISION RELATING
5 TO GROSS INCOME AND TO MAKE TECHNICAL CORRECTIONS; REPEALING SECTION
6 56-240, IDAHO CODE, RELATING TO THE CHILDREN'S ACCESS CARD PROGRAM;
7 AMENDING SECTION 56-241, IDAHO CODE, TO PROVIDE THAT THE DEPARTMENT
8 SHALL LIMIT CERTAIN ASSISTANCE TO THOSE WHO DO NOT HAVE ACCESS TO COM-
9 PARABLE OR BETTER COVERAGE AND TO MAKE TECHNICAL CORRECTIONS; AND
10 AMENDING SECTION 56-242, IDAHO CODE, TO REMOVE REFERENCE TO THE CHIL-
11 DREN'S ACCESS CARD PROGRAM, TO PROVIDE THAT THE DEPARTMENT SHALL LIMIT
12 CERTAIN ASSISTANCE TO THOSE WHO DO NOT HAVE ACCESS TO COMPARABLE OR BET-
13 TER COVERAGE AND TO MAKE A TECHNICAL CORRECTION.
14

15 Be It Enacted by the Legislature of the State of Idaho:

16 SECTION 1. That Section 56-237, Idaho Code, be, and the same is hereby
17 amended to read as follows:

18 56-237. PURPOSE. The purpose and intent of this act is to promote the
19 availability of health insurance to children and families and to adults who
20 are employed by small businesses in Idaho and their dependent spouses whose
21 families' modified adjusted gross incomes fall within one hundred eighty-
22 five percent (185%) of the federal poverty guidelines.

23 SECTION 2. That Section 56-238, Idaho Code, be, and the same is hereby
24 amended to read as follows:

25 56-238. DEFINITIONS. As used in sections 56-236 through 56-242, Idaho
26 Code:

27 (1) ~~"Children's access card program" means the program created in sec-~~
28 ~~tion 56-240, Idaho Code.~~

29 (2) "CHIP Plan A" means the existing Idaho children's health insur-
30 ance program for children eligible under federal title XXI whose families'
31 modified adjusted gross incomes do not exceed one hundred fifty percent
32 (150%) of the federal poverty guidelines.

33 (3) "CHIP Plan B" means the program created in section 56-239, Idaho
34 Code.

35 (4) "Department" means the state department of health and welfare.

36 (5) "Director" means the director of the state department of health
37 and welfare.

38 (6) "Eligible adult" means a person:

39 (a) Over eighteen (18) years of age living in Idaho;

1 (b) Whose family's modified adjusted gross income is ~~equal to or~~ less
 2 than one hundred ~~eighty-five~~ percent (18500%) of the federal poverty
 3 guidelines; ~~and~~

4 (c) Who is employed full time by a small employer, meaning an employer
 5 with two (2) to fifty (50) employees and as such term is defined in sec-
 6 tion 41-4703, Idaho Code, and who is eligible for health insurance cov-
 7 erage under a small employer health benefit plan regulated under chap-
 8 ter 47, title 41, Idaho Code, or the dependent spouse of such employee;
 9 and

10 (d) Who does not qualify for comparable or greater assistance through
 11 other federal or state health insurance or premium assistance programs.

12 (76) "Eligible child" means a child under nineteen (19) years of age
 13 living in Idaho whose family's modified adjusted gross income falls within
 14 federal poverty guidelines for Medicaid, CHIP Plan A or CHIP Plan B.

15 (87) "Health benefit plan" means any hospital or medical policy or
 16 certificate, any subscriber contract provided by a hospital or professional
 17 service corporation, or managed care organization subscriber contract.
 18 Health benefit plan does not include policies or certificates of insur-
 19 ance for specific disease, hospital confinement indemnity, accident-only,
 20 credit, dental, vision, medicare supplement, long-term care, or disability
 21 income insurance, student health benefits only coverage issued as a suppl-
 22 ement to liability insurance, worker's compensation or similar insurance,
 23 automobile medical payment insurance or nonrenewable short-term coverage
 24 issued for a period of twelve (12) months or less.

25 (8) "Modified adjusted gross income" means individual or family income
 26 as defined for state medicaid programs in the social security act and the In-
 27 ternal Revenue Code.

28 (9) "Small business health insurance pilot program" means the program
 29 created in section 56-241, Idaho Code.

30 SECTION 3. That Section 56-239, Idaho Code, be, and the same is hereby
 31 amended to read as follows:

32 56-239. CHIP PLAN B. (1) There is hereby created in the department
 33 a CHIP Plan B that shall be made available by the department to eligible
 34 children, as defined in section 56-238, Idaho Code, whose family's modified
 35 adjusted gross income is between one hundred fifty percent (150%) and one
 36 hundred eighty-five percent (185%) of the federal poverty guidelines. The
 37 director shall implement the program by adopting rules recommended by the
 38 board of the Idaho individual high risk reinsurance pool created in section
 39 41-5502, Idaho Code, that authorize policies of health insurance for chil-
 40 dren enrolled in the CHIP Plan B.

