



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB5785

Introduced 2/9/2010, by Rep. Jil Tracy

SYNOPSIS AS INTRODUCED:

215 ILCS 170/20

Amends the Covering ALL KIDS Health Insurance Act. In the provision concerning eligibility, adds the requirement that a person must be a child who has a household income equal to or less than 300% of the federal poverty guidelines. Provides that a child who is determined to be eligible shall remain eligible for 12 months, provided that the child has not gained access to affordable employer-sponsored dependent health insurance. Provides that the parent, guardian, or legal custodian of an enrolled child shall report promptly those changes in income and other circumstances that affect eligibility within 30 days after the occurrence of the change. Provides that the eligibility of a child may be redetermined based on the information reported or may be terminated based on the failure to report or failure to report accurately.

LRB096 18990 RPM 34378 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 Sections 20 and 25 as follows:

6 (215 ILCS 170/20)

7 (Section scheduled to be repealed on July 1, 2011)

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; and

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; and

15 (3) either (i) who has been without health insurance
16 coverage for a period set forth by the Department in rules,
17 but not less than 6 months during the first month of
18 operation of the Program, 7 months during the second month
19 of operation, 8 months during the third month of operation,
20 9 months during the fourth month of operation, 10 months
21 during the fifth month of operation, 11 months during the
22 sixth month of operation, and 12 months thereafter, (ii)
23 whose parent has lost employment that made available

1 affordable dependent health insurance coverage, until such
2 time as affordable employer-sponsored dependent health
3 insurance coverage is again available for the child as set
4 forth by the Department in rules, (iii) who is a newborn
5 whose responsible relative does not have available
6 affordable private or employer-sponsored health insurance,
7 or (iv) who, within one year of applying for coverage under
8 this Act, lost medical benefits under the Illinois Public
9 Aid Code or the Children's Health Insurance Program Act;
10 and -

11 (4) who has a household income equal to or less than
12 300% of the federal poverty guidelines as determined
13 annually by the U.S. Department of Health and Human
14 Services.

15 An entity that provides health insurance coverage (as
16 defined in Section 2 of the Comprehensive Health Insurance Plan
17 Act) to Illinois residents shall provide health insurance data
18 match to the Department of Healthcare and Family Services for
19 the purpose of determining eligibility for the Program under
20 this Act.

21 The Department of Healthcare and Family Services, in
22 collaboration with the Department of Financial and
23 Professional Regulation, Division 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, has not gained access to affordable
19 employer-sponsored dependent health insurance coverage, and is
20 not excluded under subsection (e).

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

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

1 premiums have been paid; if the required monthly premium is
2 not paid, the child is ineligible for re-enrollment for a
3 minimum period of 3 months; re-enrollment shall be
4 completed before the next covered medical visit, and the
5 first month's required premium shall be paid in advance of
6 the next covered medical visit; or

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

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

20 (g) The parent, guardian, or legal custodian of an enrolled
21 child shall report promptly those changes in income and other
22 circumstances, including availability of affordable
23 employer-sponsored dependent health insurance coverage, that
24 affect eligibility within 30 days after the occurrence of the
25 change. The eligibility of a child may be redetermined based on
26 the information reported or may be terminated based on the

1 failure to report or failure to report accurately.

2 (Source: P.A. 94-693, eff. 7-1-06.)