

Tab 1

Board and Ad Hoc Member List

**Florida Healthy Kids Corporation
Board and Ad Hoc Member List**

OFFICERS:

Jillian Hasner

Board Chair

Florida Department of Financial Services Delegate

VACANT

Board Vice Chair

VACANT

Board Secretary/Treasurer

MEMBERS:

Jose Armas, MD

Child Health Policy Expert Representative

Peggy Aune, EdD

Florida Department of Education

Commissioner Dave Eggers

Florida Association of Counties Representative

Robert English, MD, FAAP, FACC, FSCAI

Florida Chapter of the American Academy of
Pediatrics

Andrea Gary

Children's Medical Services Representative

Robert Karch, MD, MPH, FAAP

Florida Department of Health Representative

Brian Meyer

Florida Agency for Health Care Administration
Delegate

Brea Rasmussen Gelin

Florida Hospital Association Representative

Amra A. Resic, MD, FAFP

Florida Academy of Family Physicians Representative

Bridget Royster

Department of Children and Families Delegate

VACANT

Florida Dental Association Representative

AD HOC MEMBERS:

Steve Freedman, PhD

University of South Florida College of Public Health

Paul Whitfield

Florida Department of Financial Services

Tab 2

Consent Agenda

**FLORIDA HEALTHY KIDS CORPORATION
BOARD OF DIRECTORS MEETING
January 14, 2026**

Consent Agenda

Behind Tab II is the Consent Agenda. As you know, these items are considered routine and are enacted by one motion. There will be no separate discussion of these items unless removal of the item from the Consent Agenda is requested by a Board Member, at which time we will take it off the agenda and discuss it separately. You have all been provided with copies of the items in advance of today's meeting, and the supporting documents for each of these items are in the Consent Agenda located behind the referenced tab in your materials.

**Consent Item (1)
Approve Minutes of the Board of Directors Meeting – October 23, 2025**

Summary: The Board of Directors of the Florida Healthy Kids Corporation (FHKC) met in Tallahassee on October 23, 2025. The agenda included a welcome and introduction from the Chair; as well as reports from the Chair, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, and Chief Marketing Officer. The Board voted to approve the Consent Agenda for the previous meeting, the June 30, 2025, Financial Statements, the Draft Audit Report and Auditor Required Communication, the Amendment to Fiscal Year 2025-26 Approved Budget, the Contract for the Northwest Regional Data Center, the budget authority to allow Qsource to perform the dental audits, and the changes to the Strategic Plan.

FLORIDA HEALTHY KIDS CORPORATION
Board of Directors Meeting
Microsoft Teams
October 23, 2025
9:00 A.M. – 12:00 P.M.

Board of Directors Present:

Mr. Scott Fennell, Chair
Dr. Jose Armas, Child Health Policy Expert
Dr. Peggy Aune, Florida Department of Education
Commissioner Dave Eggers, Florida Association of Counties
Dr. Robert English, Florida Chapter of the American Academy of Pediatrics
Ms. Andrea Gary, Children’s Medical Services Designee
Dr. Robert Karch, Florida Department of Health Designee
Dr. Amra Resic, Florida Academy of Family Physicians
Ms. Bridget Royster, Florida Department of Children & Families Designee
Dr. Steve Freedman, Ad Hoc Board Member
Mr. Paul Whitfield, Ad Hoc Board Member

Board of Directors Absent:

Dr. Peter Claussen, Vice Chair
Mr. Brian Meyer, Agency for Health Care Administration Designee

Others in attendance:

Bobby Gorantla, KPMG
Lucia Arellano, Simply Healthcare Plans
Leon Biegalski, Florida Healthy Kids Corporation
Hugh Black, Florida Healthy Kids Corporation
Precious Boatwright, Florida Healthy Kids Corporation
Ashley Carr, Florida Healthy Kids Corporation
Kim Chope, Aetna
Olivia Davidson, Florida Healthy Kids Corporation
Anthony Duarte, Simply Healthcare Plans
Justin Fisher, Florida Healthy Kids Corporation
Kenneth Fisher, Maximus
Kyle Frantz, MCNA
Katie Fuller, Florida Healthy Kids Corporation
Serina Frazier, Agency for Health Care Administration
Suzetta Furlong, Florida Healthy Kids Corporation
Joy Garner, Florida Healthy Kids Corporation
Joseph Gaines, Florida Healthy Kids Corporation
Daralice Gomez, Simply Healthcare Plans
Jena Grignon, Florida Healthy Kids Corporation
Erik Harris, Maximus
Laura Herold, Florida Healthy Kids Corporation
Erica Hill, Liberty Dental
Kaitlyn Hunt, Florida Healthy Kids Corporation

Jennifer Johnson, Maximus
Daisy King, Florida Department of Health
Gisella Lamkin, Maximus
Shannon LePage, MCNA
Lindsay Lichti, Florida Healthy Kids Corporation
Julie Lauder, Aetna
Jack McDermott, Florida Healthy Kids Corporation
Shane McPherson, Florida Healthy Kids Corporation
Antonio Murphy, Florida Healthy Kids Corporation
Andrew Olson, MCNA
Bryan Peters, Florida Office of Insurance Regulation
Stacy Plymale, DentaQuest
Arvind Rampersaud, Community Care Plan
Raquel Remilev, MCNA
Debbie Shoup, Florida Healthy Kids Corporation
Matt Sirmans, Florida Healthy Kids Corporation
Cathy Sneed, Maximus
Kristin Snyder, Liberty Dental
Sammie Spence, DentaQuest
Lindsay Sullivan, Aetna
Harry Sundberg, Maximus
Kumara Tadepalli, Florida Healthy Kids Corporation
Mayre Thompson, MCNA
David Tillotson, Florida Healthy Kids Corporation
Melissa Vergeson, Agency for Health Care Administration
Kevin Warren, James Moore & Co., P.L.
Ryan West, Florida Healthy Kids Corporation
Elaine Wiley, Maximus

MINUTES:

I. Welcome and Introductions

Scott Fennell, Board Chair

Scott Fennell, Board Chair, called the meeting of the Florida Healthy Kids Corporation (FHKC or Corporation) Board of Directors (Board) to order at 9:01 a.m. Mr. Fennell reminded Board members of their fiduciary duty to act in the best interests of FHKC, the children, and families it serves. He also reminded members of their primary duty to exercise independent judgment for the overall benefit of the Corporation and not for the constituency, association, or agency they otherwise represent.

Precious Boatwright called the roll and determined a quorum was present.

II. Consent Agenda

Leon Biegalski, Florida Healthy Kids Corporation

Leon Biegalski, Chief Legal Officer, was recognized to present the Consent Agenda. Mr. Fennell offered the Consent Agenda for consideration as a single motion. Commissioner Dave Eggers moved the motion; Dr. Robert Karch seconded the motion.

**ACTION: Approve the Consent Agenda.
This motion was approved.**

III. Executive Reports

Chief Executive Officer Report

Ryan West, Florida Healthy Kids Corporation

Bobby Gorantla, KPMG

Ryan West, Chief Executive Officer, shared a story about one of the CHIP families served by FHKC. This story was submitted to the Corporation by one of the health plans to showcase the program's real-life impact.

A. Using AI Responsibly and Ethically in Healthcare

Bobby Gorantla of KPMG was recognized to present Using AI Responsibly and Ethically in Healthcare. He defined AI as a combination of systems, tools, and methodologies which allow systems to learn on their own or with minimum human augmentation. He explained Generative AI (Gen AI) is algorithms (unsupervised and semi supervised) which generate content and data.

The promise of AI in healthcare:

- Short term – advances in Gen AI fundamentals such as language modeling, text generation, and initial development of synthetic images and data for training
- Midterm – rapid expansion of Gen AI healthcare literacy resulting in increased speed and value of human like creative outputs
- Long term – emergence of mostly autonomous AI systems capable of complex data synthesis and outputs

While the impact of AI in advanced therapies, patient management, digitalization, and sustainability will be transformational, it does come with challenges and risks such as a lack of explanation on decisions made, privacy concerns and security risks, making unfair decisions (including bias and discrimination), and business challenges and risks such as deepfakes, dependence, misalignment, and keeping up with evolving AI regulation.

AI with the proper data governance can lead to better personalized medicine, detection of upcoding in claims, standardization of policies, improvement in medical image analysis, revolutionization of virtual assistants, enhanced medical reporting, transformative healthcare education and training.

Mr. West noted that the FHKC plans use AI to expedite certain processes; however, the contracts with these plans prevent AI from being used as a decider in denying claims.

Dr. Peggy Aune asked if there was potential for healthcare providers to educate patients on verifiable sources or closed AI systems. Mr. Gorantla saw the answer as two-fold. One with WebMD and like type of sources providing cautionary messages about use and seeking advice from a physician. Two, health plans providing information on resources.

Andrea Gary asked what the regulatory audit capability of FHKC is to ensure that the plans are following the contract requirements regarding AI. Lindsay Lichti responded that while the audit language is broad, and follows the CFRs, and it does provide a mechanism to do that.

Dr. Steve Freedman asked how AI could help to navigate online behavioral health services. Mr. Gorantla believes that is still a challenging area for AI due to factors such as voice tone and human instincts. He advocated for there still being a person in the loop. Dr. Robert English commented that natural language processing is starting to figure out how a person's voice can indicate if they're suicidal. He also added that one of the challenges of AI for physicians is convincing parents that they (physicians) are right about a diagnosis and the AI is wrong.

B. TPA Contract Implementation

Mr. West informed the Board that efforts are continuing towards implementation of the new eligibility enrollment system with the Third-Party Administrator (TPA). All system development work is complete. Legislative directives (including CMS transfer from Department of Health to AHCA), and preparation to implement HB 121 with new CHIP premium tiers were the focus during the spring and summer of this year. The CMS transition work was completed on time, and our TPA continues to work on new CHIP premium tiers to be ready for when HB 121 is approved. In the coming months, the focus will be on new system implementation through user acceptance testing and end-to-end testing to confirm functionality and readiness for public use.

C. KidCare+

Approval for the state to move forward with its waiver to implement KidCare+ is dependent on resolution of the pending litigation. Federal CMS has not filed an answer to the original complaint. They also told the court that Leadership at Federal CMS is determining how they wish to proceed. The parties are also exploring other avenues of negotiation to move forward.

FHKC is staying engaged with state agency partners to ensure alignment. Once approval is received, advanced preparations will be needed to properly communicate changes with families and complete final system checks. The Board will continue to be updated on this issue.

Mr. West asked for questions. Dr. Freedman provided a recap regarding implementation of HB 121: initially we filed a state plan amendment and was told by the past administration we would need to file a 1115 waiver – which would be approved, contingent up on us accepting the continuous eligibility requirement. He asked given the new administration is our strategy to go back to the state plan amendment.

Mr. West responded that the current administration did not answer the most recent complaint and need time to ensure alignment with their leadership. That is the current status.

Mr. Freedman mentioned perhaps we can drop the lawsuit and go back to our original request (the state plan amendment), but there should be way to expedite this. Dr. Freedom also expressed his concern about the legislative change of moving CMS services to AHCA, specifically grouping kids together not managed care plans.

Mr. West mentioned the 2026 session is an early session so the next Board meeting will be in Tallahassee the morning of January 14th to coincide with the start of session.

Mr. West informed the Board of recent staff changes – Jeff Dykes’ retirement from the Chief Financial Officer position and Antonio Murphy’s hire as the new Chief Financial Officer. He also thanked outgoing Board members Dr. Peter Claussen, Board Vice Chair, and Philip Boyce, Board Secretary/Treasurer.

Chief Financial Officer Report

Antonio Murphy, Florida Healthy Kids Corporation

Kevin Warren, CPA, James Moore & Co., P.L.

A. Fiscal Year Ending June 30, 2025, Financial Statements

Mr. Murphy, Chief Financial Officer, was recognized to present the CFO report. He began with the Fiscal Year Ending June 30, 2025, Financial Statements explaining these statements are for the fiscal year ending June 30, 2025, and account for the activities that affected the Corporation’s ending Net Position. A reminder was provided that the Corporation is set up as a component unit of the state of Florida government, meaning that although the Corporation was created by law and is a legally separate organization, the Corporation’s financial information is included in the state’s annual financial statements. Child enrollment in the Corporation’s CHIP and Full-Pay programs is what primarily generates revenues and expenses, it is expected that annual enrollment activity shapes the financial statements. For the 2024-25 fiscal year, the Corporation’s CHIP enrollment stabilized during the fiscal year with slight change as compared to the ending enrollment for the 2023-24 fiscal year. The ending 2024-25 fiscal year enrollment was 133,498. Enrollment in the Corporation’s Full Pay program grew by 11.3 percent, an increase of 2,733 kids. Full Pay program enrollment was 26,870 on June 30, 2025.

The Consolidated Statement of Revenues and Expenses Compared to Budget shows the Corporation’s revenue was \$453.6 million dollars for the year with expenses totaling \$457.9 million. Expenses exceeded revenue by \$4.3 million, decreasing the prior year ending Net Position from \$17.1 million to \$12.7 million. Other than the premium credits associated with Hurricanes Helen and Milton, the Corporation’s financial activity for the fiscal year occurred as planned. Throughout the year, management ensured the prioritization of spending decisions to stay within the Board approved operating budget in total as well as legislative funding approvals, thus avoiding budget overruns. A budgeted line-item was exceeded in the use of corporate funds by \$30,000. The budget item titled “Other” was used to balance accounting entries associated with the Corporation’s

implementation of a new governmental accounting statement associated with recognition of liabilities for employee compensated absences.

The Statement of Revenues, Expenses, and Changes in Net Position by Program shows the financial activity consistent with cost allocation arrangements and the three financial areas that primarily affected Net Position. First is the financial performance of the Corporation's Full-Pay Program, which experienced an operating gain of \$3.3 million. This gain was due to the collection of participant premiums exceeding carrier insurance payments and administration costs, collection of medical loss ratio rebates that were earned the previous year, and the impact of hurricane premium credits. This gain increased the Corporation's Net Position. Secondly, non-operating revenue resulting from liquidated damages and interest income totaled \$627,120. This revenue increased the Corporation's Net Position.

Following the agreement with the Florida Agency for Health Care Administration (AHCA), interest income earned from public funds must be remitted to AHCA. The amount remitted was \$387,650 from total interest earnings of \$832,899. The final area significantly affecting Net Position was the use of the Corporation's private funds which totaled approximately \$8.3 million. The Corporation's private funds were partially used for the usual and expected costs for unappropriated TPA contract costs totaling \$756,000, and \$48,386 for other ancillary costs.

The Corporation was not reimbursed by the Florida Legislature for premium credits expended for Hurricanes Helen and Milton. Total impact on corporate funds was approximately \$7.5 million. This negative impact has been appropriately accounted for in the financial statements. All expenses using corporate funds decrease the Corporation's Net Position due to there not being matching revenues. The Corporation's publicly funded CHIP was revenue-neutral at year-end resulting in no impact to Net Position. Additionally, the Corporation received revenue of \$4.6 million dollars from AHCA as reimbursement for administration services provided to participating KidCare programs that also resulted in no impact to Net Position.

Both programs are designed to operate in a revenue-neutral state. The Statement of Net Position shows that the Corporation ended the fiscal year with total assets of \$36.7 million, liabilities of \$24 million, and a Net Position of \$12.7 million. The decrease in the Corporation's Net Position of \$4.3 million is primarily the combined result of gains in the Corporation's Full-Pay program, plus nonoperating revenues less the use of the Corporation's private funds previously mentioned. Although the Corporation's Net Position is lower than seen in years past, this reduced balance does not impair the Corporation's cash flow or financial operations. The Board approved use of the Corporation's private funds in the amount of \$750,000 for a statewide marketing campaign in response to House Bill 121 passed by the Florida Legislature and signed by the Governor in 2023. The KidCare+ unexpended fiscal year-end balances have been carried forward. The unexpended balance for Fiscal Year 2024-25 was \$750,000. This amount has been carried forward to Fiscal Year 2025-26. These funds will be used in connection with implementation of the law once federal-level decisions and ongoing legal disputes are resolved. The Corporation's Net Position will be reduced by the amount of funds spent at that time.

Mr. Fennell asked for a motion to approve the June 30, 2025, Financial Statements. Dr. English moved the motion; Mr. Eggers and Dr. Aune seconded the motion.

Mr. Fennel mentioned that Dr. Armas is in attendance for the record.

**ACTION: Approve the June 30, 2025, Financial Statements.
This motion was approved.**

B. Fiscal Year Ending June 30, 2025, Draft Audit Report and Auditor Required Communication

Kevin Warren was recognized to present the Fiscal Year Ending June 30, 2025, Draft Audit Report and Auditor Required Communication. Three reports were conducted.

The first is on the actual numbers and disclosures. The numbers were materially correct. It is an unmodified audit opinion, which is the highest level of assurance you can have on an audit. A new GASB standard (GASB 101) dealing with compensated absences, the main change was how sick time is accrued, which added about a \$137,000 to the liabilities.

The second is compliance with governmental auditing standards. It was a clean report with no issues.

The third is the federal single audit report. There were no findings.

While these reports can be approved by the Board, a final finding cannot be issued until the final Compliance Supplement has been issued by the OMB. No issues are anticipated.

Mr. Warren concluded by reviewing the Auditor Letter to the Board. There were no issues found and no difficulties with the team. It was a clean letter.

Mr. Fennell asked for a motion to approve the Draft Audit Report and Auditor Required Communication. Dr. English moved the motion; Dr. Karch seconded the motion.

**ACTION: Approve the Draft Audit Report and Auditor Required Communication.
This motion was approved.**

C. Amendment to Fiscal Year 2025-26 Approved Budget

This is the first amendment of the fiscal year to keep the Corporation's budget aligned with the state's budgeting system and legislative budgeting data. The adjustments are based on the KidCare caseload and expenditures social services estimating conferences (SSEC) held in July. The revenue and expense adjustments show an increase in salaries and benefits to align with the approved two percent legislative pay package increase for state employees. The signing of the General Appropriations Act took place after the last board meeting; therefore, this was not included in the original proposed budget. In net, the adjustments to the initially approved Operating Budget decrease Revenues by \$23.4 million with an offsetting adjustment to insurance carrier, TPA costs, and Salaries &

Benefits. The amended Operating Budget is balanced as there is no increase or decrease in the calculated Change in Fund Net Position and this amendment has no impact on the use of the Corporation's private funds.

Mr. Fennell asked for a motion to approve the Amendment to Fiscal Year 2025-26 Approved Budget. Commissioner Eggers moved the motion; Dr. English seconded the motion.

**ACTION: Approve the Amendment to Fiscal Year 2025-26 Approved Budget.
This motion was approved.**

D. Northwest Regional Data Center

The Corporation is seeking approval to enter into an agreement with the Department of Children and Families (DCF) to allow for ramped up Maximus testing for 3.0 Implementation. This agreement will be used to issue payment for increased capacity for the testing environment services provided by the Northwest Regional Data Center. This agreement will not exceed \$150,000 and will be paid to DCF as a reimbursement of funds which DCF will be paying directly to Northwest Regional Data Center. Testing is intended to be temporary; however, it may be activated again in the future.

Mr. Fennell asked for a motion to approve the Contract for the Northwest Regional Data Center. Ms. Gary moved the motion; Dr. Karch seconded the motion.

**ACTION: Approve the Contract for the Northwest Regional Data Center.
This motion was approved.**

E. Qsource Periodic Audit

Federal regulations require the Corporation to have an independent audit of the dental plans' encounter and financial data every three years. As done in the past, FHKC is exercising the consultant services provision with Qsource to conduct this audit. The cost for the dental audit this year is approximately \$53,000. The audit will consist of a random sample of all claims and encounters adjudicated in state fiscal year 2024/25. Qsource will audit the accuracy of enrollee eligibility at the time of service, appropriate service limitations, and non-duplication of payments. Qsource will also audit the accuracy and completeness of the data.

Mr. Fennell asked for a motion to approve the budget authority to allow Qsource to perform the dental audits. Dr. English moved the motion; Dr. Aune and Dr. Armas seconded the motion.

**ACTION: Approve the Budget Authority to Allow Qsource to Perform Dental Audits.
This motion was approved.**

A. COO Report

Suzetta Furlong, Chief Operating Officer, was recognized to provide the COO report. KidCare enrollment has steadily increased from the low point in 2023 (110,082 children). As of October 2025, enrollment is at 195,994. The July SSEC believes it will take time to get back to the peak enrollment of April 2020 (272,593 children).

Florida Healthy Kids Dental Plan Performance is based on negotiated, self-reported performance standards. The standards presented are from July 2024 through June 2025, rolled up for all three dental plans. All but one of the 19 standards were met or exceeded. The missed standard was the result of a staffing issue, which has since been corrected.

Florida Healthy Kids Health Plan Performance standards shown are for an 18-month cycle (January 2024 through June 2025) to align with the state fiscal year instead of the previous calendar year cycle. Of the 20 performance standards, six were missed, most by the smallest margin. Both system and staffing issues caused these issues, and processes have been put in place to mitigate them in the future.

B. Population Health Report

Ms. Lichti presented the Population Health Report. It focused on top diagnoses and prescription drugs by cost, telehealth utilization, out-of-network utilization, and provider access.

Dr. English asked how the data is separated when a patient has both cerebral palsy and scoliosis. Ms. Lichti responded that there is a limitation on how the data is reported as it is based on billing of the primary diagnoses.

Dr. English asked if there was any consideration of doing a deeper dive into Somatropin being the top prescription drug by cost. Ms. Lichti stated the health plans are always reviewing drug use guidelines and claims for medical necessity and idiopathic short stature (height) is not allowed as a diagnosis for the growth hormone.

Dr. Freedman asked if there was a way to consolidate the data across Medicaid, MediKids, and CMS to allow for a broader picture of how FHKC serves Florida's children through KidCare. Ms. Lichti explained that type of data would not be available for all the components of KidCare; however, performance measures could be compared.

A. Advertising and Marketing

Ashley Carr, Chief Marketing Officer, detailed the upcoming website enhancements – an accessibility widget, custom map feature, and streamlined translations.

She touched on the Back-to-School campaign which occurred from July to October titled “Mind Matters.” It focused on mental health and garnered 2.4 million impressions, 2,000 social media interaction, and over 2,000 landing page visits. The influencer partnerships led to nearly 40,000 impressions and over 2,700 social media interactions.

The Fall campaign titled “Not All Boo Boos Need the ER” launches in October to educate families on what requires an ER visit. It consists of a digital advertising campaign and partner handouts.

The ACA Open Enrollment campaign titled “Drop the Cost, Not the Care” will run from November 2025 – January 2026. It will utilize targeted digital, out-of-home, and influencer advertising. Community Partner toolkits will also be available.

B. Community Outreach and Partnerships

2025 saw the highest response rate for Back-to-School grantees. Fourteen grants were awarded, including five brand new Back-to-School partners. Through partnerships, the Back-to-School campaign resulted in 230 community events, 260 social media posts, 287 speaking opportunities/published materials, and 75,601 individuals educated.

FHKC, in conjunction with True Health, provided families with Florida KidCare information and application assistance at the Florida Kids & Family Expo. It is the largest back-to-school event in Florida and possibly the country serving more than 10,000 families.

Dr. Aune asked if there were any statistics on wait times for families in the ER. She felt it might be compelling for families in deciding to go to the ER. Ms. Carr agreed it would be a fantastic opportunity as Marketing was looking to extend the campaign.

IV. Strategic Plan

Ryan West, Florida Healthy Kids Corporation
Ashley Carr, Florida Healthy Kids Corporation
Suzetta Furlong, Florida Healthy Kids Corporation
Antonio Murphy, Florida Healthy Kids Corporation

Ms. Carr explained the reasoning for the five-year Strategic Plan. She reviewed Vision, Mission, Corporate Values, Corporate Pillars, and a recap of the 2025 projects which highlighted Customer Experience and Quality of Care.

Ms. Carr and Ms. Furlong made the presentation for the strategic plan.

The proposed 2026 roadmap features new initiatives under Organizational Leadership and Customer Experience and Quality of Care. No changes were recommended for the Financial Responsibility initiatives.

Organizational Leadership's new initiative is for Strategic Partnerships. The goal is to increase awareness through community outreach with health and dentals plans. It will encourage a focus on specific geographical areas and target audiences building more capacity in rural areas of the state as well as faith and sports-based community organizations.

Customer Experience and Quality of Care features these initiatives:

- Quality + Awareness – develop coordinated communication campaign to encourage appropriate ER usage throughout 2026
- Customer Journey + Experience – create education materials to smooth member milestone transitions and program transitions (e.g., MediKids to Healthy Kids)
- Customer Journey – enhance technology processes to expedite enrollment timeline through mobile apps and texts and a daily process which removes the manual process
- Experience – implement self-service webchat

Mr. Fennell asked for a motion to approve the changes to the Strategic Plan. Dr. English moved the motion; Ms. Gary seconded the motion.