41 (2) There is hereby created a CHIP Plan B advisory board which shall ad-
 42 vise the Idaho individual high risk reinsurance pool board concerning issues
 43 related to the CHIP Plan B. The board shall consist of eight (8) members, four
 44 (4) members to be appointed by the director and four (4) members to be ap-
 45 pointed by the governor. At least two (2) members of the board shall be par-
 46 ents of children who are eligible to participate in the CHIP Plan B.

47 SECTION 4. That Section 56-240, Idaho Code, be, and the same is hereby
 48 repealed.

1 SECTION 5. That Section 56-241, Idaho Code, be, and the same is hereby
2 amended to read as follows:

3 56-241. SMALL BUSINESS HEALTH INSURANCE PILOT PROGRAM. (1) There is
4 hereby created in the department a small business health insurance pilot
5 program that shall be made available ~~to~~ for up to one thousand (1,000) eli-
6 gible adults, as defined in section 56-238, Idaho Code, based on available
7 funding. The director shall implement the program by adopting rules rec-
8 ommended by the board of the Idaho individual high risk reinsurance pool
9 created in section 41-5502, Idaho Code, providing for the payment of the
10 benefit authorized in subsection (2) of this section through the use of the
11 Idaho health insurance access card.

12 (2) The small business health insurance pilot program shall, through
13 the Idaho health insurance access card program, pay to the insurance company
14 providing insurance coverage through policies regulated under chapter 47,
15 title 41, Idaho Code, for an adult enrolled in the small employer health in-
16 surance pilot program, for each month the insurance coverage is in effect, a
17 one hundred dollar (\$100) payment to be applied to the monthly insurance pre-
18 mium billed each month by the insurance company.

19 (3) Participation in the small business health insurance pilot pro-
20 gram by any employer shall be optional. Nothing in sections 56-236 through
21 56-242, Idaho Code, shall be construed to mandate or require that an employer
22 participate in the pilot program. Small employers who choose to participate
23 in the small business health insurance pilot program shall meet insurance
24 carriers' contribution and participation guidelines.

25 (4) There is hereby created a small business health insurance advisory
26 board which shall advise the Idaho individual high risk reinsurance pool
27 board concerning issues related to the small business health insurance pilot
28 program. The board shall consist of eight (8) members, four (4) members to be
29 appointed by the director and four (4) members to be appointed by the gover-
30 nor. At least four (4) members of the board shall be representatives of small
31 businesses, meaning those with two (2) to fifty (50) employees, that offer
32 employee health benefit plans regulated under chapter 47, title 41, Idaho
33 Code.

34 (5) The department shall limit assistance under the small business
35 health insurance pilot program to those who do not have access to comparable
36 or better coverage under other federal or state programs.

37 SECTION 6. That Section 56-242, Idaho Code, be, and the same is hereby
38 amended to read as follows:

39 56-242. IDAHO HEALTH INSURANCE ACCESS CARD. (1) The director shall de-
40 velop an Idaho health insurance access card program in the department to im-
41 plement ~~the children's access card program and~~ the small business health in-
42 surance pilot program.

43 (2) (a) There is hereby created and established in the state treasury
44 a fund to be known as the "Idaho health insurance access card fund."
45 Moneys in the fund shall be maintained in ~~three~~ two (32) subaccounts,
46 identified respectively as the "CHIP Plan B subaccount," ~~the "child-~~
47 ~~ren's access card program subaccount"~~ and the "small business health
48 insurance pilot program subaccount." Appropriations, matching federal

1 funds, grants, donations and moneys from other sources shall be paid
2 into the fund. The department shall administer the fund. Any interest
3 earned on the investment of idle moneys in the fund shall be returned to
4 and deposited in the fund.

5 (b) Moneys in the CHIP Plan B subaccount, ~~the children's access card~~
6 ~~program subaccount~~ and the small business health insurance pilot pro-
7 gram subaccount shall be expended pursuant to appropriation for the
8 payment of benefits and capped administrative costs of the department.

9 (3) The director shall ~~apply for~~ manage waivers of federal title XXI
10 and title XIX to subsidize health care coverage under the CHIP Plan B, ~~the~~
11 ~~children's access card program~~ and the small business health insurance pi-
12 lot program. Federal matching funds received by the department to provide
13 coverage under CHIP Plan B, ~~the children's access card program~~ and the small
14 business health insurance pilot program shall be deposited in the appropri-
15 ate subaccount.

16 (4) The director is authorized to promulgate rules recommended by the
17 board of the Idaho individual high risk reinsurance pool to implement the
18 CHIP Plan B, ~~the children's access card program~~ and the small business health
19 insurance pilot program.

20 (5) Insurers offering health benefit plans regulated under chapter 47,
21 title 41, Idaho Code, shall accept payment for such plans under the small
22 business health insurance pilot program pursuant to rules promulgated by the
23 department. ~~Insurers offering health benefit plans, as defined in section~~
24 ~~56-238, Idaho Code, shall accept payment for such plans under the children's~~
25 ~~access card program.~~

26 (6) ~~The CHIP Plan B and the children's access card program shall be im-~~
27 ~~plemented by July 1, 2004. Implementation of the small business health in-~~
28 ~~surance pilot program shall begin on July 1, 2005~~ The department shall limit
29 assistance under the Idaho health insurance access card program to those who
30 do not have access to comparable or better coverage under other federal or
31 state programs.