

Senate Bill No. 262

(By Senators Cole (Mr. President) and Kessler,

By Request of the Executive)

[Introduced January 20, 2015; referred to the Committee on Health and Human Resources;

and then to the Committee on the Judiciary.]

A BILL to amend and reenact §5-16B-1 and §5-16B-2 of the Code of West Virginia, 1931, as amended, all relating to transferring the Children' Health Insurance Program and Children's Health Insurance Agency from the Department of Administration to the Department of Health and Human Resources; providing for orderly transfer of functions, funds and accounts; and clarifying definition of "Children's Health Insurance Agency".

Be it enacted by the Legislature of West Virginia:

That §5-16B-1 and §5-16B-2 of the Code of West Virginia, 1931, as amended, be amended and reenacted, all to read as follows:

ARTICLE 16B. WEST VIRGINIA CHILDREN'S HEALTH INSURANCE PROGRAM.

§5-16B-1. Expansion of health care coverage to children; creation of program; legislative directives.

(a) It is the intent of the Legislature to expand access to health services for eligible children

1 and to pay for this coverage by using private, state and federal funds to purchase those services or
2 purchase insurance coverage for those services. To achieve this intention, the West Virginia
3 Children's Health Insurance Program is hereby created. The program shall be administered by the
4 Children's Health Insurance Agency within the Department of Administration in accordance with
5 the provisions of this article and the applicable provisions of Title XXI of the Social Security Act
6 of 1997: Provided, That on and after July 1, 2015, the agencies, boards and programs including all
7 of the allied, advisory, affiliated or related entities and funds associated with the Children's Health
8 Insurance Program and Children's Health Insurance Agency, shall be incorporated in and
9 administered as a part of the Department of Health and Human Resources. Participation in the
10 program may be made available to families of eligible children, subject to eligibility criteria and
11 processes to be established, which ~~shall~~ does not create an entitlement to coverage in any person.
12 Nothing in this article ~~may be construed to require~~ requires any appropriation of State General
13 Revenue Funds for the payment of any benefit provided ~~for~~ in this article. In the event that this
14 article conflicts with the requirements of federal law, federal law governs.

15 (b) In developing a Children's Health Insurance Program that operates with the highest degree
16 of simplicity and governmental efficiency, the board shall avoid duplicating functions available in
17 existing agencies and may enter into interagency agreements for the performance of specific tasks
18 or duties at a specific or maximum contract price.

19 (c) In developing benefit plans, the board may consider any cost savings, administrative
20 efficiency or other benefit to be gained by considering existing contracts for services with state
21 health plans and negotiating modifications of those contracts to meet the needs of the program.

1 (d) ~~Upon~~ For the transfer of the functions of the Children's Health Insurance Program and
2 the Children's Health Insurance Agency from ~~the Department of Health and Human Resources to the~~
3 ~~children's health insurance agency within the Department of Administration~~ to the Department of
4 Health and Human Resources, the Secretary of the Department of Health and Human Resources and
5 the Secretary of the Department of Administration, acting jointly, are empowered to authorize and
6 shall authorize ~~such~~ the transfers of program and agency funds including, but not limited to, the West
7 Virginia Children's Health Fund created in section seven of this article and associated investment
8 accounts; and transfers of Children's Health Insurance Program and Children's Health Insurance
9 Agency personnel and equipment, as are necessary, to facilitate an orderly transfer of the functions
10 of the Children's Health Insurance Program ~~Authority to make transfers pursuant to this subsection~~
11 ~~expires on the thirty-first day of December, two thousand~~ and the Children's Health Insurance
12 Agency.

13 (e) In order to enroll as many eligible children as possible in the program created by this
14 article and to expedite the effective date of their health insurance coverage, the board shall develop
15 and implement a plan whereby applications for enrollment may be taken at any primary care center
16 or other health care provider, as determined by the director, and transmitted electronically to the
17 program's offices for eligibility screening and other necessary processing. The board may use any
18 funds available to it in the development and implementation of the plan, including grant funds or
19 other private or public moneys.

20 **§5-16B-2. Definitions.**

21 As used in this article, unless the context clearly requires a different meaning:

1 (a) "Agency" means the Children's Health Insurance Agency. ~~within the Department of~~

2 ~~Administration~~

3 (b) "Board" means the Children's Health Insurance Program Board.

4 (c) "Director" means the Director of the Children's Health Insurance Agency.

5 (d) "Essential community health service provider" means a health care provider that:

6 (1) Has historically served medically needy or medically indigent patients and demonstrates
7 a commitment to serve low-income and medically indigent populations which constitute a significant
8 portion of its patient population or, in the case of a sole community provider, serves medically
9 indigent patients within its medical capability; and

10 (2) Either waives service fees or charges fees based on a sliding scale and does not restrict
11 access or services because of a client's financial limitations. Essential community health service
12 provider includes, but is not limited to, community mental health centers, school health clinics,
13 primary care centers, pediatric health clinics or rural health clinics.

14 (e) "Program" means the West Virginia Children's Health Insurance Program.

(NOTE: The purpose of this bill is to move the Children's Health Insurance Program ("CHIP") from the Department of Administration to the Department of Health and Human Resources.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.)