**ACTION: Approve the Changes to the Strategic Plan.
This motion was approved.**

V. Other Business

Mr. Fennell opened the floor to the Board and then the public for comment. Hearing none, he opened the floor to the Board extending the opportunity to share any announcements. Mr. Fennell informed the Board the next meeting will be on Wednesday, January 14, 2026, at Hotel Duval in Tallahassee. With no other business to discuss, Mr. Fennell requested a motion to adjourn the meeting. Dr. English moved the motion. Dr. Amra Resic seconded the motion. The meeting adjourned at 11:49 a.m.

**ACTION: Adjourn Meeting.
This motion was approved.**

Tab 3A

Florida KidCare + Children's Hospitals:
A Longstanding Partnership

Florida Healthy Kids Corporation Board of Directors

January 14, 2026
Melanie Hall, MA



Florida Association of
Children's Hospitals, Inc.

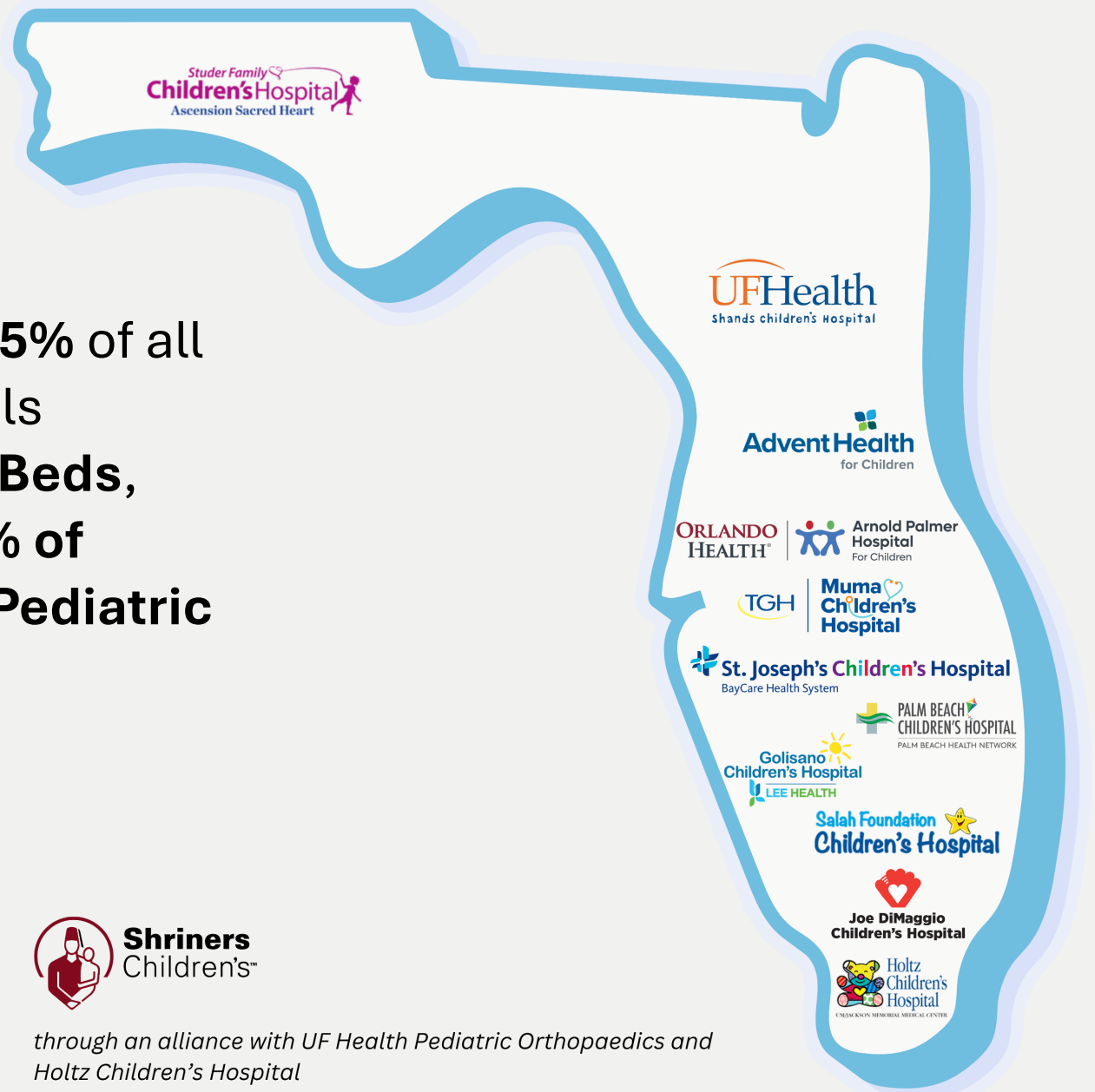
The Florida Association of Children's Hospitals

In 1999, the Association was organized to enhance and improve children's healthcare in Florida. This collaborative effort of children's hospitals seeks to accomplish this mission by focusing on:

- Patient Care – by sharing knowledge of efficiencies, methods and new technologies
- Education – by promotion of educational efforts for physicians, allied healthcare professionals, families and patients
- Research – by promoting, supporting and sharing efforts in state and national programs
- Child Advocacy – by providing a voice for our young citizens to ensure their health and wellbeing throughout the state of Florida

Although **they represent less than 5%** of all of Florida's hospitals, FACH hospitals provide **58.6 % of all Pediatric ICU Beds, 28% of Pediatric Trauma Care, 60% of NICU Level IV Beds, and 62.5% of Pediatric Organ Transplants.**

Data source 2023_ FHURS_ AHCA web 8/1/2025



through an alliance with UF Health Pediatric Orthopaedics and Holtz Children's Hospital

Partnership with FHKC

- Began informally in 2012 with the first CHIPRA grant through the Centers for Medicare and Medicaid Services
- Provided training to the financial services, social work and revenue maximization departments of each FACH member
- Second year of the grant focused on providing resources to the three children's hospitals with the highest rates of uninsured children to provide follow up with the families that had been determined ineligible for Medicaid
- Analysis at Golisano Children's Hospital demonstrated an annual savings of \$676,172

Partnership with FHKC

Three main areas of focus:

- Advocacy
- Training and education
- Process improvement



Partnership with FHKC

Advocacy

- State Level

 - Florida Hospital Association

 - Safety Net Hospital Association

- Federal Level

 - Association of Children's Hospitals

Partnership with FHKC

Training and Education

- In 2018 FACH began a more formal relationship with FHK and was funded to provide webinars for financial assistance teams at FACH member hospitals, provide regular updates, and utilize hospital websites and communications to promote Florida KidCare programs
- Beyond the grant period, trainings continued on an as needed basis, and trainings are posted and promoted to member hospitals on the FACH website

Partnership with FHKC

Process Improvement

- Member of the Community Outreach and Marketing Committee
- Participated on the committee that reviewed direct communications with parents
- Assisted with developing parent survey to assess satisfaction
- Serve as the liaison to connect with staff/plan representatives to resolve complex cases

Questions?



Florida Association of
Children's Hospitals, Inc.

Tab 4

Executive Reports

Tab 4A

Corporate/Board
Governance Documents

Approved by FHKC Board of Directors: January 10, 2024

5.2 The Board will:

- a. Approve the internal audit activity charter.
- b. Approve the risk-based internal audit plan.
- c. Receive communications on the ~~internal audit activity's performance~~ of the internal audit activity relative to the internal audit plan and other matters.
- d. Approve decisions regarding the ~~Internal Auditor's~~ appointment or removal of the Internal Auditor.
- e. Approve the ~~Internal Auditor's~~ remuneration of the Internal Auditor.
- f. Make appropriate inquiries of management and the Internal Auditor to determine whether there is inappropriate scope or resource limitations.

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6. INDEPENDENCE AND OBJECTIVITY

6.1 The Internal Auditor will ensure that the internal audit activity remains free from all conditions ~~that threaten~~ threatening the ability ~~of to perform unbiased~~ internal auditors to carry out their audit responsibilities ~~in an unbiased manner~~, including ~~matters of~~ audit selection, scope, procedures, frequency, timing, and report content.

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6.2 The Internal Auditor will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe no quality compromises were made in their work product, and that they do not subordinate their judgment on audit matters to others.

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6.3 The Internal Auditor will have no direct operational responsibility or authority over ~~any of the audited~~ activities ~~audited~~. Accordingly, the Internal Auditor will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair ~~internal auditor's~~ the Internal Auditor's judgment. Where the Internal Auditor has or is expected to have roles and/or responsibilities ~~that fall~~ outside of internal auditing, safeguards will be established to limit impairments to independence or objectivity.

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6.4 The Internal Auditor will:

- a. Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- b. Exhibit professional objectivity in gathering, ~~evaluate~~ evaluating, and communicating information about the ~~examined~~ activity or process ~~being examined~~.
- c. Make balanced assessments of all available and relevant facts and circumstances.
- d. Take necessary precautions to avoid being unduly influenced by their ~~own~~ interests or by others ~~in when~~ forming judgments.

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6.5 At least annually, the Internal Auditor will confirm ~~to the Board through the Finance and Audit Committee~~ the organizational independence of the internal audit activity ~~to the Board through the Finance and Audit Committee~~. The Internal Auditor will disclose to the Finance and Audit Committee and the Board any interference and related implications in ~~determining the scope of internal auditing, performing audit scope determination, work performance, and/or communicating results~~ communication.

Approved by FHKC Board of Directors: January 10, 2024

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9.2 The internal audit report shall include management's response and corrective action taken or to be taken regarding the specific findings and recommendations. Management's response to the audit report, whether included within the original audit report or provided thereafter (i.e., within 30 days), should include a timetable for the anticipated completion of any corrective action, ~~as well as and~~ an explanation for any corrective action that will not be implemented.

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9.3 The Internal Auditor will be responsible for appropriate follow-up on engagement findings and recommendations. All significant findings will remain in an open-issues file until corrected.

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9.4 The Internal Auditor will periodically report to management and the Board regarding:

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a. The ~~internal audit activity's~~ purpose, authority, and responsibility ~~of the internal audit activity.~~

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b. The ~~performance of the~~ internal audit ~~activity's performance~~ activity is relative to its plan.

c. The internal audit activity's conformance with applicable ethics and standards, ~~and as well as~~ action plans to address any significant conformance issues.

d. Significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by management and/or the Board.

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10. PERIODIC ASSESSMENT

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The Internal Auditor is subject to the CPA firm's routine, 3-year external peer review process, and will report the results to the Board.

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11. Internal Audit Activity Charter Approved by FHKC Board this _____ day of Directors: January

Internal Auditor _____

Date _____

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Chief Executive Officer Date

Finance and Audit Committee Chair Date

History: 1-14-26; 7-8-2025; 1-10-2024; 10-12-2023; 5-18-2023; 5-27-2021

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Florida Healthy Kids Corporation Internal Audit Activity Charter

1. PURPOSE

The internal audit activity aims to provide independent, objective assurance and advisory services designed to add value and improve the Florida Healthy Kids Corporation (FHKC) operations. The internal audit activity assists FHKC in accomplishing its objectives by bringing a systematic and disciplined approach to evaluate and improve the effectiveness of the organization's governance, risk management, and control processes. The internal audit activity will be provided by the staff of an independent CPA firm under contract ("Internal Auditor").

2. ROLE

The internal audit activity is established by the Board of Directors ("Board"), and the Board, with the assistance of the Finance and Audit Committee, is ultimately responsible for defining and monitoring the internal audit activity.

3. PROFESSIONAL STANDARDS

Internal audits will be conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States. The internal audit activity will adhere to FHKC's relevant policies and procedures.

4. AUTHORITY

With strict accountability for confidentiality and safeguarding records and information, the internal audit activity is authorized full and unrestricted access to FHKC's records¹, physical properties, and personnel pertinent to carrying out any engagement. All FHKC employees must assist the internal audit activity in fulfilling its roles and responsibilities. The Internal Auditor may communicate and interact directly with the Board and Chair of the Board during Board and Executive Committee meetings, management conference calls, and private meetings without management present. The Internal Auditor may communicate similarly with the Finance and Audit Committee and the Committee Chair.

5. ORGANIZATION

5.1 The Internal Auditor will report functionally to the Board through regular reporting to the Finance and Audit Committee and, when necessary, directly to the Board Chair. The internal auditor will report administratively to the Chief Executive Officer for work schedule coordination, work performance updates and guidance, and other day-to-day internal audit activity purposes.

5.2 The Board will:

- a. Approve the internal audit activity charter.
- b. Approve the risk-based internal audit plan.
- c. Receive communications on the performance of the internal audit activity relative to the internal audit plan and other matters.
- d. Approve decisions regarding the Internal Auditor's appointment or removal.

¹ To the extent the Internal Auditor requires access to protected health information, the Internal Auditor will be required to execute a business associate agreement under 45 CFR Part 164.

- e. Approve the Internal Auditor's remuneration.
- f. Make appropriate inquiries of management and the Internal Auditor to determine whether there is inappropriate scope or resource limitations.

6. INDEPENDENCE AND OBJECTIVITY

6.1 The Internal Auditor will ensure that the internal audit activity remains free from all conditions threatening the ability to perform unbiased internal audit responsibilities, including audit selection, scope, procedures, frequency, timing, and report content.

6.2 The Internal Auditor will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe no quality compromises were made in their work product, and that they do not subordinate their judgment on audit matters to others.

6.3 The Internal Auditor will have no direct operational responsibility or authority over audited activities. Accordingly, the Internal Auditor will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair the Internal Auditor's judgment. Where the Internal Auditor has or is expected to have roles and/or responsibilities outside of internal auditing, safeguards will be established to limit impairments to independence or objectivity.

6.4 The Internal Auditor will:

- a. Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- b. Exhibit professional objectivity in gathering, evaluating, and communicating information about the examined activity or process.
- c. Make balanced assessments of all available and relevant facts and circumstances.
- d. Take necessary precautions to avoid being unduly influenced by their interests or others when forming judgments.

6.5 At least annually, the Internal Auditor will confirm the organizational independence of the internal audit activity to the Board through the Finance and Audit Committee. The Internal Auditor will disclose to the Finance and Audit Committee and the Board any interference and related implications in internal audit scope determination, work performance, and/or results communication.

7. RESPONSIBILITIES

7.1 The internal audit activity scope encompasses, but is not limited to, the objective examination and evaluation of the adequacy and effectiveness of FHKC's governance, risk management, and control processes as well as the performance quality in carrying out assigned responsibilities to achieve FHKC's stated goals and objectives. This includes:

- a. Assisting the external independent financial statement auditor, as appropriate.
- b. Evaluating the reliability and validity of information and the means used to identify, measure, classify, and report such information.
- c. Evaluating the systems established to ensure compliance with policies, plans, procedures, laws, and regulations that could significantly impact FHKC.
- d. Evaluating the means of safeguarding assets and, as appropriate, verifying the existence of such assets.
- e. Evaluating the effectiveness and efficiency with which resources are employed.
- f. Evaluating operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned.
- g. Evaluating specific operations at the request of the Finance and Audit Committee or management, as appropriate.
- h. Performing advisory services related to governance, risk management, and control as

appropriate for FHKC.

8. INTERNAL AUDIT PLAN

8.1 At least annually, the Internal Auditor will submit an internal audit plan to the Board through the Finance and Audit Committee for review and approval. The internal audit plan will comprise a work schedule, a budget, and resource requirements for the next fiscal year. The Internal Auditor will also report on the impact of resource limitations and significant interim changes.

8.2 The internal audit plan will be developed to prioritize the audit universe using a risk-based methodology, including input from FHKC management and the Board. Any significant deviation from the approved internal audit plan will be communicated to FHKC management, the Finance and Audit Committee Chair, and the Board Chair through periodic activity reports.

9. REPORTING AND MONITORING

9.1 The Internal Auditor will prepare, issue, and distribute, as appropriate, a written report following the conclusion of each internal audit engagement to the Board and management. The Internal Auditor will also present internal audit results to the Finance and Audit Committee and, at the discretion of the Finance and Audit Committee, to the Board.

9.2 The internal audit report shall include management's response and corrective action taken or to be taken regarding the specific findings and recommendations. Management's response to the audit report, whether included within the original audit report or provided thereafter (i.e., within 30 days), should include a timetable for the anticipated completion of any corrective action and an explanation for any corrective action that will not be implemented.

9.3 The Internal Auditor will be responsible for appropriate follow-up on engagement findings and recommendations. All significant findings will remain in an open-issues file until corrected.

9.4 The Internal Auditor will periodically report to management and the Board regarding:

- a. The purpose, authority, and responsibility of the internal audit activity.
- b. The performance of the internal audit activity is relative to its plan.
- c. The internal audit activity's conformance with applicable ethics and standards, as well as action plans to address any significant conformance issues.
- d. Significant risk exposures and control issues, including fraud risks, governance issues, and other matters needed or requested by management and/or the Board.

10. PERIODIC ASSESSMENT

The Internal Auditor is subject to the CPA firm's routine, 3-year external peer review process, and will report the results to the Board.

11. Internal Audit Activity Charter Approved this ____ day of _____

Internal Auditor

Date

Chief Executive Officer

Date

Finance and Audit Committee Chair

Date

History: 1-14-26; 7-8-2025; 1-10-2024; 10-12-2023, 5-18-2023, 5-27-2021

FLORIDA HEALTHY KIDS CORPORATION
Finance and Audit Committee Charter

Purpose

The purpose of the Finance and Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Florida Healthy Kids Corporation (the “Corporation”) is to assist the Board in exercising its fiscal control over the Corporation.

Membership

The Committee shall be comprised of at least five (5) members, including at least three (3) members of the Board. A member of the Executive Committee shall serve as the Committee Chair and a member of the Board shall serve as the Vice Chair. All members of the Committee shall:

1. Be free of any conflict of interest that may interfere with their exercise of independent judgment regarding the fiscal or operational management of the Corporation.
2. Be able to read and understand the Corporation’s financial statements and other financial or auditor provided materials or undergo an orientation provided by corporate staff within a reasonable time of appointment.

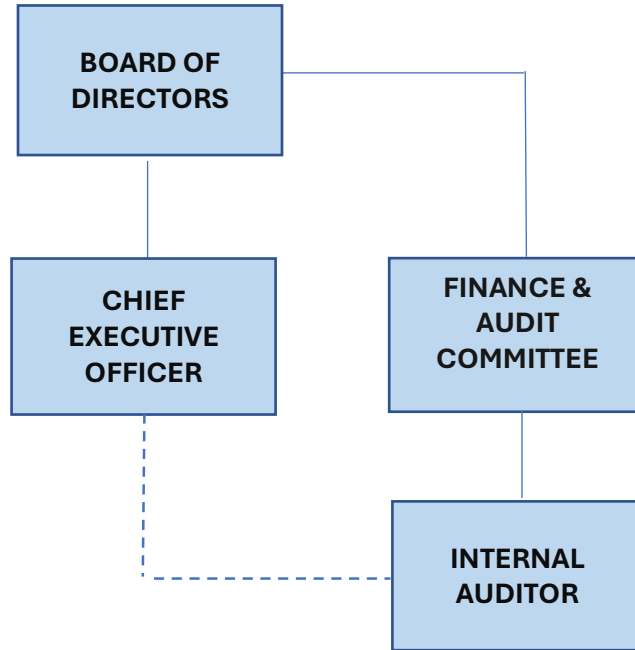
Committee Duties and Responsibilities

The Committee shall have the following duties and responsibilities; however, items within the Committee’s purview may be brought to the Board without first being heard by the Committee.

1. Oversight of all corporate financial matters including, but not limited to, financial policies, systems of internal controls, financial reporting, operating budget, use of corporate funds, fiscal solvency and viability, banking and investment portfolios, and required IRS reporting
2. Determination of budget sufficiency for contracts and contract amendments with an annual value of more than \$50,000, including medical and dental carrier rates.
3. Oversight of the selection and performance of the Corporation’s independent auditor, including review of the independent auditor’s report, audited financial statements, and auditor’s required communications for acceptance prior to submission to the Board.
4. Oversight of the selection and performance of the Corporation’s internal auditor, including defining and monitoring internal audit activity, and other committee responsibilities specified by the Internal Audit Activity Charter.
5. Review auditor provided materials and reports and ensure implementation of recommended actions related to the Corporation’s systems of internal controls and financial policies over accounting processes and financial reporting.

6. At least on an annual basis, advise on corporate or governance documents.
7. Provide guidance on any significant compliance issues, such as legal, ethical, or other issues raised in connection with litigation, contingencies or claims, and any material reports or inquiries received from regulators or governmental agencies.
8. Conduct other activities at the direction of the Board.

**FLORIDA HEALTHY KIDS CORPORATION
INTERNAL AUDIT FUNCTION
ORGANIZATIONAL CHART & RESPONSIBILITIES**



BOARD OF DIRECTORS

- Approve Internal Audit Activity Charter
- Approve risk-based Internal Audit Plan
- Approve IA contract and compensation
- Approve necessary resources
- Approve decisions
- Provide feedback

FINANCE & AUDIT COMMITTEE

- Maintain regular communications
- Monitor activities
- Provide guidance and recommendations
- Receive and review the Internal Audit Plan, internal audit reports, and other written internal audit communications and submit the items to the Board

CHIEF EXECUTIVE OFFICER

- Supervise administrative functions
- Coordinate work schedules
- Provide regular updates
- Provide guidance on work performed

FLORIDA HEALTHY KIDS CORPORATION
Operational Efficiency and Quality Committee Charter

Purpose

The purpose of the Operational Efficiency and Quality Committee (“Committee”) of the Board of Directors (“Board”) of Florida Healthy Kids Corporation (“Corporation”) is to assist the Board in overseeing the efficient provision of quality services to Florida KidCare families, as well as vetting procurement and contracting documents.

Membership

The committee shall comprise at least five (5) members, including at least three (3) members of the Board. An individual may represent multiple roles but shall retain only one vote. Committee membership may include one or more of the following roles:

1. A Committee Chair who is a director of the Board with the experience and ability to manage the Committee’s duties and responsibilities.
2. A Vice Chair who is a member of the Board.
3. A Florida board-certified pediatrician or family medicine physician.
4. A licensed Florida dentist.
5. A representative from the Department of Children and Families.
6. A representative from the Agency for Health Care Administration.
7. A representative from the Department of Health.
8. A representative of the children’s health advocate community.
9. An adult family member of a Florida Healthy Kids enrollee.

All members of the Committee shall:

1. Be free of any conflict of interest that may interfere with the exercise of independent judgment regarding the operational management of the Corporation.
2. Be able to read and understand the Corporation’s procurement and contract documents, quality reports, charts, tables, and other information pertaining to operational efficiency and quality management or undergo an orientation provided by corporate staff within a reasonable time of appointment.
3. Have a general understanding of and/or experience in contracting matters; the provision of call center, eligibility, medical, and/or dental services; or undergo an orientation provided by corporate staff within a reasonable time of appointment.

Committee Duties and Responsibilities

The Committee shall have the following duties and responsibilities; however, items within the Committee's purview may be brought to the Board without first being heard by the Committee.

1. Provide guidance on opportunities to improve patient health outcomes and customer service, as well as process efficiencies between the Corporation and Florida KidCare agency partners.
2. Monitor and advise on the delivery and quality of health and dental benefits and services provided to Florida Healthy Kids enrollees, which may include, but is not limited to, review of the following:
 - a. Reports by the Corporation's external quality review organization or FHKC staff
 - b. Federally required performance improvement projects
3. Monitor and advise on the delivery and quality of eligibility and related services provided to Florida KidCare enrollees.
4. Review procurement documents.
5. Review contracts and amendments with an annual value of more than \$50,000 per year. Contract amendments pertaining only to rate or cost adjustments are reviewed by the Finance and Audit Committee.
6. Provide guidance on any significant, related compliance issues, such as legal, ethical, or other issues raised in connection with litigation, contingencies or claims, and any material reports or inquiries received from regulators or governmental agencies.
7. At least on an annual basis, advise on corporate or governance documents.
8. Conduct other activities at the direction of the Board.

FLORIDA HEALTHY KIDS CORPORATION
Community Outreach and Marketing Committee Charter

Purpose

The purpose of the Community Outreach and Marketing Committee (the “Committee”) of the Board of the Directors (the “Board”) of Florida Healthy Kids Corporation (the “Corporation”) is to provide input on the Corporation’s plans and activities related to brand awareness and education, and enrollment and retention, as well as the use of plan benefits.

