

HB6876



96TH GENERAL ASSEMBLY

State of Illinois

2009 and 2010

HB6876

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; cross reference income reported by applicants; and require the termination of coverage if certain premiums have not been paid pursuant to a grace period. Effective immediately.

LRB096 22409 RPM 41569 b

A BILL FOR

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7 (Section scheduled to be repealed on July 1, 2011)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 An entity that provides health insurance coverage (as
11 defined in Section 2 of the Comprehensive Health Insurance Plan
12 Act) to Illinois residents shall provide health insurance data
13 match to the Department of Healthcare and Family Services for
14 the purpose of determining eligibility for the Program under
15 this Act.

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

24 (b) The Department shall monitor the availability and
25 retention of employer-sponsored dependent health insurance
26 coverage and shall modify the period described in subdivision

1 (a) (3) if necessary to promote retention of private or
2 employer-sponsored health insurance and timely access to
3 healthcare services, but at no time shall the period described
4 in subdivision (a) (3) be less than 6 months.

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

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

15 (e) A child is not eligible for coverage under the Program
16 if:

17 (1) the premium required under Section 40 has not been
18 timely paid; if the required premiums are not paid, the
19 liability of the Program shall be limited to benefits
20 incurred under the Program for the time period for which
21 premiums have been paid; if the required monthly premium is
22 not paid, the child is ineligible for re-enrollment for a
23 minimum period of 3 months; re-enrollment shall be
24 completed before the next covered medical visit, and the
25 first month's required premium shall be paid in advance of
26 the next covered medical visit; or

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

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

14 (g) Within 90 days after the effective date of this
15 amendatory Act of the 96th General Assembly, the Department, in
16 cooperation with the Department of Human Services, shall
17 develop and implement procedures in administration of the
18 Program to do all of the following:

19 (1) Require applicants to provide proof of the
20 applicant's date of birth, including, but not limited to,
21 by providing a birth certificate to prove the age of the
22 applicant.

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

25 (3) Require applicants to provide documentation to
26 prove that the applicant is a resident of Illinois.

1 (4) For documented immigrants, provide for applicants
2 to supply information to prove the documented status of the
3 applicant.

4 (5) Cross reference income reported by applicants, at
5 the time of original application or renewal, to other State
6 records, including the Department of Employment Security
7 data or tax records.

8 (6) Require all enrollees to return an annual
9 redetermination to verify that there were no changes to
10 their eligibility information.

11 (7) Require the termination of coverage if the premium
12 for an enrollee in All Kids Premium Level 2 through Premium
13 Level 8 has not been paid pursuant to a grace period
14 through the end of the month of coverage. When termination
15 of coverage is recorded by the 15th day of the month, the
16 termination is effective the first day of the following
17 month. When termination of coverage is recorded after the
18 15th day of the month, the termination is effective no
19 later than the first day of the second month following that
20 determination.

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

22 Section 99. Effective date. This Act takes effect upon
23 becoming law.