

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's 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.**

1 (a) It is the intent of the Legislature to expand access to
2 health services for eligible children and to pay for this
3 coverage by using private, state and federal funds to purchase
4 those services or purchase insurance coverage for those
5 services. To achieve this intention, the West Virginia
6 Children's Health Insurance Program is hereby created. The
7 program shall be administered by the Children's Health
8 Insurance Agency within the Department of Administration
9 in accordance with the provisions of this article and the
10 applicable provisions of Title XXI of the Social Security Act
11 of 1997: Provided, That on and after July 1, 2015, the
12 agencies, boards and programs including all of the allied,
13 advisory, affiliated or related entities and funds associated
14 with the Children's Health Insurance Program and Children's
15 Health Insurance Agency, shall be incorporated in and

16 administered as a part of the Department of Health and
17 Human Resources. Participation in the program may be
18 made available to families of eligible children, subject to
19 eligibility criteria and processes to be established, which ~~staff~~
20 does not create an entitlement to coverage in any person.
21 Nothing in this article ~~may be construed to require~~ requires
22 any appropriation of State General Revenue Funds for the
23 payment of any benefit provided ~~for~~ in this article. In the
24 event that this article conflicts with the requirements of
25 federal law, federal law governs.

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

32 (c) In developing benefit plans, the board may consider
33 any cost savings, administrative efficiency or other benefit to
34 be gained by considering existing contracts for services with

35 state health plans and negotiating modifications of those
36 contracts to meet the needs of the program.

37 (d) ~~Upon~~ For the transfer of the functions of the
38 Children's Health Insurance Program and the Children's
39 Health Insurance Agency from ~~the Department of Health and~~
40 ~~Human Resources to the children's health insurance agency~~
41 ~~within the Department of Administration~~ to the Department
42 of Health and Human Resources, the Secretary of the
43 Department of Health and Human Resources and the
44 Secretary of the Department of Administration, acting jointly,
45 are empowered to authorize and shall authorize ~~such~~ the
46 transfers of program and agency funds including, but not
47 limited to, the West Virginia Children's Health Fund created
48 in section seven of this article and associated investment
49 accounts; and transfers of Children's Health Insurance
50 Program and Children's Health Insurance Agency personnel
51 and equipment, as are necessary, to facilitate an orderly
52 transfer of the functions of the Children's Health Insurance
53 Program ~~Authority to make transfers pursuant to this~~

54 ~~subsection expires on the thirty-first day of December, two~~
55 ~~thousand~~ and the Children's Health Insurance Agency.

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

§5-16B-2. Definitions.

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

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

5 (b) “Board” means the Children’s Health Insurance
6 Program Board.

7 (c) “Director” means the Director of the Children’s
8 Health Insurance Agency.

9 (d) “Essential community health service provider” means
10 a health care provider that:

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

17 (2) Either waives service fees or charges fees based on a
18 sliding scale and does not restrict access or services because
19 of a client’s financial limitations. Essential community health
20 service provider includes, but is not limited to, community
21 mental health centers, school health clinics, primary care
22 centers, pediatric health clinics or rural health clinics.

23 (e) “Program” means the West Virginia Children’s Health

24 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.)