Membership

The Committee shall be comprised of at least five (5) members, including two (2) members of the Board. A member of the Board shall serve as the Committee Chair. All members of the Committee shall:

1. Understand and/or have previous work experience in marketing, communications or community outreach.
2. Be free of any conflict of interest that could foreseeably arise, such as when the Committee would likely consider measures that are related to a contract the Committee member (or their relative, business associate, or employer) has with the Corporation.

Additional non-voting or advisory members with relevant subject matter expertise may be added.

Committee Duties and Responsibilities

The Committee shall have the following duties and responsibilities; however, items within the Committee’s purview may be brought to the Board without first being heard by the Committee:

1. Identify opportunities to improve brand consistency among Florida KidCare partners, to include correspondence, advertising, and overall marketing strategy. Review related tracking mechanisms and recommend additional efforts to increase the return on investment.
2. Provide input on the Corporation’s comprehensive marketing strategies to attract and retain enrollees in Florida KidCare health and dental plans, as well as encourage enrollees to fully utilize plan benefits
3. Monitor promotional messaging to ensure it remains family-centered and easy to understand.
4. Seek opportunities to expand the role of the Corporation’s executive staff in representing the Corporation to partners and stakeholders.
5. Identify, propose, and monitor new methods of community outreach and/or new community outreach partners that effectively target new and/or consistently hard-to-reach populations.
6. At least on an annual basis, advise on corporate or governance documents.
7. Conduct other activities at the direction of the Board.

BYLAWS OF THE FLORIDA HEALTHY KIDS CORPORATION

ARTICLE I PURPOSE AND CORPORATE OFFICES

- Section 1.1 The Florida Healthy Kids Corporation (the “Corporation”), a not-for-profit legal entity, is created pursuant to sections 624.91 and 624.915, Florida Statutes.
- Section 1.2 The address of the registered office of the Corporation is 1203 Governors Square Boulevard, Suite 400, Tallahassee, FL 32301, and the name of the registered agent at such address is the Chief Executive Officer. Either may be changed as provided by law, and the bylaws shall be deemed to be amended accordingly.
- Section 1.3 The Corporation may have offices at such place or places as the Board of Directors (collectively, the “Board” and individually, a “Director”) may from time to time direct or as the business of the Corporation may require.

ARTICLE II BOARD OF DIRECTORS

Board Authority

- Section 2.1 The Board is responsible for overseeing the activities of the Corporation under section 624.91, Florida Statutes, including fiscal control, operations, and staffing. Corporate officers shall exercise such powers and perform such duties as shall be authorized by the Board.
- Section 2.2 Except as may be otherwise provided by law, the property and business of the Corporation shall be managed by the Board.

Directors of the Board

- Section 2.3 Directors shall be limited to those persons authorized by section 624.91, Florida Statutes, to be members of the Board.
- Section 2.4 The Board shall consist of not more than (13) thirteen Directors, each of whom will serve the Corporation in accordance with section 624.91, Florida Statutes.
- Section 2.5 The Board will be chaired by the Florida Chief Financial Officer or his/her designee (the “Chair”).
- Section 2.6 In addition to the Chair, the Board will be composed of the following twelve (12) Directors:
- A. The Secretary of Florida’s Agency for Health Care Administration or his or her designee;

- B. One (1) member appointed by the Commissioner of Education from the Office of School Health Programs of the Florida Department of Education;
- C. One (1) member appointed by the Chief Financial Officer from among three (3) members nominated by the Florida Pediatric Society;
- D. One (1) member, appointed by the Governor of the State of Florida, who represents Children's Medical Services Program;
- E. One (1) member appointed by the Chief Financial Officer from among three (3) members nominated by the Florida Hospital Association;
- F. One (1) member, appointed by the Governor, who is an expert on child health policy;
- G. One (1) member appointed by the Chief Financial Officer from among three (3) members nominated by the Florida Academy of Family Physicians;
- H. One (1) member, appointed by the Governor, who represents the state Medicaid program;
- I. One (1) member appointed by the Chief Financial Officer from among three (3) members nominated by the Florida Association of Counties;
- J. The State Health Officer or his or her designee;
- K. The Secretary of the Department of Children and Families or his or her designee; and
- L. One (1) member appointed by the Governor from among three (3) members nominated by the Florida Dental Association.

Section 2.7 Directors, excluding the Chair, are selected for three (3) year terms and may serve additional terms, in accordance with section 624.91(6)(a), Florida Statutes. A Director appointed or designated as described in Section 2.6 serves at the pleasure of the appointing or designating official.

Section 2.8 For any Board position that requires an organization to provide the appointing official with a list of nominees, the organization is responsible for ensuring that each proposed nominee is qualified for appointment and has agreed to serve if selected by the appointing official. The appointing official has the sole discretion to decline consideration of any proposed nominee for a Board position for any reason.

Section 2.9 Except as otherwise provided by law, a designee shall not serve in place of a Director at any Board, committee, subcommittee, or workgroup meeting. Where

allowed by law, if a Director intends to send a designee to serve in his/her place to attend or vote at any Board, committee, subcommittee, or workgroup meeting, the Director shall provide written notification thereof to the Chair and/or staff prior to the meeting the designee is to attend.

Board Officers

Section 2.10 The Board will elect a Vice Chair and a Secretary/Treasurer from among its appointed members once a year.

Section 2.11 In the event a vacancy occurs in the office of Vice Chair or Secretary/Treasurer, the Chair may appoint an interim Vice Chair or Secretary/Treasurer to serve until such time as an election by the Board can be held.

Ad Hoc Members of the Board

Section 2.12 The Chair is authorized to appoint non-voting, ad hoc members to the Board who shall serve in an advisory capacity.

Section 2.13 Ad hoc members serve at the pleasure of the Chair.

Resignation and Compensation

Section 2.14 A Director or ad hoc member of the Board shall be considered as having resigned from the Board should he or she no longer represent the nominating organization or serve in the appointed position, as described in Sections 2.6 or 2.12. Resignation for other reasons shall be submitted to the Chair.

Section 2.15 Directors and ad hoc members of the Board shall serve without compensation but are entitled to receive reimbursement from funds of the Corporation for per diem and travel expenses as provided by section 112.061, Florida Statutes, and as allowed under section 624.91, Florida Statutes.

ARTICLE III **COMMITTEES, SUBCOMMITTEES, AND WORKGROUPS**

The Executive Committee

Section 3.1 The Chair, Vice Chair, and Secretary/Treasurer shall serve as Executive Committee to the Board.

Section 3.2 The Chair of the Board shall serve as chair of the Executive Committee.

Section 3.3 Subject to any limitations established by the Board, the Executive Committee may make recommendations to or act on behalf of the Board.

Other Committees, Subcommittees, and Workgroups

Section 3.4 All committees established by the Board will develop and maintain a charter that provides for its purpose, membership, and responsibilities.

Committees established by the Chair, subcommittees, and workgroups are not required to establish a charter.

Section 3.5 The Board, by majority vote, may delegate to committees, subcommittees, or workgroups such powers as it deems appropriate where not in conflict with these bylaws or state law, including the authority to act on behalf of the Board.

Section 3.6 Unless otherwise provided by charter, the chair of any committee or subcommittee established by the Board shall be a Director.

Section 3.7 Only those members appointed as voting members to a committee or subcommittee, or members of the Executive Committee, may vote at a meeting of such committee, or subcommittee.

Section 3.8 Committee or subcommittee ad hoc members with voting authority may vote only within that committee or subcommittee.

ARTICLE IV **AUTHORITY OF THE CHAIR, VICE CHAIR, AND SECRETARY/TREASURE** **(EXECUTIVE COMMITTEE)**

The Chair

Section 4.1 The Chair shall have all powers and duties authorized by these bylaws and as may be authorized by the Board from time to time.

Section 4.2 Except as may be otherwise provided in these bylaws, the Chair is authorized to:

- A. Oversee the day-to-day business operations of the Corporation.
- B. Conduct the order of business at meetings of the Board, committees, subcommittees, and workgroups.
- C. Establish, terminate, or modify committees, subcommittees, or workgroups as he or she deems appropriate for the purpose of preparing advice or recommendations to the Chair or the Board.
- D. Appoint ad hoc members to the Board; appoint all members to committees, subcommittees, and workgroups; and remove said members from the Board, committees, subcommittees, and workgroups.
- E. Call special meetings of the Board; meetings of the Executive Committee; and meetings of any committee, subcommittee, or workgroup.

- F. In the event a vacancy occurs in the office of Vice Chair or Secretary/Treasurer, appoint an interim Vice Chair or Secretary/Treasurer to serve until such time as an election by the Board can be held.
- G. Delegate to the Chief Executive Officer any duties, responsibilities, and powers related to the day-to-day business operations of the Corporation.
- H. Upon direction or approval of the Board, and when in furtherance of any or all objectives of the Corporation, borrow money or authorize the borrowing of money from any individual, corporation, insurance, or banking institution; execute or cause to be executed on behalf of the Corporation such notes or other documents as may be necessary or proper to evidence any such loan and to secure payment thereof; renew any such indebtedness; substitute other properties in lieu of that so pledged or assigned or conveyed to secure any such assets in lieu of that so pledged or assigned or conveyed to secure any such indebtedness; and to do such other act or acts as may be necessary to properly secure the individual, corporation, or institution from whom such money is borrowed.
- I. Receive and accept on behalf of the Corporation grants, loans, or advances of funds from any public or private agency, and receive and accept from any source contributions of money, property, labor, or any other thing of value to be held, used, and applied for the purposes of the Corporation.
- J. Determine that any corporate business may be decided by the Board or Executive Committee without being first heard in committee.

Section 4.3 All written contracts and agreements to which the Corporation is a party shall be executed by the Chair or the Chief Executive Officer of the Corporation, except as otherwise determined and directed by the Board.

The Vice Chair

Section 4.4 The Vice Chair will assume the duties of the Board Chair in the absence of the Chair.

The Secretary/Treasurer

Section 4.5 The Secretary/Treasurer shall attend and keep the minutes of the Board. The Secretary/Treasurer shall have charge of the seal of the Corporation and shall perform all the duties incident to the office of the Secretary/Treasurer of a Corporation, subject at all times to the direction and control of the Board.

Section 4.6 The Secretary/Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Corporation; receive and give receipts for money due and payable to the Corporation from any source whatsoever; and deposit all such money in the name of the Corporation in such banks, trust companies, or other depositories as shall be used by the Corporation. In addition, the

Secretary/Treasurer shall possess, and may exercise such power and authority, and shall perform such duties, as may from time to time be assigned to the Chief Executive Officer by the Board.

Section 4.7 The Secretary/Treasurer is authorized to delegate the functions described in this Section to a corporate officer.

ARTICLE V
CORPORATE OFFICERS

Section 5.1 The Board shall appoint a Chief Executive Officer who shall have responsibility for the general and active management of the Corporation and shall see that all matters of the Board are implemented.

Section 5.2 The person selected for the office of Chief Executive Officer shall not be a Director.

Section 5.3 The Chief Executive Officer shall:

- A. Attend all Board meetings.
- B. Designate in writing the other corporate officer positions as he or she deems necessary and is responsible for the hiring, termination, and supervision of the Corporation's staff and officers.

Section 5.4 The Chief Executive Officer is authorized to:

- A. Perform all duties and exercise such powers as set forth in these bylaws and as authorized by the Board or Chair from time to time.
- B. Establish necessary and appropriate policies and procedures for the operation of the Corporation.
- C. On behalf of the Corporation, execute and amend contracts that do not exceed an annual value of \$50,000; execute contract amendments that do not materially increase the obligations of the Corporation; terminate contracts; waive any contract provisions that do not materially alter the obligations under the contract; and, in emergency circumstances, establish any monetary or time period variables for a transition of services regarding any previously approved contract.

Section 5.5 All written contracts and agreements to which the Corporation shall be a party shall be executed by the Chair or the Chief Executive Officer of the Corporation, unless as otherwise determined and directed by the Board.

Section 5.6 For any authority granted to the Chief Executive Officer, the Chief Executive Officer may delegate such authority in writing to other officers of the Corporation.

Section 5.7 Any corporate officer may be removed by an affirmative vote of seven (7) Directors whenever, in their judgment, the best interests of the Corporation will be served thereby.

ARTICLE VI
MEETINGS OF THE BOARD, COMMITTEES,
SUBCOMMITTEES, AND WORKGROUPS

General Procedures for Meetings

Section 6.1 Any member of the Board or a committee, subcommittee, or workgroup may participate in such meeting, as applicable, by means of a conference telephone or other similar electronic equipment.

Section 6.1.1 Participation by conference call or use of other similar electronic equipment must allow for all persons participating in the meeting to hear each other at the same time.

Section 6.1.2 Participation by such means shall constitute presence at a meeting. A member participating by telephone or similar electronic equipment is considered present for purposes of a quorum and may vote and otherwise participate in the meeting.

Section 6.1.3 A majority of the quorum of the Board, committee, or subcommittee, as applicable, may elect to extend the meeting beyond the noticed time period.

Section 6.2 Regular meetings of the Board or its committees, subcommittees, or workgroups that are opened to the public shall be noticed on the Corporation's website with an agenda with no fewer than three (3) calendar days' advance notice. Meeting notices shall include the start time and, if known, the ending time of each meeting.

Section 6.3 Emergency meetings of the Board or its committees, subcommittees, or workgroups that are open to the public may be noticed on the Corporation's website with an agenda with less than three (3) calendars' day advance notice. Meeting notices shall include the start time and, if known, the ending time of each meeting. Emergency meetings may only be called in response to a need for action based upon a State or Federally declared state of emergency, or upon an emergency declared by the Chair and for the limited purpose of responding to that emergency.

Section 6.4 At any meeting opened to the public, public comment may be accepted at the discretion of the Chair of the Board or chair of the committee or subcommittee, as applicable. The Chair of the Board or chair of the committee or subcommittee, as applicable, may limit public comment based on the circumstances.

Procedures for Board Meetings

- Section 6.5 Regular meetings of the Board shall be held at such place and time as shall be determined by the Chair with reasonable advance notice to each Director.
- Section 6.6 The Board shall hold an annual meeting to be scheduled at the discretion of the Chair. The date and location of the meeting will be determined by the Chair with no fewer than fourteen (14) calendar days' notice to each Director. Notice of the meeting will be provided to each Director by mail, electronic mail, facsimile, or personal delivery.
- Section 6.7 Special meetings or emergency meetings of the Board may be called by the Chair at his or her discretion or upon the written request of any two (2) or more Directors. Special meetings or emergency meetings shall require reasonable notice under the circumstances by mail, electronic mail, facsimile, or personal delivery to each Director. Any such special meeting or emergency meeting shall be held at such place and time as shall be stated in the notice of meeting.
- Section 6.8 At any meeting of the Board, a majority of the Directors shall be necessary to constitute a quorum. Except as otherwise specified in these bylaws, a matter may be carried by a majority within the quorum. However, if a vacancy within the Board occurs, such vacant Board position shall not be considered when determining if a quorum exists. The act of a majority of the Directors present at any meeting at which there is a quorum shall be the act of the Board. At any meeting, if a quorum is not present, a majority of the Directors present may adjourn the meeting to a future date. Alternatively, for any meeting of the Board at which all the Executive Committee members are present, the full Executive Committee may continue the business of the Board, subject to Section 3.3. During any such meeting of the Executive Committee, the act of a majority of the members of the Executive Committee shall be the act of the Board.
- Section 6.9 Any action required to be taken at a meeting of the Directors or any action which may be taken at a meeting of the Directors may be taken without a meeting if a written consent setting forth the action so to be taken, signed by all of the Directors, is filed in the minutes of the proceedings of the Board, as set forth in section 617.0821, Florida Statutes. Such consent shall have the same effect as a unanimous vote.

Procedures for Executive Committee Meetings

- Section 6.10 The Chair or any two (2) members of the Executive Committee may convene a meeting or emergency meeting of the Executive Committee.
- Section 6.11 An Executive Committee meeting or emergency meetings may be convened with reasonable notice under the circumstances to the other members of the Executive Committee.

Section 6.12 A quorum is present when at least two (2) members of the Executive Committee are in attendance. A matter may be carried by a majority within the quorum.

Procedures for Other Committees, Subcommittees, and Workgroup Meetings

Section 6.13 Meetings of any committee or subcommittee may be called by the Chair or the chair of that committee or subcommittee and shall require reasonable notice by mail, electronic mail, facsimile, or personal delivery to each member.

Section 6.14 Matters before a committee may be voted on and approved by that committee without an additional vote by the Board if so authorized by the committee's charter.

Section 6.15 At any meeting of a committee or subcommittee, a quorum is present when a majority of the committee or subcommittee members with voting authority are in attendance. A matter may be carried by a majority within the quorum.

Section 6.15.1 If in attendance, a member of the Executive Committee shall be considered the same as a voting member of the committee or subcommittee, shall be included in the determination of a quorum, and is eligible to vote on matters taken up at the meeting.

Section 6.15.2 At any meeting, if a quorum is not present, a majority of the voting members present may adjourn the meeting to a future date. Alternatively, if all the Executive Committee members are present, the full Executive Committee may continue the business of the committee or subcommittee, subject to Section 3.3. During any such meeting of the Executive Committee, the act of a majority of the members of the Executive Committee shall be the act of the committee or subcommittee.

Conflicts of Interest and Recusal

Section 6.16 At any meeting, all Board, committee, subcommittee, and workgroup members must disclose when his or her current position or interests, financial or otherwise, may represent a conflict of interest.

Section 6.17 A voting member of a Board, committee, or subcommittee must recuse himself or herself any time a conflict of interest would result in a special private gain or loss. "Special private gain or loss" means an economic benefit or harm that would inure to the member or his or her relative, business associate, or principal; provided, however, that if the measure affects a class of persons, the Board, committee, or subcommittee may determine that a special private gain or loss does not exist based on a review of the following factors:

- A. The size of the class affected by the vote;
- B. The nature of the interests involved;

- C. The degree to which the interests of all members of the class are affected by the vote;
- D. The degree to which the officer, his or her relative, business associate, or principal receives a greater benefit or harm when compared to other members of the class; and
- E. Any other relevant factor.

ARTICLE VII
INSPECTION OF BOOKS

Section 7.1 The Board shall have the authority to inspect the books and records of the Corporation, which by law or determination of the Board shall be made available for inspection.

Section 7.2 An independent, annual financial audit shall be conducted. The audit shall be reviewed by committees, subcommittees or workgroups designated by the Chair prior to presentation to the Board.

ARTICLE VIII
SEAL

The seal of the Corporation shall be in such form as the Board may from time to time determine. In the event it is inconvenient to use such a seal at any time, the signatures of the Chair and Secretary/Treasurer followed by the word "seal" enclosed in parentheses or scroll, shall be deemed as the seal of the Corporation.

ARTICLE IX
ANNUAL REPORT

In consultation with the Florida KidCare partner agencies, and pursuant to section 624.91(5)(b)14, Florida Statutes, the Chief Executive Officer shall provide the annual Florida KidCare Program report prepared by the Agency for Health Care Administration to the Governor, Chief Financial Officer, Commissioner of Education, Senate President, Speaker of the House of Representatives, and the Minority Leaders of the Senate and House of Representatives.

ARTICLE X
INDEMNIFICATION

The enabling legislation for this Corporation declares the legislative intent that there shall be no civil liability on the part of, and no cause of action shall arise against, any member of the Board of the Corporation, or its employees or agents, for any action they take in the performance of their powers and duties under section 624.91, et seq., and section 624.915, Florida Statutes.

ARTICLE XI
INTERPRETATION CLAUSE

- Section 11.1 All provisions of these bylaws are subject to, regulated by and controlled by chapter 617, Florida Statutes, and the Articles of Incorporation, as may be amended from time to time. The powers of the Board are subject to the restrictions provided by law and in the Articles of Incorporation.
- Section 11.2 The Corporation shall be controlled and operated: (a) pursuant to the provisions of sections 624.91 and 624.915, Florida Statutes, the enabling legislation for the Corporation; and (b) pursuant to the provisions as set out in these bylaws. If there should be any conflict between the provisions of the enabling legislation, the Articles of Incorporation and/or the provisions of these bylaws, then, and in that event, the provisions of the enabling legislation will control. Should an issue arise which the enabling legislation does not address and a conflict between the Articles of Incorporation and the Bylaws exists, the Articles of Incorporation shall control that issue.

ARTICLE XII
AMENDMENTS

The bylaws of the Corporation may be altered, amended, or repealed. Revisions to the bylaws shall be adopted by a two-thirds (2/3) vote of the Directors present at any meeting of the Board where there is a quorum.



Standard Code of Conduct and Ethics

The Standard Code of Conduct and Ethics (the “Code”) of Florida Healthy Kids Corporation (“Healthy Kids” or the “Corporation”) emphasizes our commitment to ethical conduct and compliance with all applicable federal and state laws, regulations, and rules. **This Code applies to everyone at Healthy Kids, including all Healthy Kids employees; directors and *ad hoc* members of the Corporation’s Board of Directors (the “Board”); and any individuals serving on a Board committee, subcommittee, or workgroup.**

You must read, understand and follow this Standard Code of Conduct and Ethics. You will be asked to sign an attestation. This Code cannot anticipate every situation that we at Healthy Kids may face. We ask that you always act with integrity and honesty and in accordance with the highest ethical standards. If you have a question about a particular situation or are unsure how to act, we encourage you to ask any of the several resources we have designated to assist on these issues. Please see the “Resources” section, below. You may also refer to other internal Healthy Kids policies and procedures that may provide more specific guidance on the topics addressed in this Code.

This Code includes your obligation to report any known or suspected violation of this Code or any other unethical conduct or violation of our policies and procedures. Below are a few ways that you can make a complaint, including anonymously, without fear of retaliation or intimidation. Healthy Kids prohibits anyone from retaliating against anyone else who reports an actual or potential violation in good faith.

Each individual at Healthy Kids is responsible for their own actions under this Code and must comply with this Code at all times. Any violation of this Code or related policies may subject you to removal from your position with the Corporation; employees may be subject to disciplinary action, including verbal or written warnings up to suspension or termination from the Corporation.



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Conflicts of Interest

You must always act according to the Corporation's best interests, whether you have other personal considerations, interests, or relationships inside or outside the Corporation.

We prohibit any transaction or relationship that can interfere with your ability to do what is best for Healthy Kids, whether actual or perceived.

A conflict of interest arises when you; any member of your immediate family; your partner; or an organization that employs or is about to employ any of these people, have a financial or other interest in, or a tangible personal benefit from, a person or organization considered for contract. This can include, for example, a family, financial, or business relationship with a vendor, or the acceptance of a gift or gratuity if it could be seen as influencing a decision. Conflicts of interest can also develop in the context of an individual's close, personal relationship with another individual affiliated with Healthy Kids. These and other potential conflicts of interest should be avoided, neutralized, or mitigated.

Healthy Kids has a process to disclose in writing any conflicts of interest, whether actual or potential, upon hire or appointment and on an annual basis thereafter. You are also required to inform us when a new, actual or potential conflict of interest arises. It is important that you comply with these disclosure requirements promptly and accurately. Failure to make a proper disclosure may subject you to removal from your position and, for employees, termination or other disciplinary action. Please contact the Corporation's Human Resources manager for information on how to disclose any conflict of interest.

You may be asked to recuse yourself from any matter on which you may vote or have influence regarding a disclosed conflict. In limited

circumstances, Healthy Kids could decide to waive a potential or actual conflict of interest if it is determined that the waiver will not adversely impact Healthy Kids.

Gifts or Gratuity

Gifts and gratuities may seem like a common business practice or courtesy. **However, you should never accept a gift / gratuity, whether money, meals, services, entertainment, or anything of value,** from any individual or company currently providing, or would likely seek to provide, services to Healthy Kids. This includes any gift or gratuity of value, even if a *de minimis* amount. Failure to follow this directive may subject you to removal from your position and, for employees, termination or other disciplinary action.

Gifts to the Corporation are permissible in certain circumstances.

Please contact the Corporation's Chief Legal Officer if you have any questions regarding conflicts of interest or gifts.

