



97TH GENERAL ASSEMBLY

State of Illinois

2011 and 2012

HB3259

Introduced 2/24/2011, by Rep. Jil Tracy

SYNOPSIS AS INTRODUCED:

215 ILCS 170/20

Amends the Covering ALL KIDS Health Insurance Act. 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. Effective immediately.

LRB097 09429 RPM 49564 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7 (Section scheduled to be repealed on July 1, 2016)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, has not gained access to affordable
10 employer-sponsored dependent health insurance coverage, and is
11 not excluded under subsection (e).

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

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

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

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

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

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

20 (h) 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. 96-1272, eff. 1-1-11; 96-1501, eff. 1-25-11.)

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