

Amendments to Senate Bill No. 154  
3rd Reading Copy

Requested by Representative Tom Facey

For the House Human Services Committee

Prepared by Susan Byorth Fox  
April 1, 2005 (2:19pm)

1. Page 1, line 22 through line 25.

**Following:** "plan." on line 22

**Strike:** remainder of line 22 through line 25

**Insert:** "In operating the program and providing health services,  
the department may:

(a) pay providers on a fee-for-service basis in a self-funded program and contract with an insurance company, third-party administrator, or other entity to provide administrative services, including but not limited to processing and payment of claims with program funds;

(b) purchase health coverage for eligible children from an insurance company or other entity through premiums, capitated payments, or other appropriate methods;

(c) purchase health coverage as provided in subsection (2)(b) for some types of health services and contract directly with providers for other types of health services on a fee-for-service basis."

2. Page 1, line 26.

**Following:** "(3)"

**Insert:** "(a)"

3. Page 1, line 27.

**Following:** "program" on line 27

**Insert:** "as provided in subsections (2)(b) or (2)(c), not more than 10% of the contract payment may be used for administrative expenses, including"

4. Page 1, line 28 through line 29.

**Strike:** page 1, line 28 through "payment of" on line 29

**Insert:** "(i)"

5. Page 1, line 30 through page 2, line 4.

**Strike:** page 1, line 30 through "premiums." on page 2, line 4

**Insert:** "(ii) risk charges; and

(iii) any applicable assessments, fees, and taxes.

(b) Administrative expenses may not include eligibility determination, advertising, and outreach for the program."

- END -