Fraud, Waste and Abuse

Many federal and state laws, regulations, and rules apply in the health care and health insurance industries, so many of the managed care organizations and other vendors contracted with Healthy Kids may be subject to these laws. Laws related to fraud, waste, and abuse are particularly critical to ensuring safety and efficiency in the delivery of health care and health benefits. It is important to understand these laws, as they may impact your interactions with other entities, including the Corporation's contracted managed care organizations or other vendors. The following laws and regulations are likely the most relevant to our work:



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- **Anti-Kickback Statute.** An illegal kickback can be anything of value offered to influence a decision to refer patients or enrollees or other business. **An individual may not knowingly or willfully solicit, receive, offer or pay anything of value**, including any kickback, bribe, or rebate, for referring services that are paid, in whole or in part, under a federal health care program, such as Medicaid or CHIP.
- **Civil Monetary Penalties Law on Beneficiary Inducements.** **Similarly, patients or enrollees may not be offered gifts, benefits, or anything of value in order to entice them to use health care products or services.** This helps ensure that beneficiaries are making health care decisions based solely on their medical needs rather than because of some type of inducement. Federal law prohibits the provision of anything of value to a patient or beneficiary if it is likely to induce that patient or beneficiary to order or receive items or service reimbursable by a federal health care program from a particular provider or supplier.
- **False Claims Act.** A person may not knowingly present or make a false, fraudulent, or misleading claim for payment to the U.S. government, including claims for payment under a federal health care program like Medicaid or CHIP. These “false claims” include a claim for payment that originates from a violation of other laws, such as the Anti-Kickback Statute, Civil Monetary Penalties Law, or Stark Law. **Any statements, documents, or data submitted to the government must be true, accurate, and complete.**
- **Stark Law.** Physicians may not refer patients for certain health care services that are reimbursable by a federal health care program to an entity with which the physician or an immediate family member has a financial relationship.

- **Criminal Conviction, Exclusion from Participation in Federal Health Care Programs.** An individual or company can be debarred or excluded from participation in a federal health care program like Medicaid or CHIP. As an example, Healthy Kids managed care organizations providing health or dental benefits within the Medicaid or CHIP programs may not employ or contract with excluded individuals.

If you have a question about any of these requirements, or if you suspect a violation of these laws, please contact the Chief Legal Officer of Healthy Kids.

Federal and State Laws Governing Healthy Kids and Florida KidCare

You must be familiar with the legal requirements relevant to your position with Healthy Kids, your work as applied to the operation of a Managed Medicaid or CHIP program, and other applicable federal and state laws and regulations. For example, in 42 C.F.R. Part 457, the Centers for Medicare and Medicaid Services (CMS) sets forth specific requirements for coverage, enrollment, marketing, and outreach in connection with CHIP plans like Healthy Kids. Similarly, sections 624.91 and 624.915, *Florida Statutes*, govern the operations of Healthy Kids, while section 409.810 *et seq.*, *Florida Statutes*, regulates program eligibility, benefits, and administration for Florida KidCare.

If you have a question about any of these legal requirements, please contact the Chief Legal Officer of Healthy Kids.

HIPAA and Patient Confidentiality

You may come into contact with personal information or health records as part of your position with Healthy Kids. You must keep any beneficiary’s or applicant’s “protected health



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information,” or information that relates to a beneficiary’s health condition or the provision or payment for health care, strictly confidential. Federal and state laws set forth extensive requirements to help protect the privacy of our beneficiaries. **You must not access, use, or disclose protected health information unless you have a legitimate business purpose and/or if you obtain the beneficiary’s or applicant’s express consent.** If you have access to protected health information as part of your position with Healthy Kids, you are also responsible for ensuring that this information is not used or disclosed improperly.

If you have any questions about HIPAA or patient confidentiality, please contact the Corporation’s HIPAA privacy officer or the Chief Legal Officer.

Information Security and Public Records

It is important to take basic steps to safeguard company information to help prevent unauthorized access. For those individuals with direct access to Healthy Kids’ systems, do not share your log-in information or password, and ensure that your computer is secured when you step away from your desk and when you leave for the day. Ensure that any paper documents containing protected health information or other sensitive information are stored appropriately and shredded before discarded.

Healthy Kids has a separate policy governing the retention and maintenance of any of the Corporation’s books and records. Healthy Kids also has internal procedures for handling requests for disclosure of public records. If you have any questions about these policies, please contact the Chief Legal Officer of Healthy Kids.

Background Checks for Staff

All potential employees must undergo a Florida Department of Law Enforcement criminal background check prior to employment at Healthy Kids. Any candidates with a criminal record will require further levels of review and approval and may ultimately be denied employment. Follow-up background checks can be conducted at any time throughout your employment with Healthy Kids. Information revealed in any subsequent background check can result in additional personnel action. **It is your responsibility to immediately inform the Human Resources Director or Chief Legal Officer of any changes in your criminal record, including any subsequent arrest or conviction.**

Equal Opportunity and Anti-Discrimination

Healthy Kids values the fair and equitable treatment of our employees, beneficiaries, and other individuals with whom we interact. Our policy is to enroll and serve beneficiaries without regard to race, color, religion, sex, ethnicity, age, disability, gender identity, or any other protected class. You are also prohibited from discrimination on the basis of race, color, religion, sex, gender identify, sexual orientation, age, disability, or genetic information in any work situation or otherwise.

Anti-Harassment

All individuals at Healthy Kids are entitled to a safe and supportive work environment that is free from unlawful harassment of any kind. You may not engage in any behavior that interferes with an individual’s work or creates an intimidating, hostile, or offensive work environment. This includes any incidents of workplace violence or sexual harassment. If you experience or witness any harassment in the

workplace, we urge you to contact your supervisor or Human Resources.

Post-Service Restrictions

Healthy Kids employees and members of the Board are restricted from personally representing another individual or entity before the Board or the Corporation for compensation for a period of two (2) years after vacating a position with the Corporation.

Healthy Kids employees and members of the Board may not, for a period of two years after vacating the position, receive compensation as an employee, officer, director, or consultant of a Healthy Kids contractor for which the individual participated personally and substantially through contract development, decision, approval, disapproval, recommendation, rendering of advice, investigation, or administration. Further, he or she may not, for a period of two years after vacating the position, receive such compensation if he or she personally:

- Decided to award a contract, subcontract, modification of a contract or subcontract, or a task or delivery order or delivery order in excess of \$10,000,000 to the contractor;
- Established overhead or other rates applicable to one or more contracts that exceed \$10,000,000;
- Approved issuance of one or more payments that exceed \$10,000,000; or

Chief Executive Officer, Chief Legal Officer, your supervisor, our Human Resources Director, or any member of the Executive Staff of Healthy Kids. This Code summarizes our policies and procedures.

- Paid or settled a claim in excess of \$10,000,000 with the contractor.

However, a person may be employed by or contract with a division or affiliate of such a contractor if the division/affiliate does not provide products or services that are similar to that which was provided to Healthy Kids.

These restrictions also apply to any member or appointee of a committee, subcommittee, or workgroup. However, these restrictions do not prevent you from being employed with or retained by any governmental agency or entity.

Under certain circumstances, these restrictions on employment may be waived after special review by the Chief Executive Officer, with the approval of the Board or Executive Committee of the Board.

Resources

If you have any questions about this Code, we encourage you to ask any of the several resources we have designated to assist on these issues. If you are a director or member of the Board or a member of a Board committee, subcommittee, or workgroup, you may seek advice from the Chair of the Board, the Chief Executive Officer, or the Chief Legal Officer of the Corporation. If you are an employee of Healthy Kids, you may ask the

For a full list of our policies, please contact the Chief Legal Officer.



Standard Code of Conduct and Ethics Attestation

I, _____, as a [director of the Corporation’s Board of Directors / ad hoc member of the Corporation’s Board of Directors / committee member / employee] acknowledge receipt of the Florida Healthy Kids Corporation’s (“Healthy Kids” or the “Corporation”) Standard Code of Conduct and Ethics (the “Code”) and affirm by my signature below that I have read, understood, and accept all of the provisions set forth therein, including but not limited to the following:

- I agree to disclose any and all personal and business relationships that create a conflict of interest or may present the appearance of a conflict of interest and those of any member of my immediate family; partner; or an organization that employs or is about to employ any of these people, have a financial or other interest in, or a tangible personal benefit from, a person or organization considered for a contract.
- I agree to never accept a gift or anything of value from any individual or company currently providing, or would likely seek to provide, services to Healthy Kids.
- I understand the post-service restrictions provided for under this Code, and agree not to:
 - Personally represent another individual or entity for compensation before the Corporation’s Board of Directors or Healthy Kids for a period of two (2) years following vacation of my position unless employed or retained by a governmental entity or agency or
 - For a period of two (2) years after vacating my position, have an employment or contractual relationship with a Healthy Kids contractor for which I participated personally and substantially through contract development, decision, approval, disapproval, recommendation, rendering of advice, investigation, or administration, or for which I personally approved contracts, contract amendments, or payments in excess of \$10,000,000.

(unless waived upon special review by the Chief Executive Officer and the approval of the Board or Executive Committee of the Board).

- I understand the Corporation’s policy of non-retaliation against anyone who reports an actual or potential violation in good faith and agree to report any such actual or suspected violations of this Standard Code of Conduct and Ethics, or other any actual or suspected non-compliance with the fraud, waste, and abuse laws or other federal or state laws discussed in this Code.

Name: _____

Position: _____

Signature: _____

Date: _____



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Disclosure			
<p>A conflict of interest arises when you; any member of your immediate family; your partner; or an organization that employs or is about to employ any of these people, have a financial or other interest in, or a tangible personal benefit from, a person or organization considered for contract.</p> <p><i>I am disclosing the following relationships, business and personal, that may create a conflict of interest as follows:</i></p>			
Name of Organization or Individual	Relationship (Business or Personal) & Party(ies) (Self, Immediate Family, etc.)	Position resulting in Conflict (owner, officer, majority stockholder, employee, vendor, etc.)	Nature of Conflict or Potential Conflict(What is the benefit or perceived benefit?)

Attached: Updated List of Vendors (as of:_____)

Tab 5

Chief Operating Officer Report



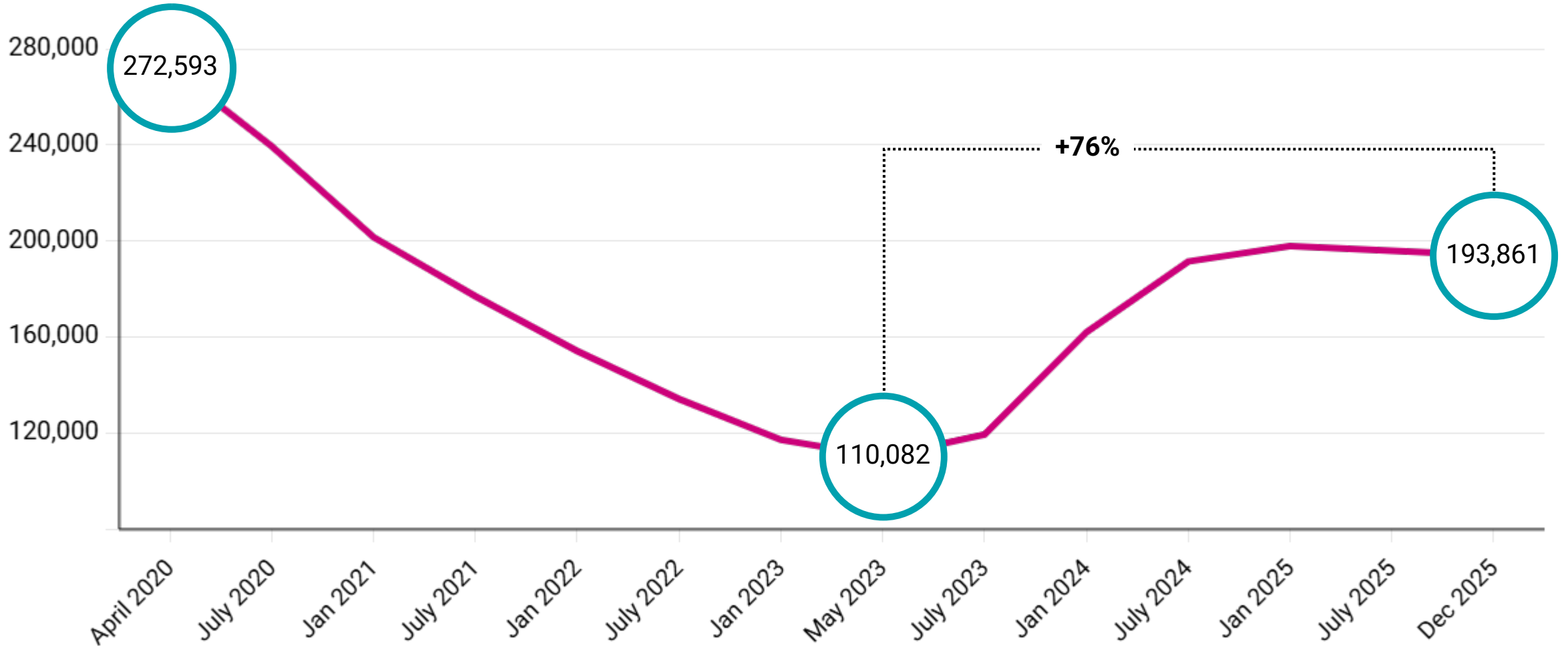
Chief Operating Officer Report

January 14, 2026



KidCare Enrollment

CMS Health Plan, Healthy Kids CHIP and Full-Pay, MediKids CHIP and Full-Pay



Looking Ahead

- TPA implementation
- Health and dental plan contract amendments
- Periodic audits



Health and Dental Plan Quality Reports

Part 1



A large teal circle is positioned on the left side of the page, partially overlapping the white background. It contains the text 'Annual Quality Reports' in white.

Annual
Quality
Reports

Compliance Assessment

**Performance Measure
Validation**

**Performance
Improvement Projects**

**Network Adequacy
Validation**



Compliance Assessment Standards

2024 Standards



- Availability of Services (AOS)
- Assurances of Adequate Capacity and Services (AACCS)
- Grievances and Appeals (GA)
- Practice Guidelines (PG)
- Health Information Systems (HIS)
- Quality Assessment and Performance Improvement (QAPI)

2025 Compliance Assessment Standards for 2024 Activities



- **Coordination and Continuity of Care (CCC)**
- **Coverage and Authorization of Services (CAS)**
- **Subcontractual Relationships and Delegation (SRD)**

2026 Standards

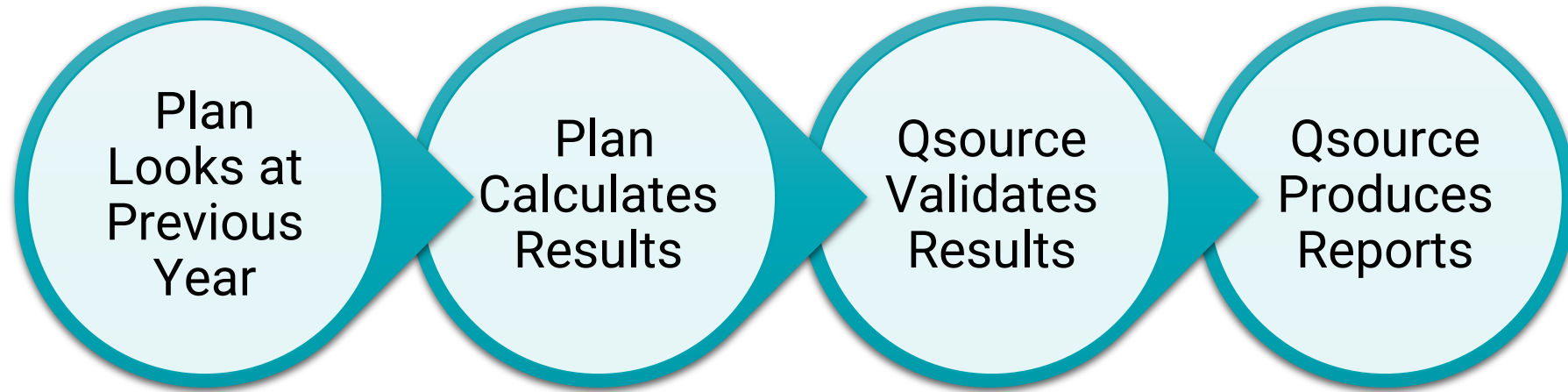


- Enrollee Information (EI)
- Enrollee Rights and Protections (ER)
- Provider Selection Credentialing/Recredentialing (CR)

Compliance Assessment Results

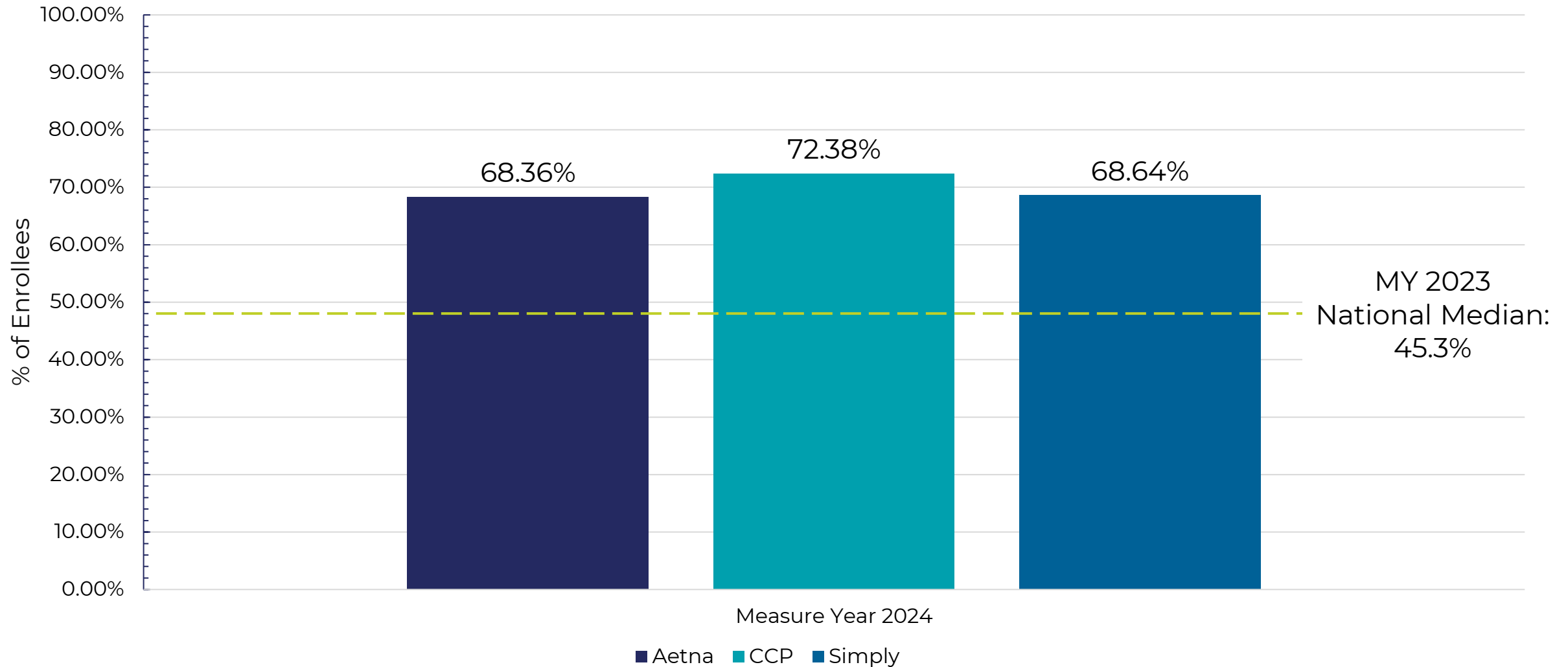
Plan	Overall Score	Coordination and Continuity of Care (CCC)	Coverage and Authorization of Services (CAS)	Subcontractual Relationships and Delegation (SRD)
Aetna	100%	100%	100%	100%
CCP	100%	100%	100%	100%
Simply	100%	100%	100%	100%
DentaQuest	99.07%	97.22%	100%	100%
Liberty	93.84%	94.44%	96.46%	90.63%
MCNA	98.78%	100%	97.56%	N/A

Performance Measures

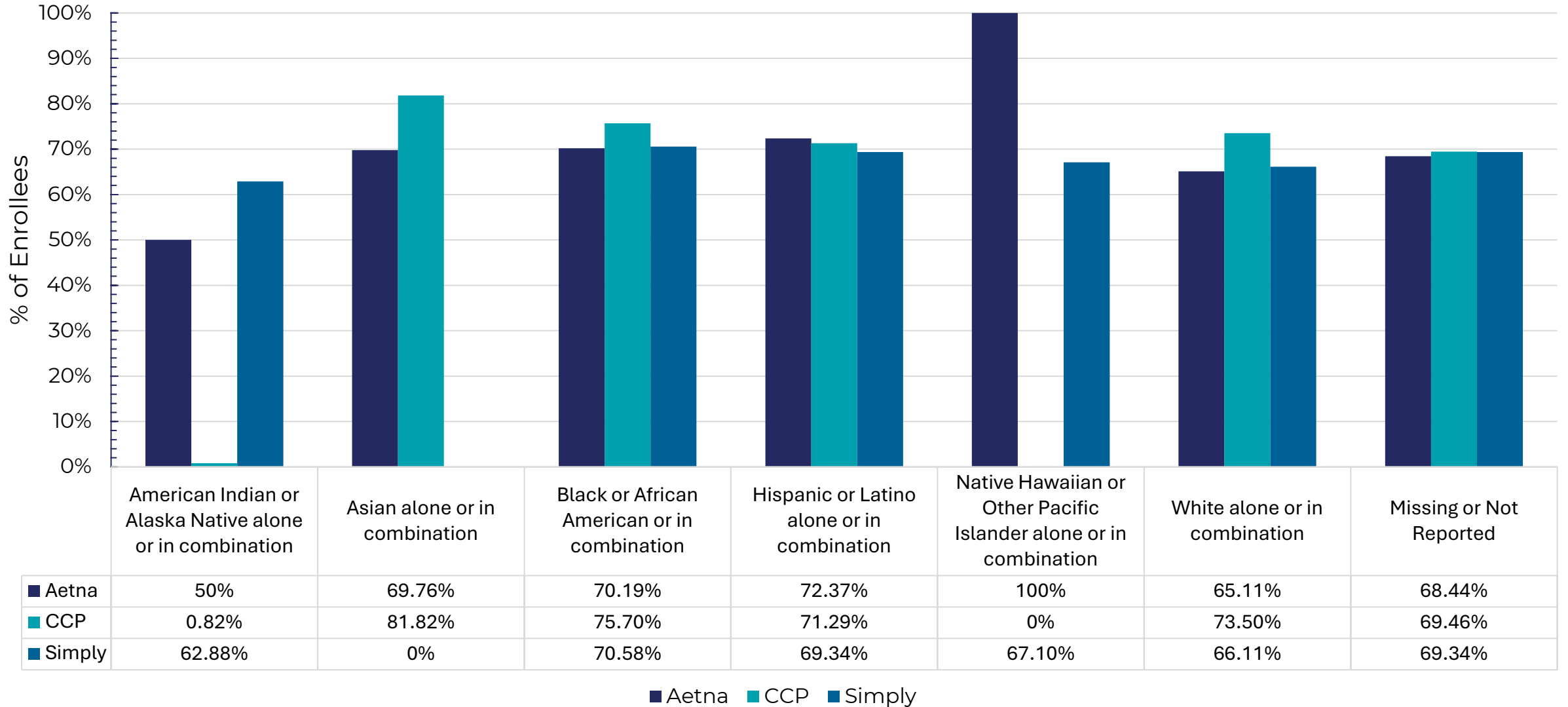


- Health: 23 performance measures
- Dental: 10 performance measures
- More than 100 submeasures based on age and/or enrollment per plan

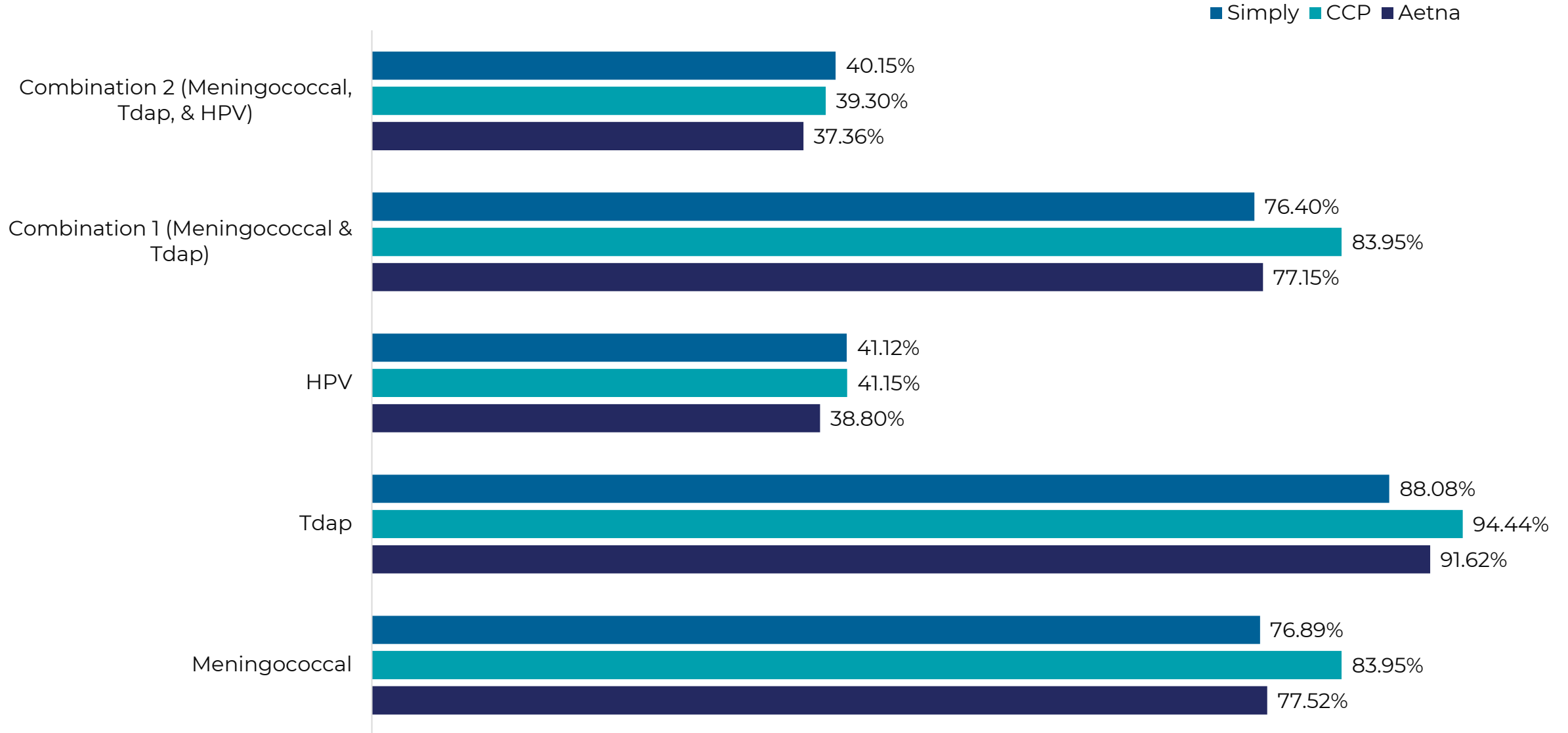
Child and Adolescent Well-Care Visits Total by All Ages Applicable



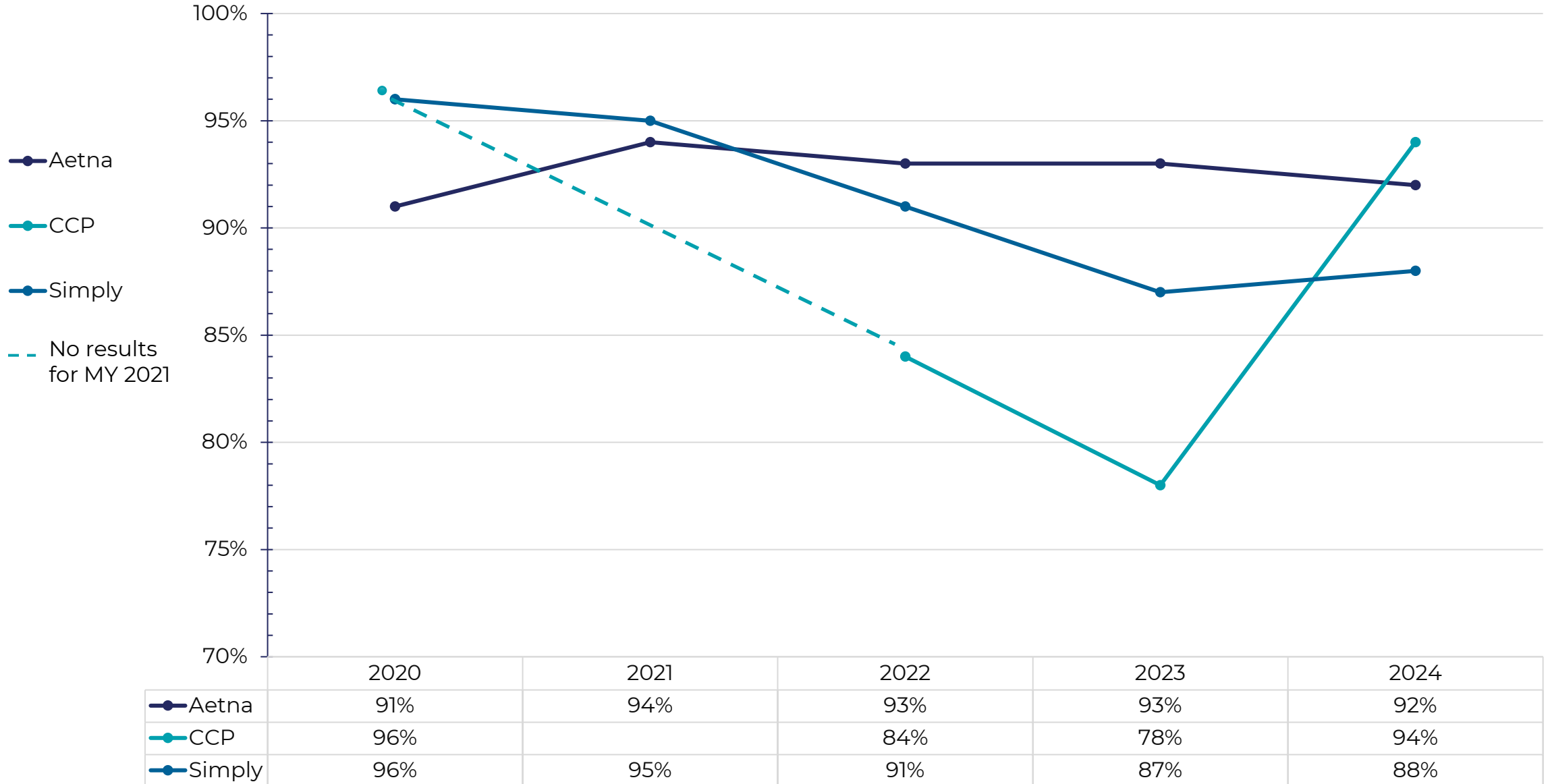
Child and Adolescent Well-Care Visits by Race/Ethnicity



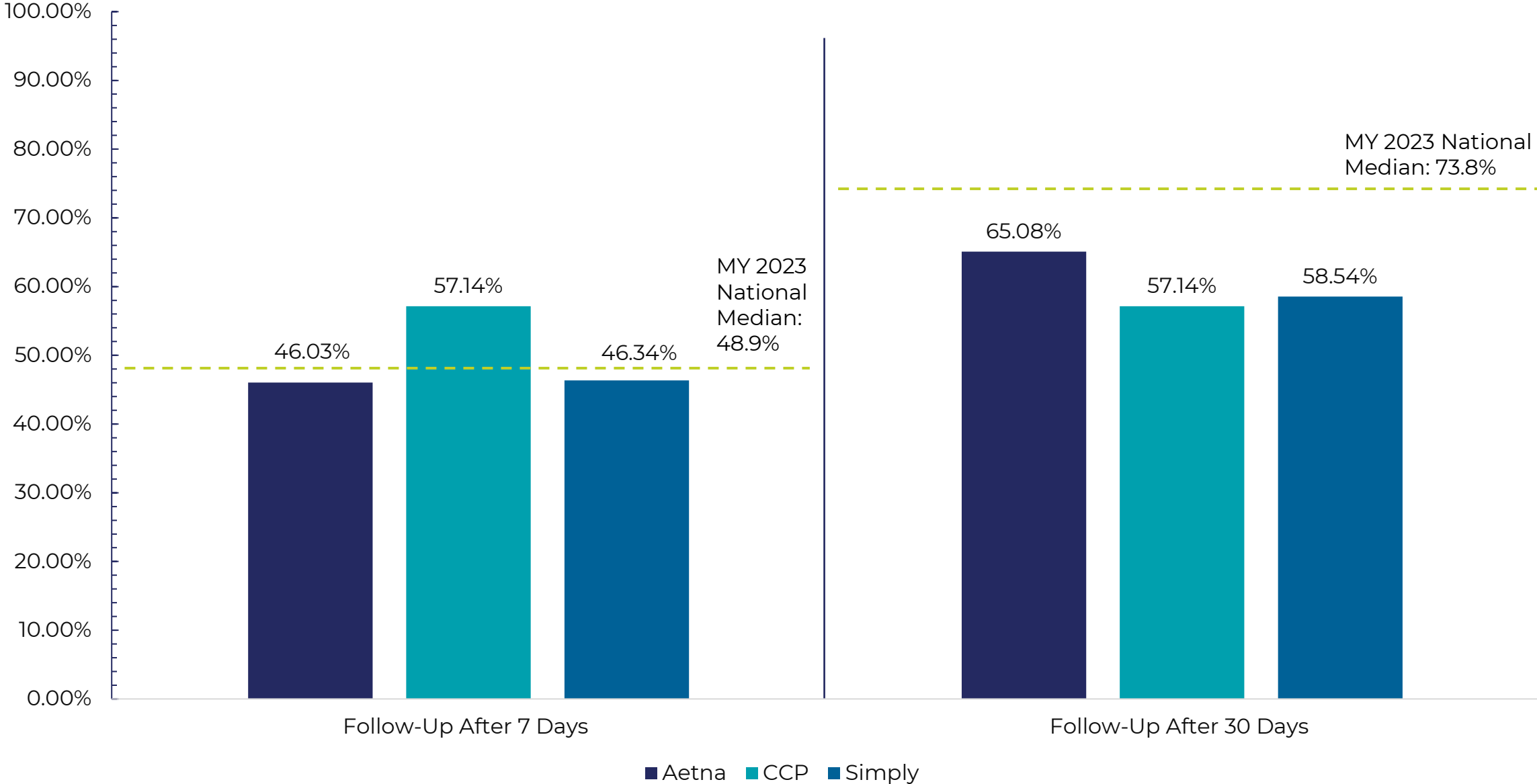
Adolescent Immunizations



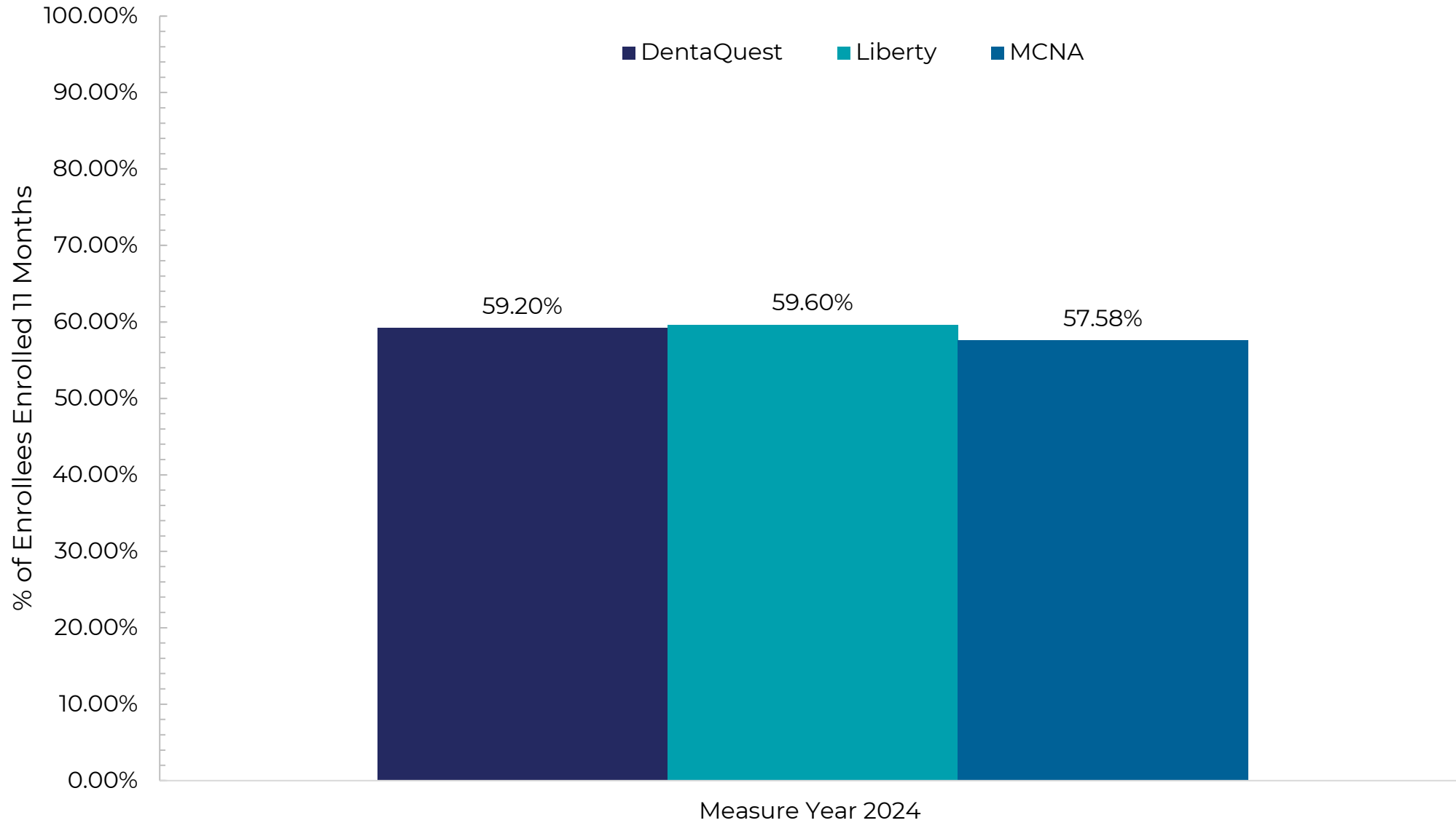
Tdap by Measure Year



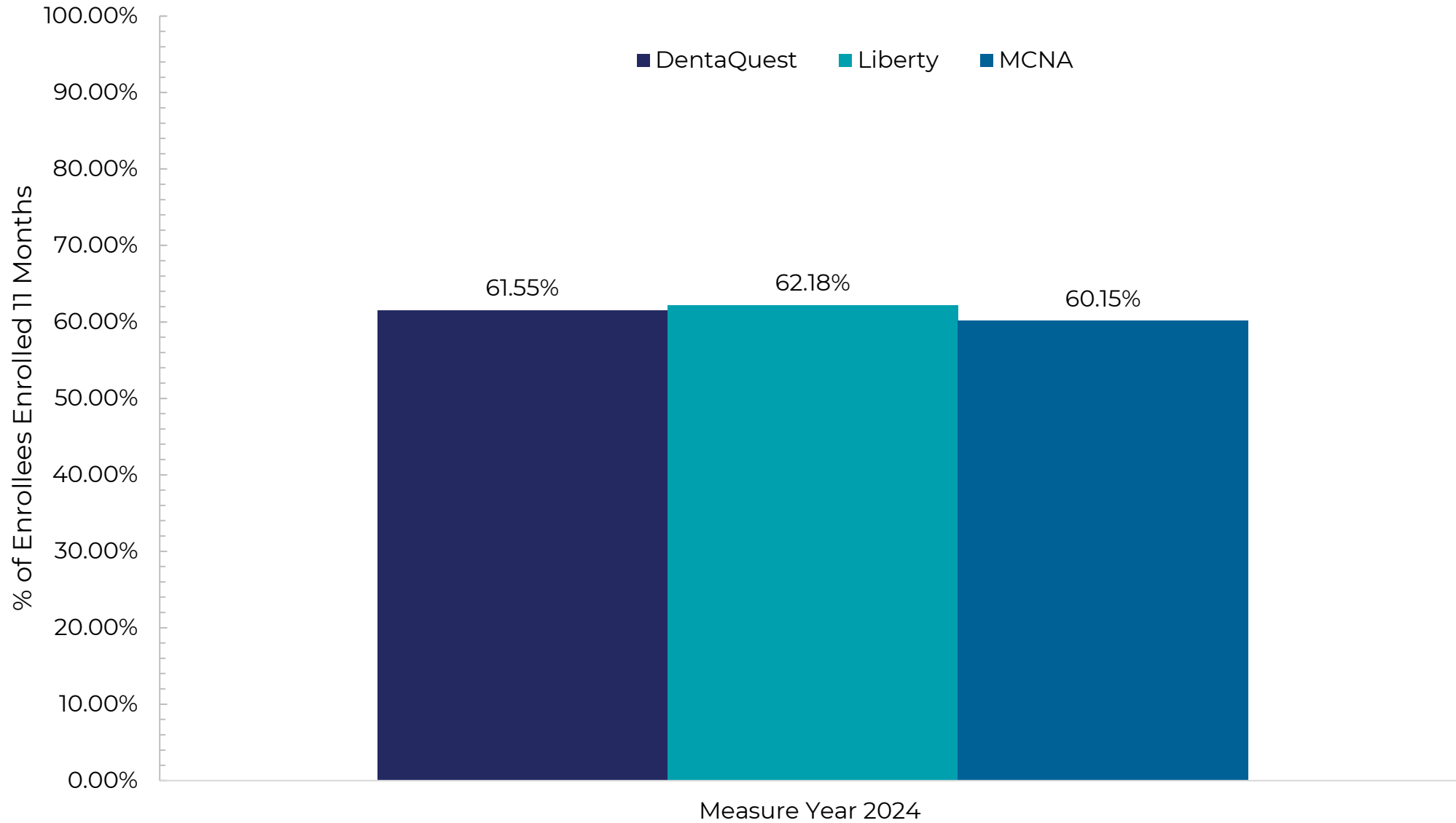
Follow-Up After Hospitalization for Mental Illness



Preventive Dental Services



Any Dental Services



Population Health Report

CHIP and Full-Pay Comparison

Data: July 2025 through September 2025



Top 10 Diagnoses by Cost: All Enrollees

- Scoliosis

Musculoskeletal



- ADHD
- Reaction to Severe Stress
- Major Depressive Disorder, Recurrent
- Other Anxiety Disorders

Behavioral Health



- Acute Pharyngitis
- Asthma
- Allergies
- Acute upper respiratory infections
- Infections of the tonsils and adenoids

Respiratory



Top 10 Diagnoses by Cost: Full-Pay

- Scoliosis

Musculoskeletal



- Cerebral Palsy
- Epilepsy/seizures

Neurological



- Crohn's Disease

Digestive



- ADHD
- Reaction to Severe Stress
- Major Depressive Disorder, Recurrent
- Other Anxiety Disorders

Behavioral Health

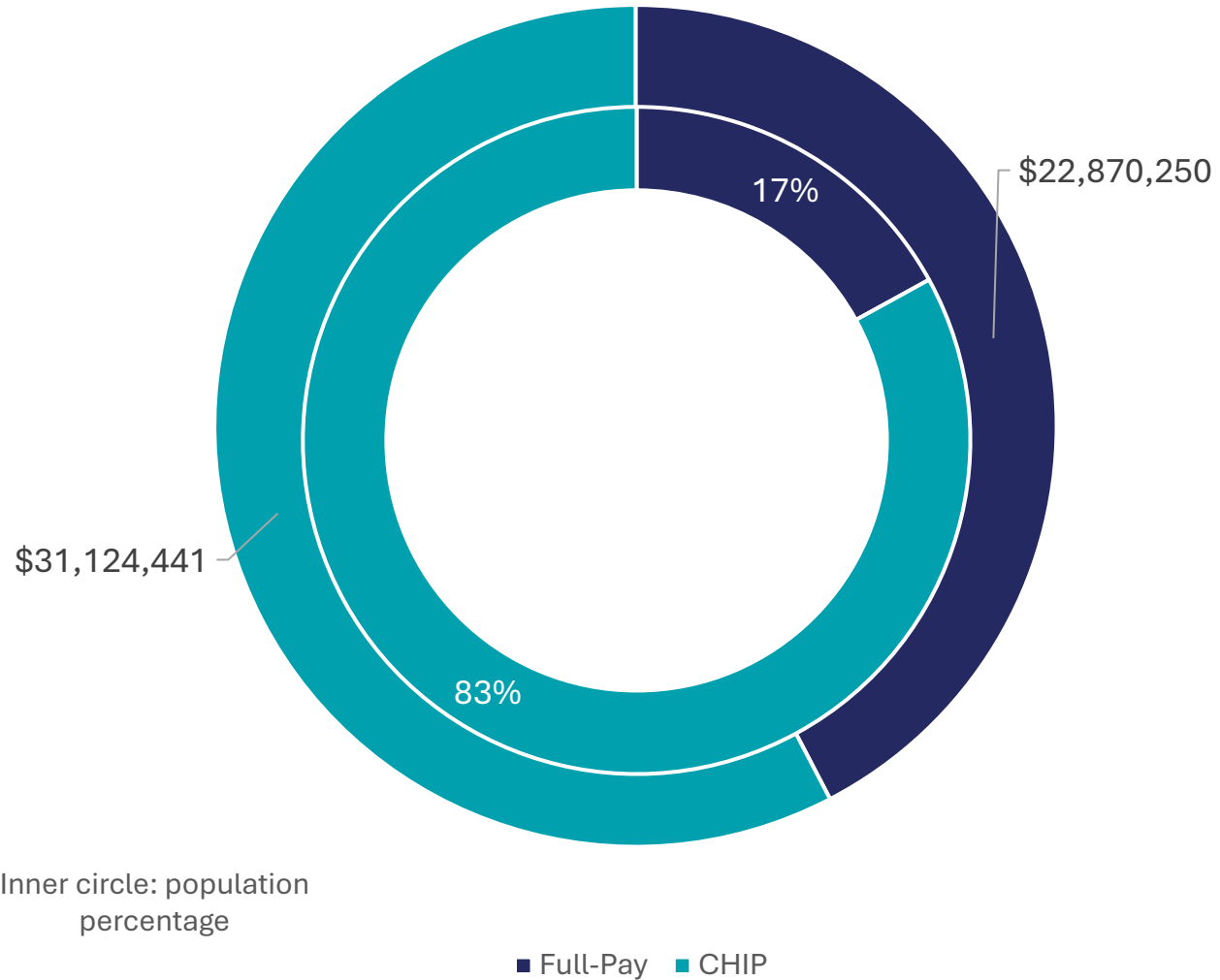


- Acute Pharyngitis
- Asthma
- Allergies
- Acute upper respiratory infections
- Infections of the tonsils and adenoids

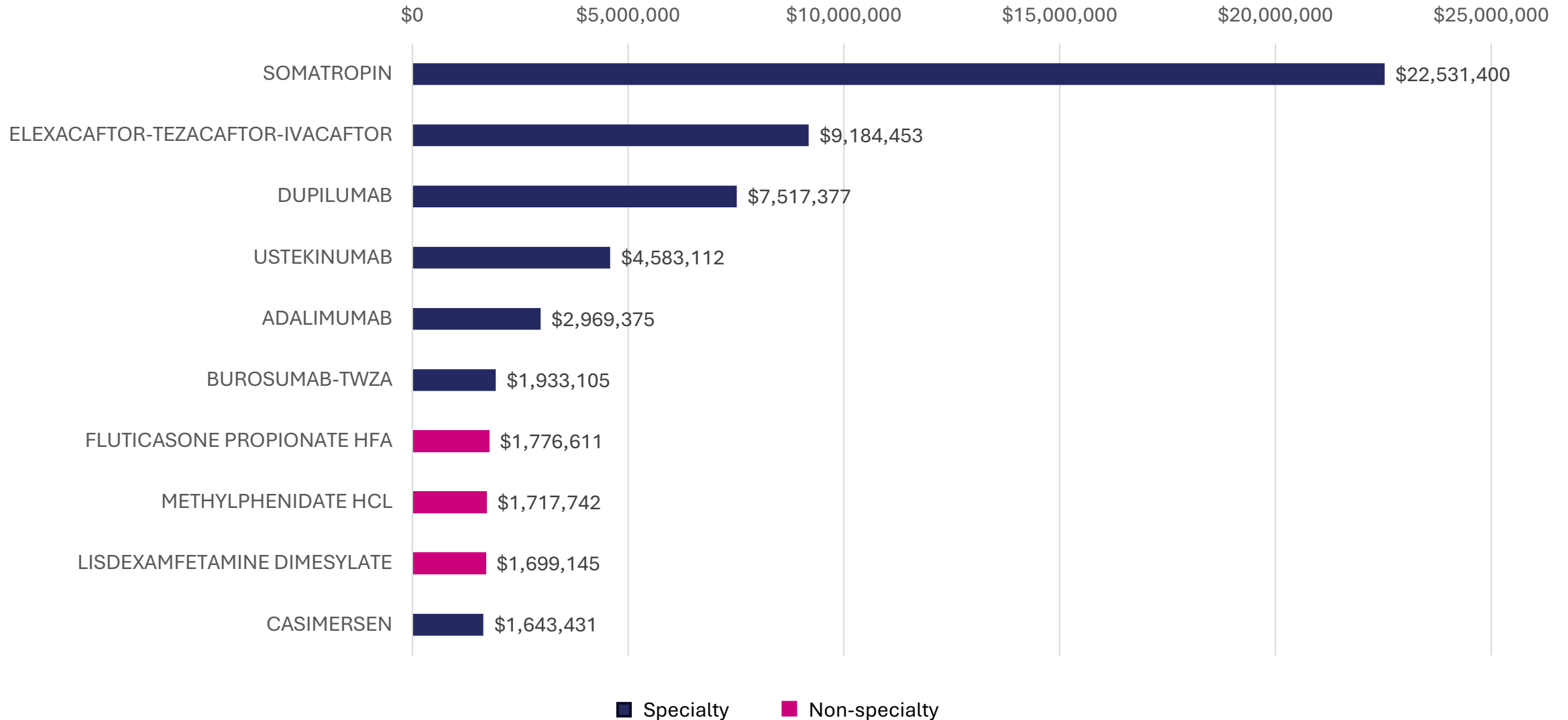
Respiratory



Top Prescription Drugs by Cost

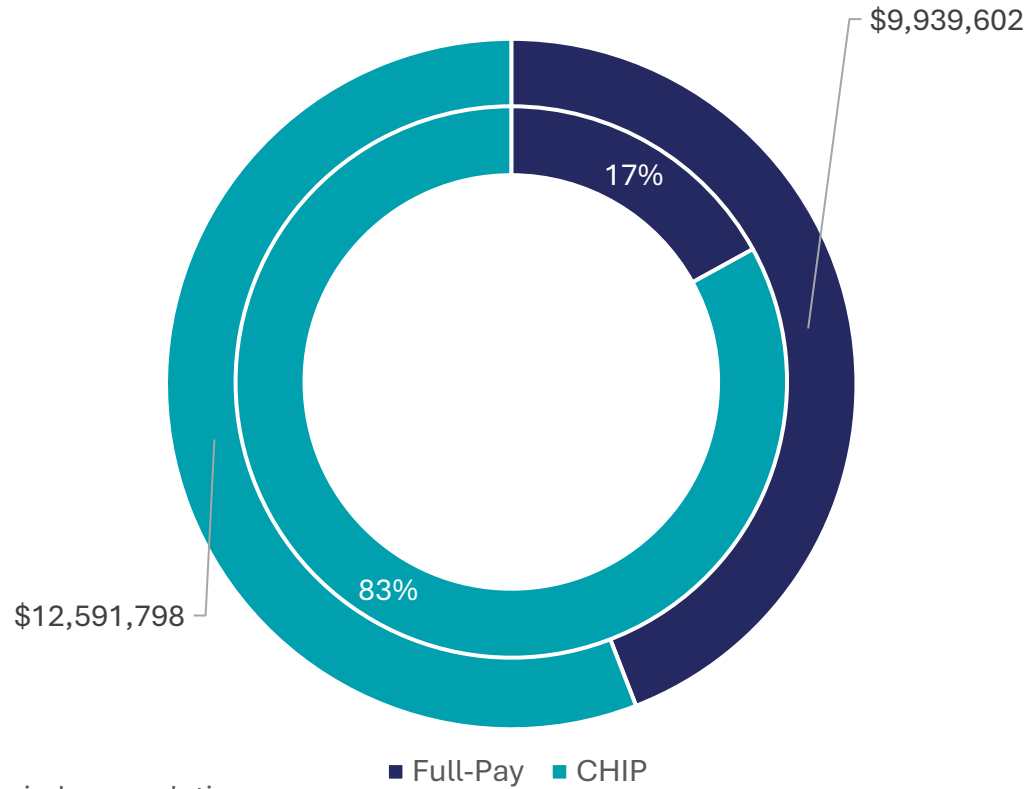


Top Prescription Drugs by Cost



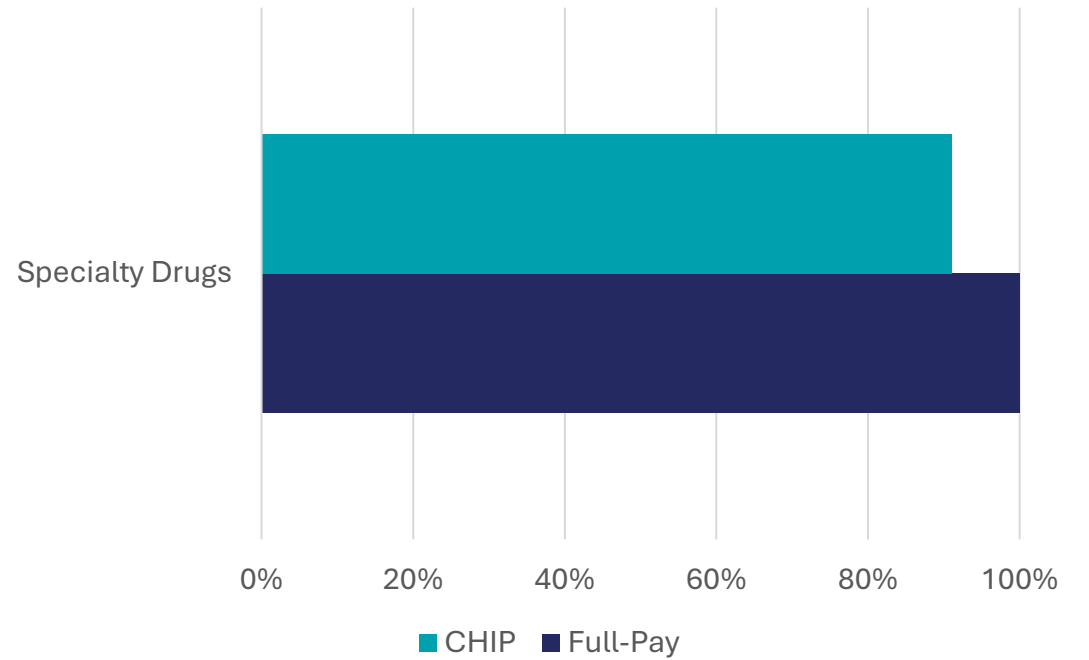
Top Prescription Drugs by Cost

Somatropin Spend

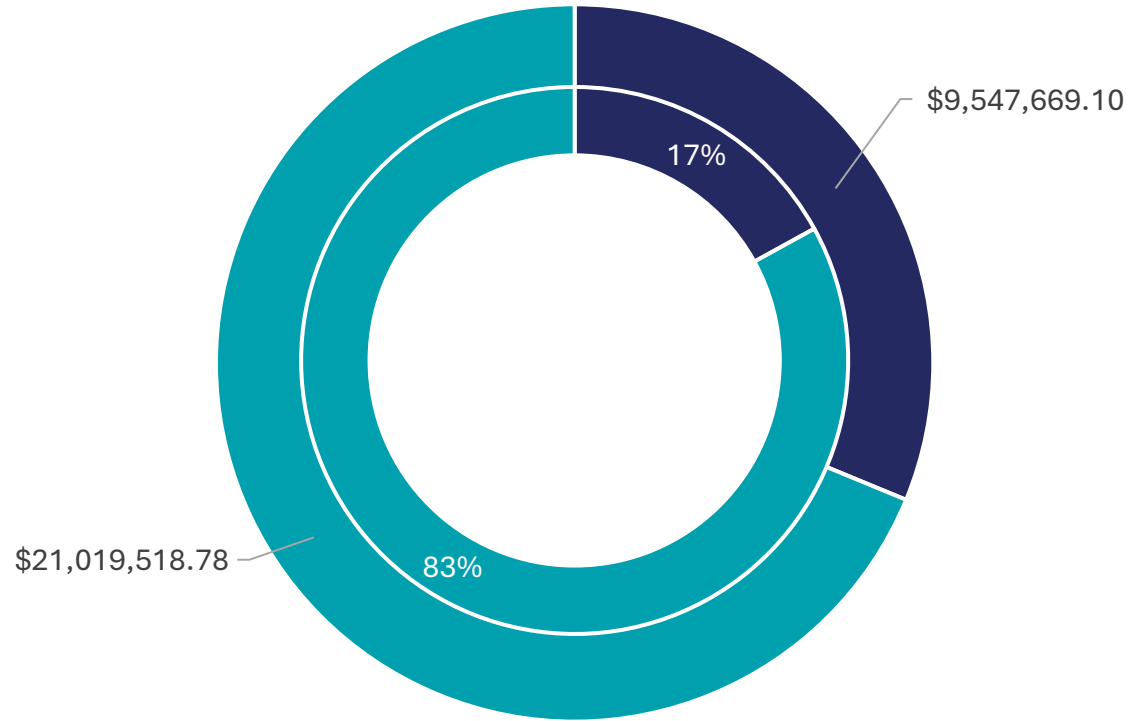


Inner circle: population percentage

Top 10 Drugs Percent of Spend Attributable to Specialty Drugs



Inpatient Paid Amount

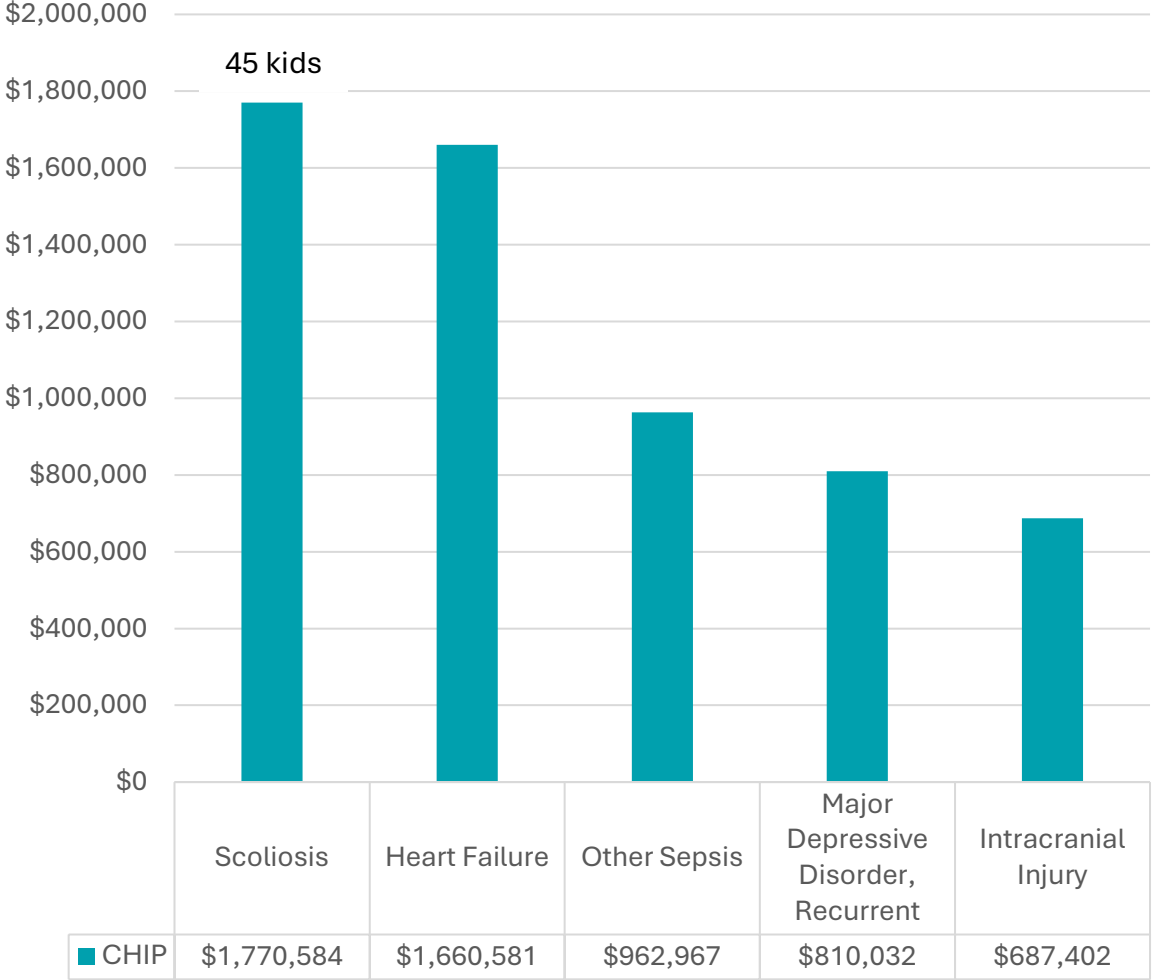
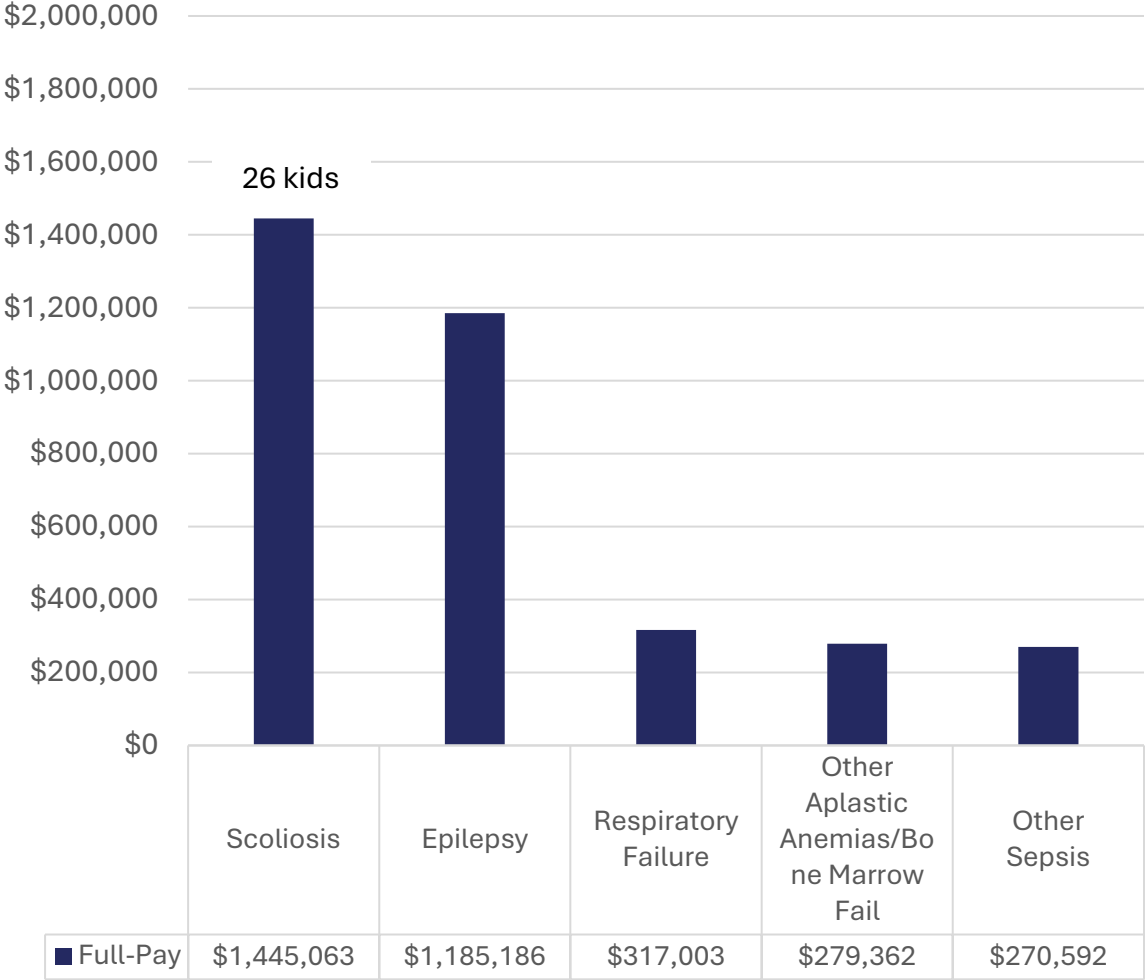


Inner circle: population percentage

■ Full-Pay ■ CHIP



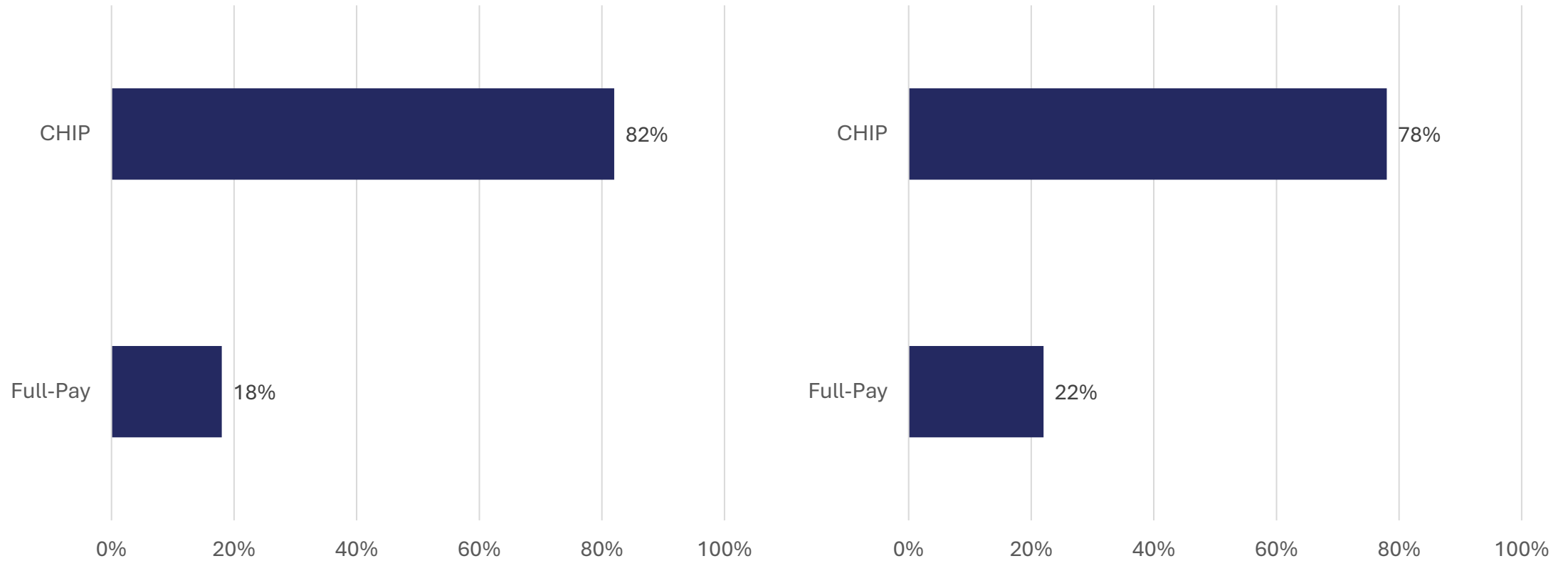
Top 5 Inpatient Diagnoses by Cost



Emergency Department

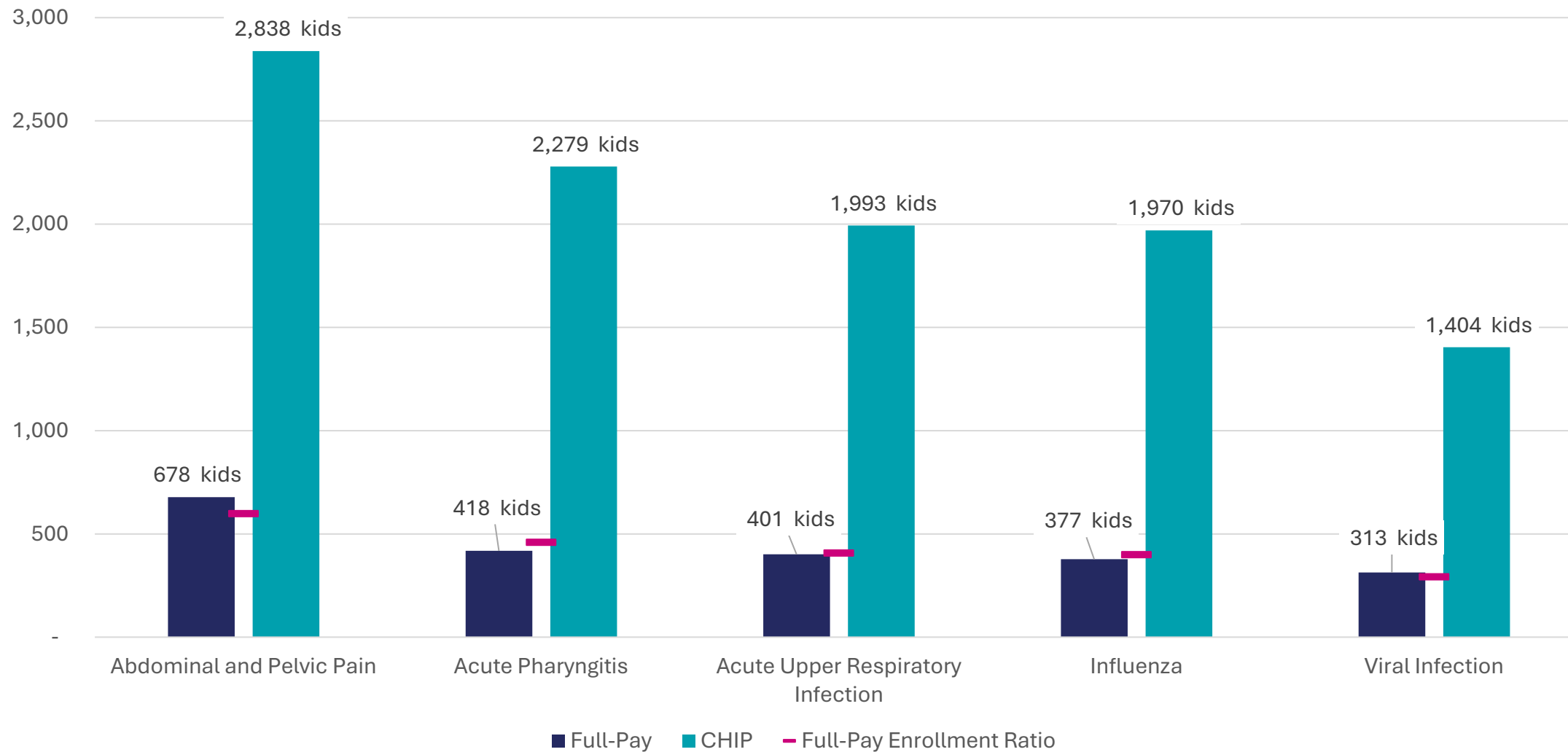
ED Visits

ED Paid Claims

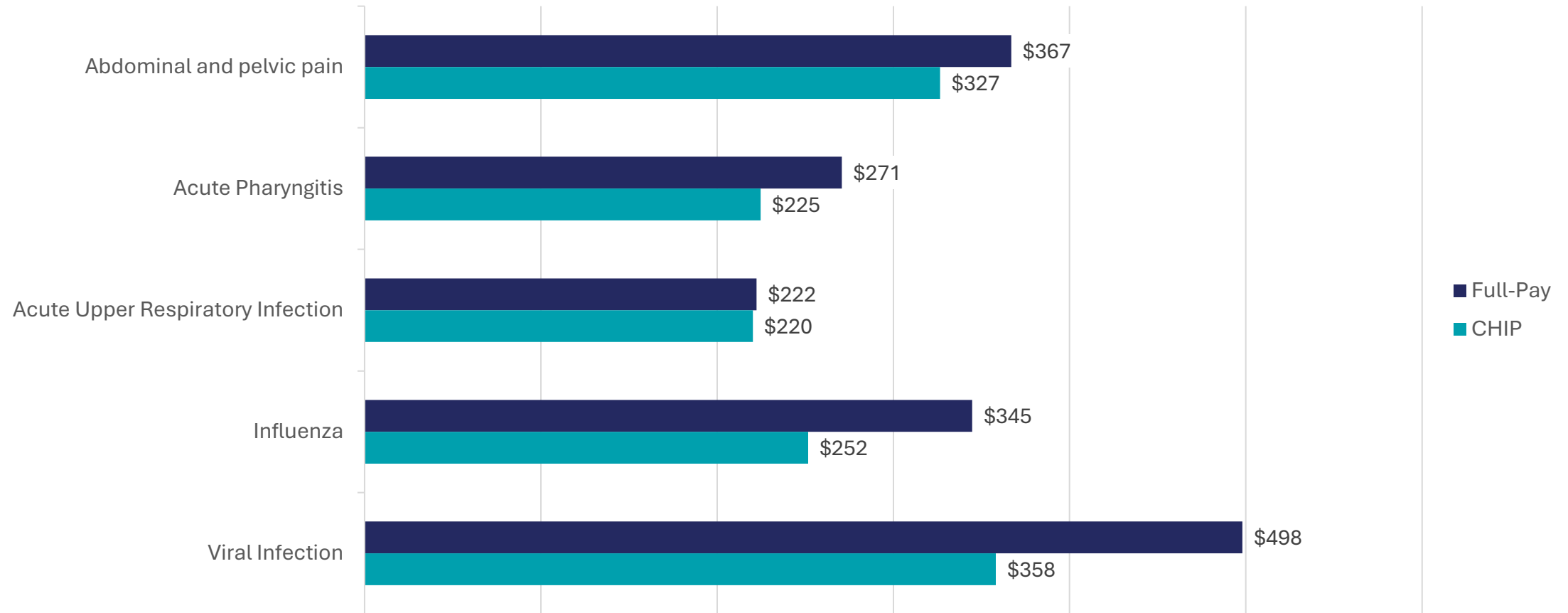


ED visits are generally in line with full-pay and CHIP enrollment ratios; paid claims for full-pay are slightly more expensive than CHIP.

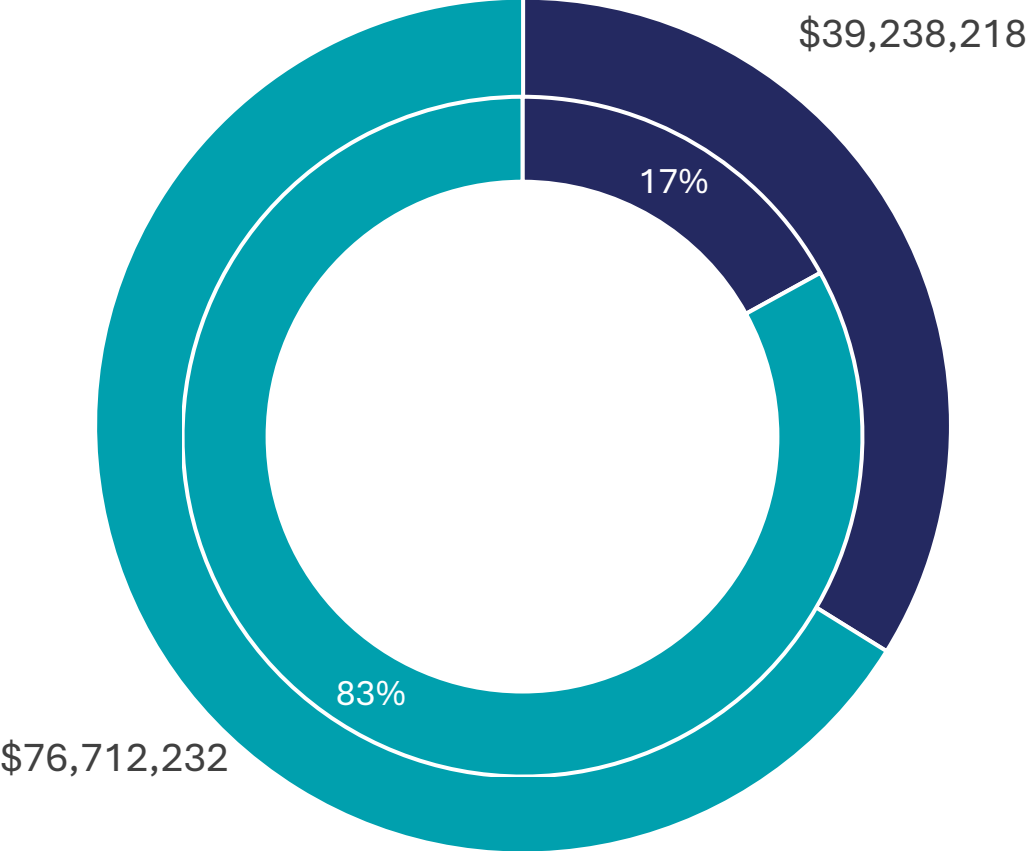
Top 5 ED Diagnoses by Enrollee Frequency



Top 5 ED Diagnoses by Enrollee Frequency: Cost Per Member



Outpatient Spend

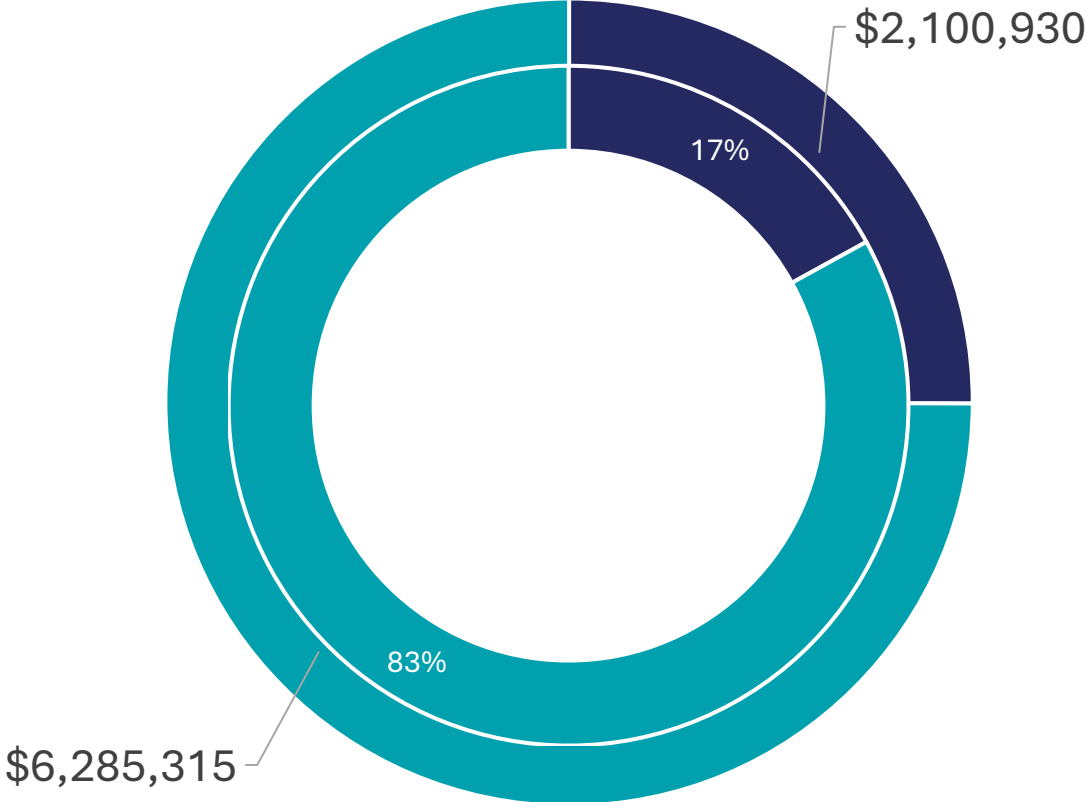


Inner circle: population percentage

■ Full-Pay ■ CHIP



Telehealth Visits

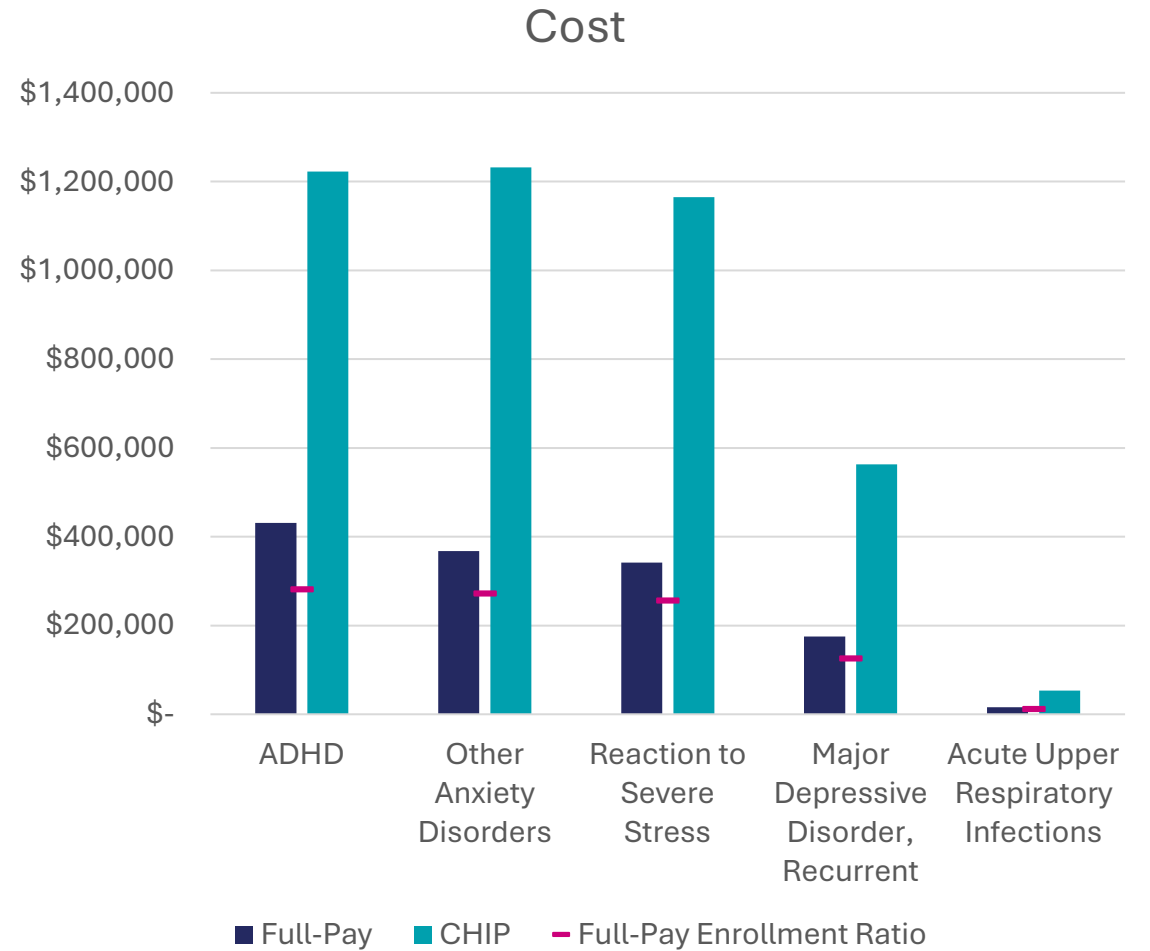
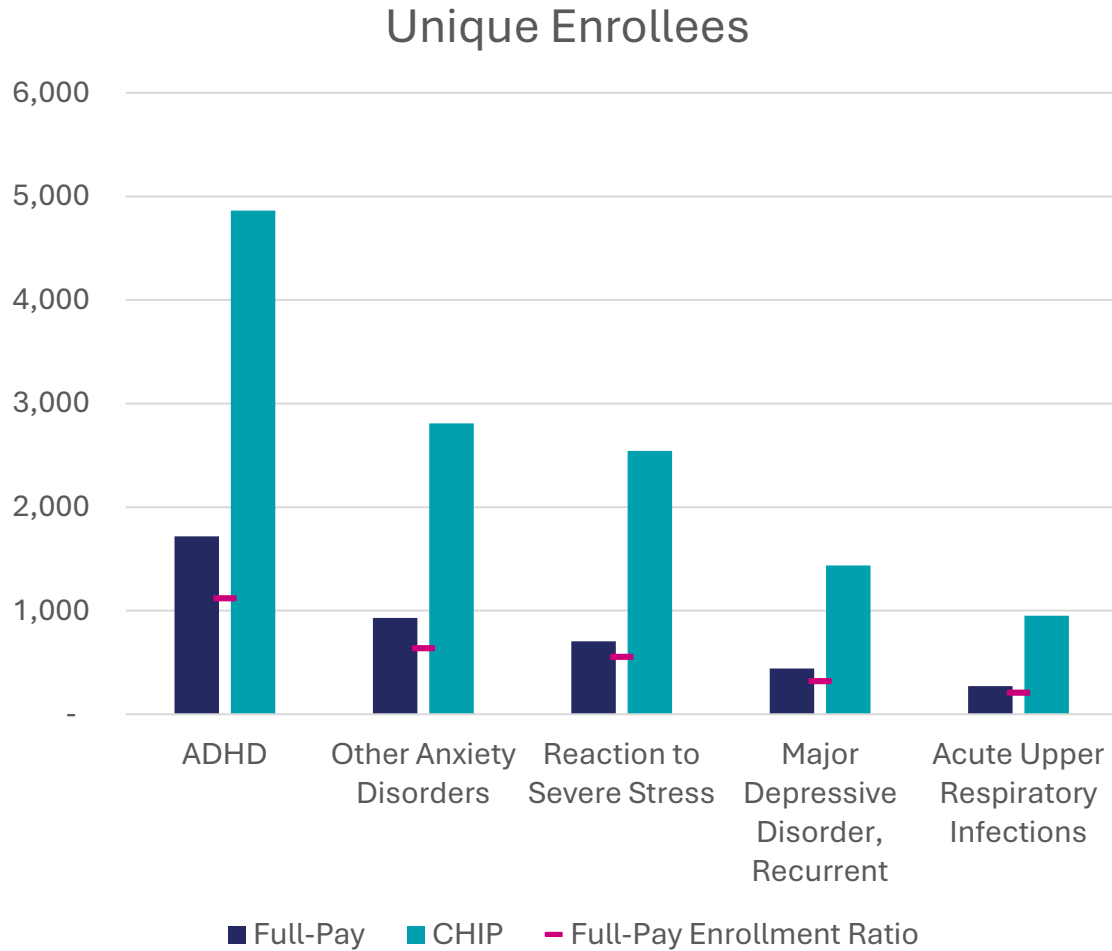


Inner circle: population percentage

■ Full-Pay ■ CHIP

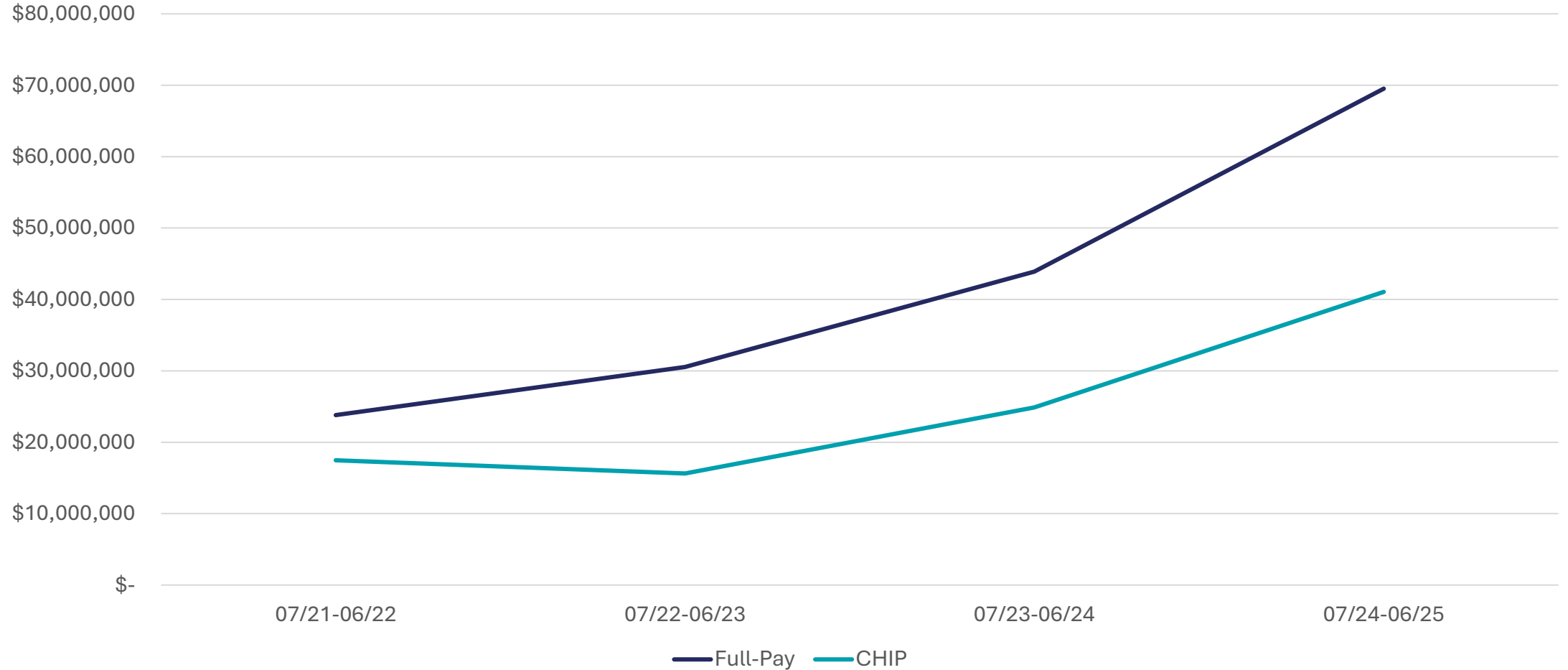


Telehealth Top Diagnoses by Enrollee Frequency



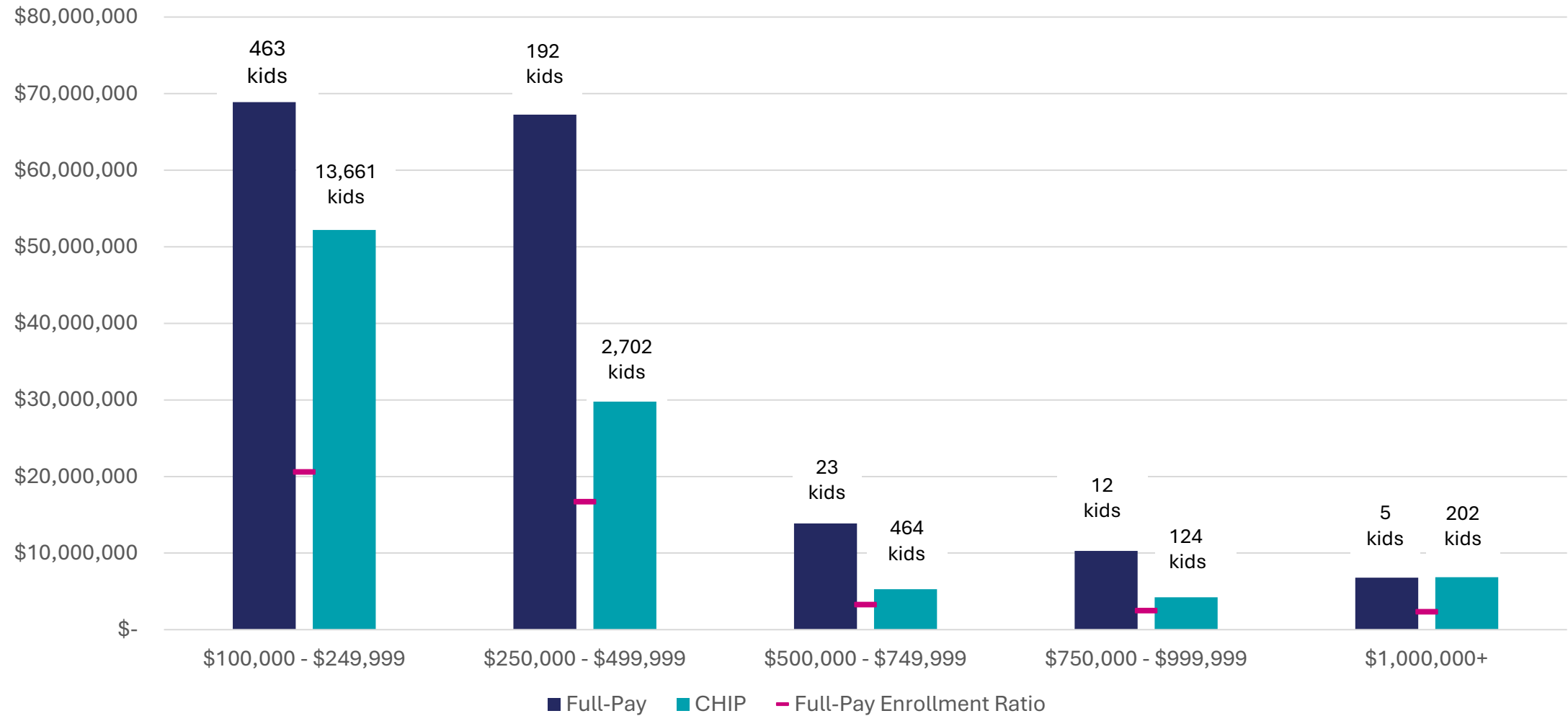
High-Cost Claimants

Total amount paid by **state fiscal year** for enrollees with claims spend of at least \$100,000



High-Cost Claimants

Total amount paid for high-cost enrollees with spend in the ranges shown from 7/1/21 through 6/30/25



Presentation

Resources

Slide 3

- FHKC December 2025 Enrollment Data

Slide 8

- Qsource 2025 Compliance Assessment Reports

Slides 10 and 14

- Qsource 2025 Performance Measure Validation Reports and CMS Trends in State Performance Report (Mathematica analysis of 2021–2023 Quality Measure Reporting system reports)

Slides 11-13 and 15-16

- Qsource 2025 Performance Measure Validation Reports

Slides 18-30

- 2025 Calendar Year Quarter 3 Key Metrics Reports from Aetna Better Health of Florida, Community Care Plan, and Simply Healthcare Plans

Slides 31-32

- High-Cost Claimants Data for SFY 21-22 through 24-25 from Aetna Better Health of Florida, Community Care Plan, and Simply Healthcare Plans

Tab 6

Chief Financial Officer Report

Tab 6A

Milliman Full-Pay Analysis

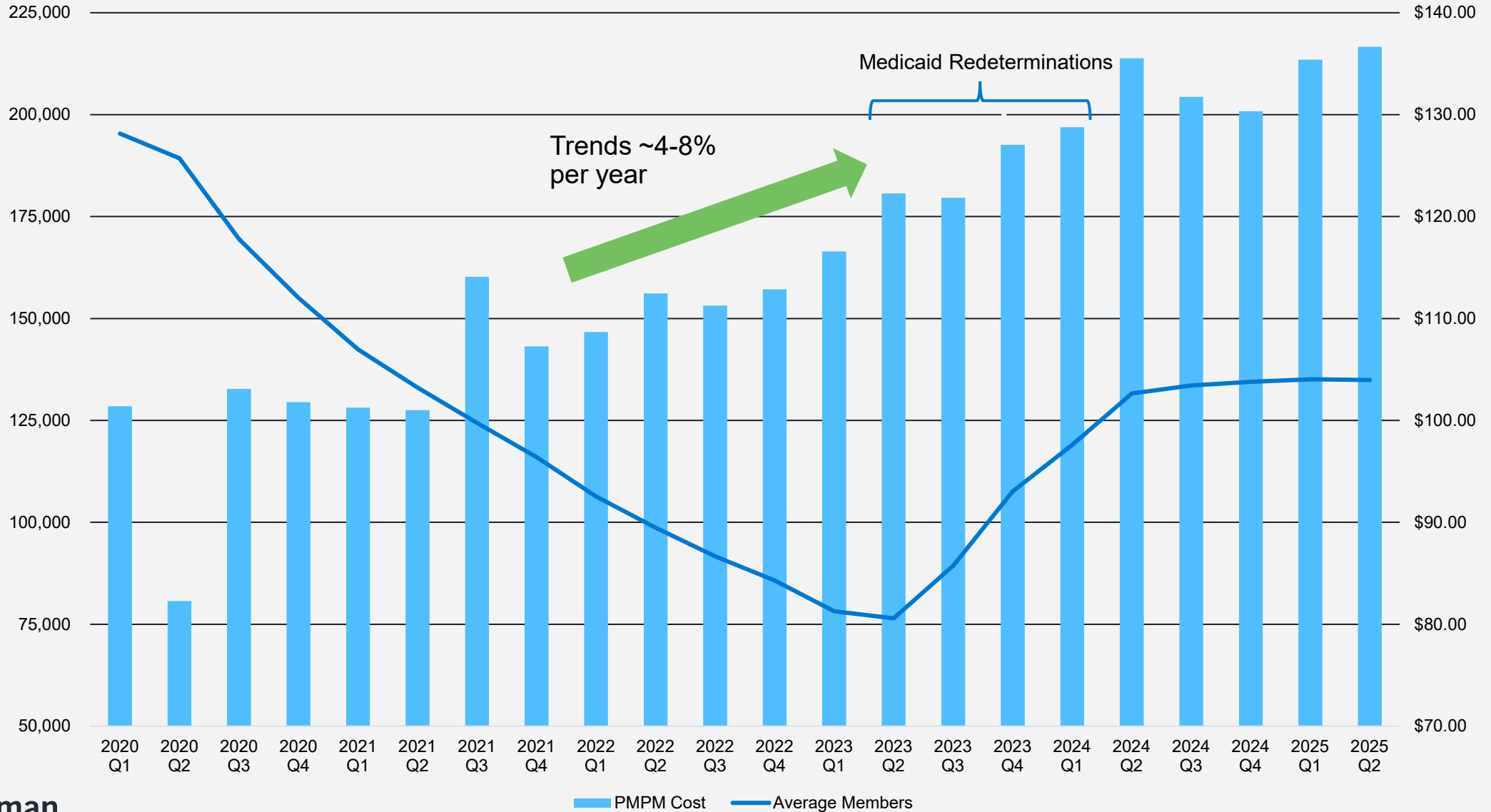
KidCare Board Meeting January 2026

JANUARY 14, 2026

KYLE MCCLONE, FSA, MAAA

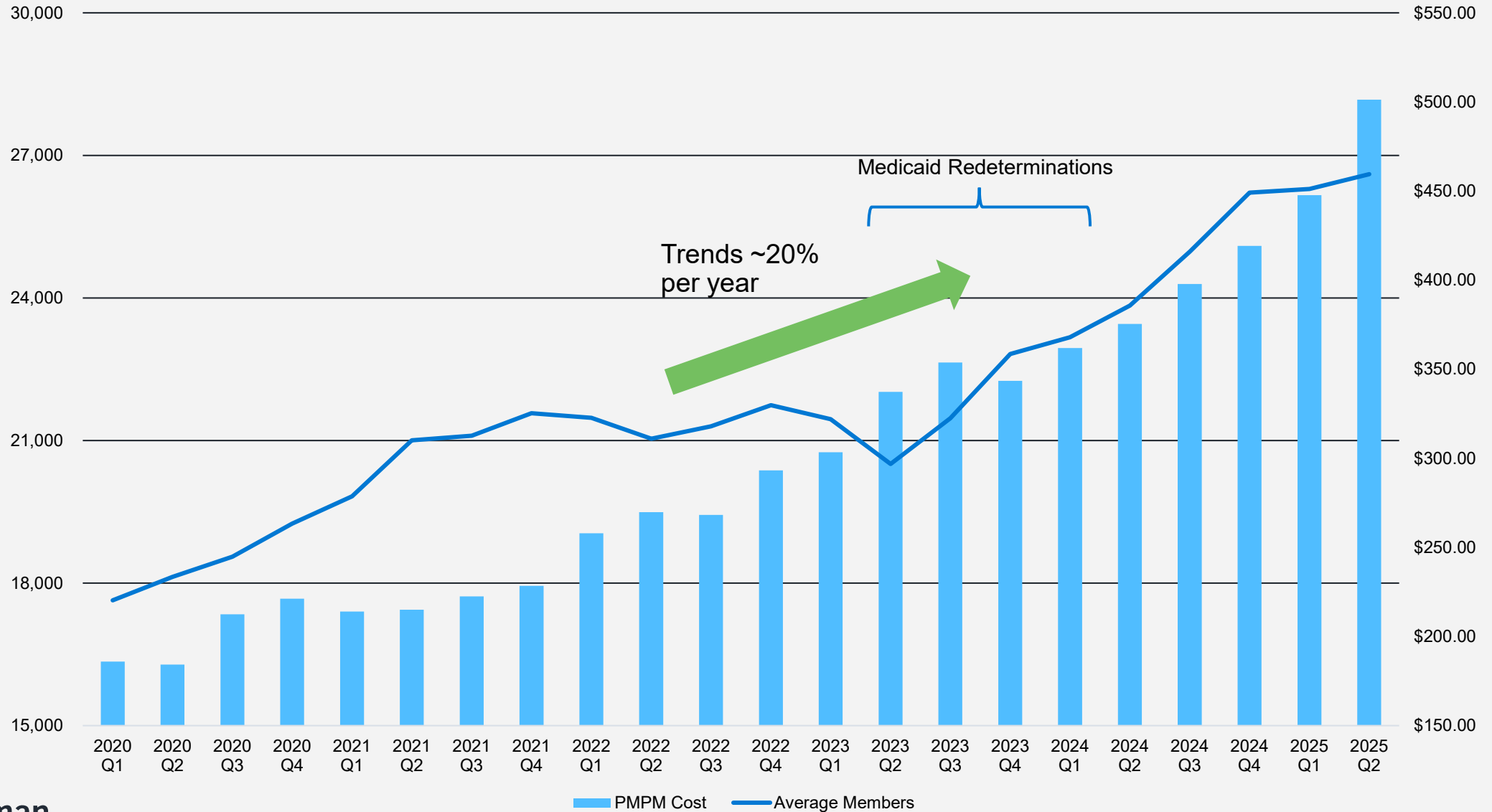
Historical Enrollment and Cost Summary – Subsidized

Subsidized Enrollment and Cost Trends



Historical Enrollment and Cost Summary – Full-Pay

Full-Pay Enrollment and Cost Trends



Full-Pay Service Costs

KidCare SSEC – December 2025

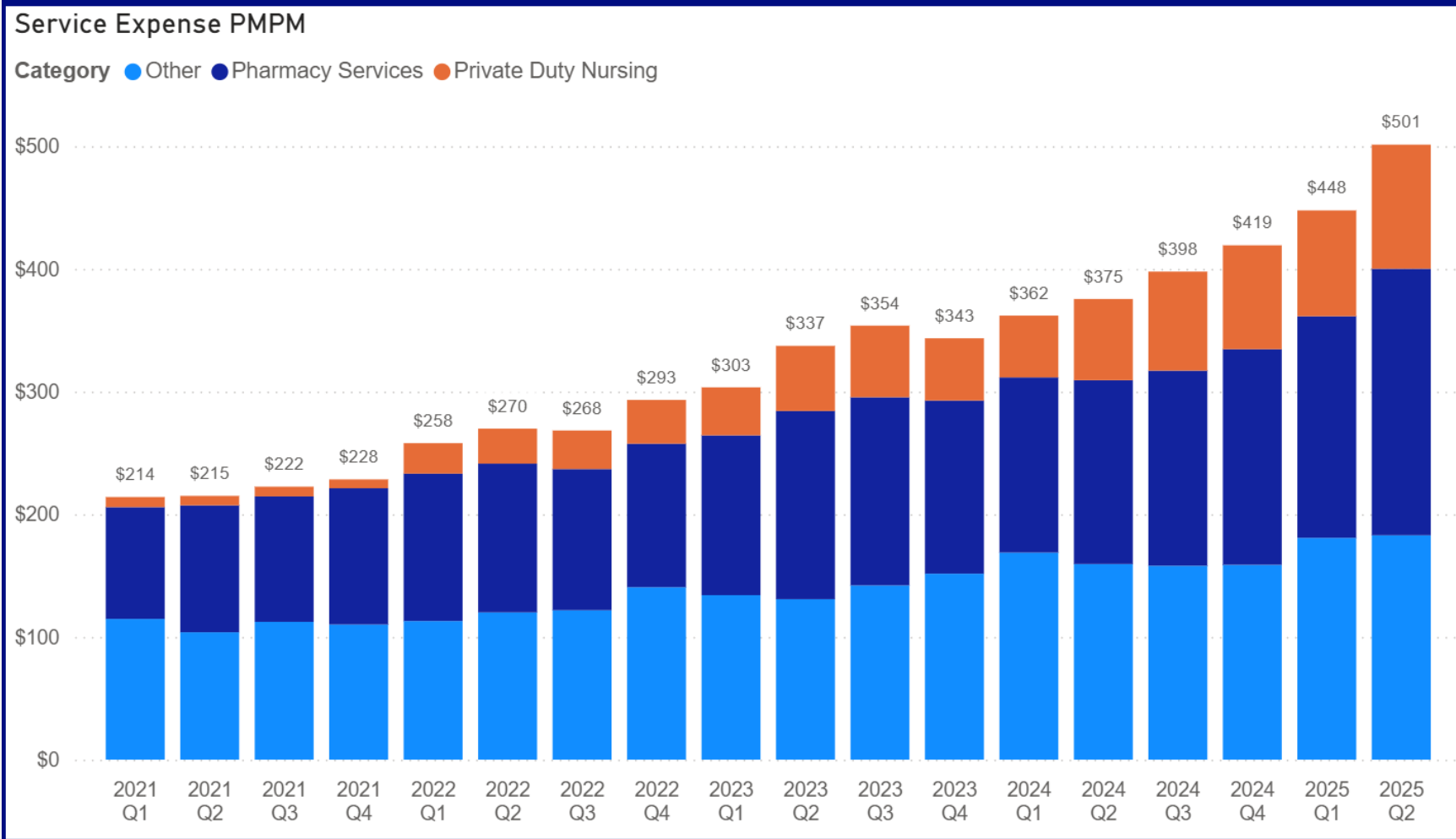
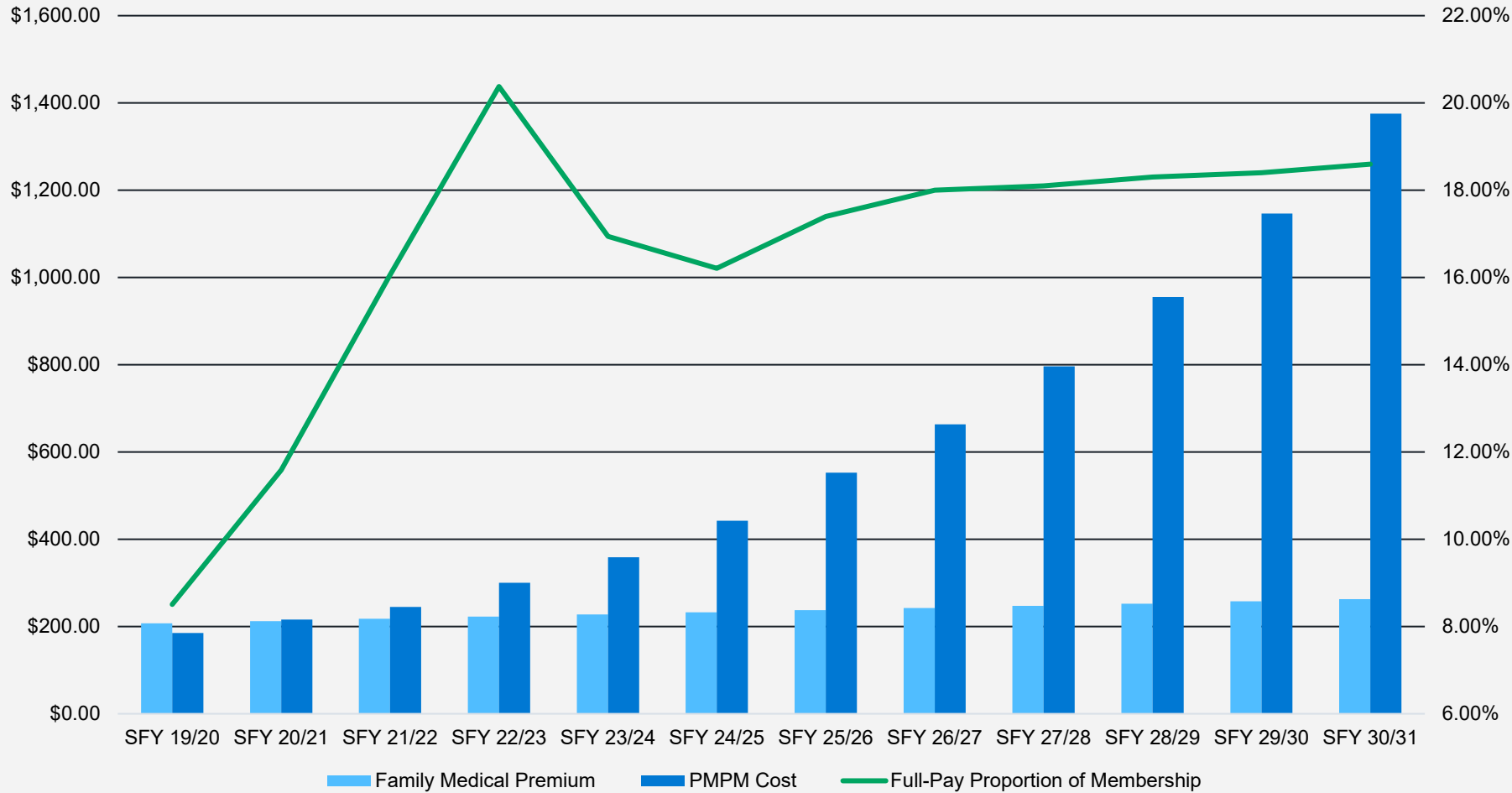


Table 1 Full-Pay Population MLR Report Summary - Service Cost PMPM				
	Other	Rx	PDN	Total
2021 Q1	114.72	91.07	8.24	214.03
2025 Q2	182.86	217.24	101.15	501.25
PMPM Change	68.14	126.17	92.91	287.22
Annualized Trend	12%	23%	80%	22%

Table 2 Subsidized Population MLR Report Summary - Service Cost PMPM				
	Other	Rx	PDN	Total
2021 Q1	73.61	27.31	0.33	101.25
2025 Q2	92.23	40.96	3.46	136.65
PMPM Change	18.62	13.65	3.13	35.40
Annualized Trend	5%	10%	74%	7%

Family Medical Premium Relative to Costs

Full-Pay PMPM Costs Relative to Family Medical Premium



SFY	Family Medical Premium	Year over Year Trend
SFY 19/20	\$207.50	
SFY 20/21	\$212.50	2.4%
SFY 21/22	\$217.50	2.4%
SFY 22/23	\$222.50	2.3%
SFY 23/24	\$227.50	2.2%
SFY 24/25	\$232.50	2.2%
SFY 25/26	\$237.50	2.2%
SFY 26/27	\$242.50	2.1%
SFY 27/28	\$247.50	2.1%
SFY 28/29	\$252.50	2.0%
SFY 29/30	\$257.50	2.0%
SFY 30/31	\$262.50	1.9%

Caveats

This communication is prepared for the specific purpose of developing and documenting Florida Healthy Kids program experience. This communication may not be appropriate, and should not be used, for other purposes.

This presentation is intended solely for the internal use and benefit of the Florida Health Kids Corporation (FHKC), and it is only to be relied upon by FHKC. Milliman recognizes that materials it delivers to FHKC may be public records subject to disclosure to third parties; however, Milliman does not intend to benefit, and assumes no duty or liability to, parties other than FHKC who receive this work. We understand that this presentation will be shared with the FHK board of directors. This material should only be distributed and reviewed in its entirety.

In preparing this presentation, we relied on several sources of data and information from FHKC and its carriers. Those data sources include enrollment and financial results. We relied on FHKC and its carriers for the accuracy of the data. We did not audit any of the data sources or other information, but we did assess the data and information for reasonableness. If the data or other information used is inadequate or incomplete, the results will be likewise inadequate or incomplete.

Milliman developed certain models to estimate the values included in this letter. The intent of the models was to develop estimates for the December 2025 Expenditure SSEC. We reviewed the models, including their inputs, calculations, and outputs for consistency, reasonableness, and appropriateness to the intended purpose and in compliance with generally accepted actuarial practice and relevant actuarial standards of practice (ASOPs). The models, including all input, calculations, and output, may not be appropriate for any other purpose.

FHKC experience from SFY 25/26 through SFY 30/31 will differ from the estimates included in this presentation due to differences in health care trend, managed care efficiency, provider reimbursement levels, enrollment demographic changes, the impact of eligibility redetermination process, and many other factors. Differences between the projections and actual experience will depend on the extent to which future experience conforms to the assumptions made in the calculations. It is certain that actual experience will not conform exactly to the assumptions used. Actual amounts will differ from projected amounts to the extent that actual experience is better or worse than expected.

The results of this presentation are technical in nature and are dependent upon specific assumptions and methods. No party should rely on these results without a thorough understanding of those assumptions and methods. Such an understanding may require consultation with qualified professionals.

Guidelines issued by the American Academy of Actuaries require actuaries to include their professional qualifications in all actuarial communications. Presenters of this material are actuaries at Milliman, members of the American Academy of Actuaries, and meet the Qualification Standards of the Academy to render the actuarial communication contained herein. To the best of our knowledge and belief, this communication is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices.



Thank you!

Kyle McClone

kyle.mcclone@milliman.com

Tab 6B

Year-to-Date Unaudited
Financial Statements

Florida Healthy Kids Corporation
Consolidated Statement of Revenues and Expenses Compared to Budget
As of November 30, 2025

	November 30, 2025	Current Year		% of budget
	Actual	Budget	Budget Variance	
Revenues				
Federal Revenue	115,144,370	284,277,616	(169,133,246)	40.5 %
State Revenue	49,272,622	121,570,133	(72,297,511)	40.5 %
KidCare Admin Revenue	1,914,916	5,117,070	(3,202,154)	37.4 %
Participant Premium Revenue	44,539,109	105,169,319	(60,630,210)	42.3 %
Interest Revenue	137,856	-	137,856	-
Miscellaneous and LD Revenue	358,235	-	358,235	-
Total Revenues	211,367,108	516,134,138	(304,767,030)	41.0 %
Operating Expenses				
Program Services				
Medical Carriers	184,991,755	453,398,969	(268,407,214)	40.8 %
Dental Carriers	14,726,874	36,342,314	(21,615,440)	40.5 %
Service Organizations	7,230,469	19,300,511	(12,070,042)	37.5 %
Salaries and Benefits	1,493,128	3,596,735	(2,103,607)	41.5 %
Marketing	377,463	1,050,000	(672,537)	35.9 %
Evaluation	224,280	544,881	(320,601)	41.2 %
Professional and Consulting Services	429,858	1,231,263	(801,405)	34.9 %
Total Program Services	209,473,827	515,464,673	(305,990,846)	40.6 %
General and Administration				
Occupancy - Bldg Lease	60,566	153,314	(92,748)	39.5 %
IT Services and Communications	105,685	253,500	(147,815)	41.7 %
Office	39,347	95,000	(55,653)	41.4 %
Corporate Insurance	14,183	40,000	(25,817)	35.5 %
Meetings and Travel	3,421	50,000	(46,579)	6.8 %
Training	-	12,500	(12,500)	-
Depreciation	11,250	65,151	(53,901)	17.3 %
Total General and Administration	234,452	669,465	(435,013)	35.0 %
Total Operating Expenses	209,708,279	516,134,138	(306,425,859)	40.6 %
Change in Fund Net Position	1,658,830	-	1,658,830	-
Corporate Funds				
Staff and Board Recognition	4,765	7,000	(2,235)	68.1 %
TPA Services - Corporate	252,000	567,000	(315,000)	44.4 %
Consulting Support	-	250,000	(250,000)	-
Enhanced Marketing Board Designated	-	750,000	(750,000)	-
Other	894	12,500	(11,606)	7.2 %
Total Corporate Funds	257,659	1,586,500	(1,328,841)	16.2 %
Adjusted Change in Fund Net Position	1,401,170	(1,586,500)	2,987,670	(88.3) %

Florida Healthy Kids Corporation
Statement of Net Position

As of November 30, 2025

	Total
Assets	
Current Assets	
Cash and Cash Equivalents	
Unrestricted Cash	26,096,155
Restricted Cash	16,035,972
Total Cash and Cash Equivalents	42,132,127
Accounts Receivable, Net	3,008,318
Prepaid Expenses/Other Current Assets	221,472
Total Current Assets	45,361,917
Long-term Assets	
Property & Equipment (Net)	45,923
Right of Use Assets (Net)	375,210
Total Long-term Assets	421,133
Total Assets	45,783,050
Liabilities and Net Assets	
Liabilities	
Short-term Liabilities	
Accounts Payable	3,177,354
Other Short-term Liabilities	
Short-term Liabilities	
Prepaid Participant	16,076,273
Premium Refunds	69,898
FICA Payable	-
Medicare Payable	-
Compensated Absences - Annual Leave Liability	466,165
Compensated Absences - Sick Leave Liability	288,397
State Advance Payable	10,919,123
Due to AHCA	259,918
Total Short-term Liabilities	28,079,774
Total Other Short-term Liabilities	28,079,774
Total Short-term Liabilities	31,257,128
Long Term Liabilities	
Long Term Debts	
Lease Payable - Building	430,420
Total Long Term Debts	430,420
Total Long Term Liabilities	430,420
Total Liabilities	31,687,548
Net Assets	
Net Assets	11,944,332
Board Designated Net Assets	750,000
Total Net Assets	12,694,332
Change In Net Assets	1,401,170
Total Net Assets	14,095,502
Total Liabilities and Net Assets	45,783,050

Unaudited

Tab 6C

Fiscal Year 2025-26
Budget Amendment

Florida Healthy Kids Corporation
Proposed Amendment to the Consolidated Budget
Fiscal Year 2025-26

	[A]	[B]	[C]	[C]-[B]=[D]
	2025-26 Approved Budget (Initial)	2025-26 Approved Budget (First Amend)	2025-26 Proposed Budget (Second Amend)	Increase/ (Decrease)
Operating Budget				
Revenues				
1 Federal	\$ 297,957,561	\$ 284,277,616	\$ 275,169,117	\$ (9,108,499)
2 State	\$ 127,420,337	\$ 121,570,133	\$ 117,676,079	\$ (3,894,054)
3 Participant Premiums	\$ 108,463,531	\$ 105,169,319	\$ 105,918,170	\$ 748,851
4 KidCare Administration	\$ 5,762,736	\$ 5,117,070	\$ 4,965,861	\$ (151,209)
5 Total Revenues	\$ 539,604,165	\$ 516,134,138	\$ 503,729,227	\$ (12,404,911)
Program Services				
6 Medical Carriers	\$ 471,676,151	\$ 453,398,969	\$ 442,886,721	\$ (10,512,248)
7 Dental Carriers	\$ 38,065,351	\$ 36,342,314	\$ 35,211,576	\$ (1,130,738)
8 Service Organizations	\$ 22,840,319	\$ 19,300,511	\$ 18,538,586	\$ (761,925)
9 Salaries & Benefits	\$ 3,526,735	\$ 3,596,735	\$ 3,596,735	\$ -
10 Marketing & Outreach	\$ 1,050,000	\$ 1,050,000	\$ 1,050,000	\$ -
11 External Quality Review	\$ 544,881	\$ 544,881	\$ 544,881	\$ -
12 Professional & Consulting Services	\$ 1,231,263	\$ 1,231,263	\$ 1,231,263	\$ -
13 Total Program Services	\$ 538,934,700	\$ 515,464,673	\$ 503,059,762	\$ (12,404,911)
General & Administrative				
14 Occupancy	\$ 153,314	\$ 153,314	\$ 153,314	\$ -
15 IT Services & Communications	\$ 253,500	\$ 253,500	\$ 253,500	\$ -
16 Meetings & Travel	\$ 50,000	\$ 50,000	\$ 50,000	\$ -
17 Corporate Insurance	\$ 40,000	\$ 40,000	\$ 40,000	\$ -
18 Training	\$ 12,500	\$ 12,500	\$ 12,500	\$ -
19 Office	\$ 95,000	\$ 95,000	\$ 95,000	\$ -
20 Depreciation	\$ 65,151	\$ 65,151	\$ 65,151	\$ -
21 Total General & Administrative	\$ 669,465	\$ 669,465	\$ 669,465	\$ -
22 Total Operating Expenses	\$ 539,604,165	\$ 516,134,138	\$ 503,729,227	\$ (12,404,911)
23 Change in Fund Net Position	\$ -	\$ -	\$ -	\$ -
Corporate Funds				
24 Staff & Board	\$ 7,000	\$ 7,000	\$ 12,000	\$ 5,000
25 TPA Services	\$ 567,000	\$ 567,000	\$ 567,000	\$ -
26 Consulting Support	\$ 250,000	\$ 250,000	\$ 250,000	\$ -
27 KidCare+ Enhanced Mktg. Campaign ¹	\$ 750,000	\$ 750,000	\$ 750,000	\$ -
28 Other	\$ 12,500	\$ 12,500	\$ 7,500	\$ (5,000)
29 Total Use of Corporate Funds	\$ 1,586,500	\$ 1,586,500	\$ 1,586,500	\$ -
30 Adjusted Change in Fund Net Position	\$ (1,586,500)	\$ (1,586,500)	\$ (1,586,500)	\$ -

Nonoperating revenue, such as medical loss ratio rebates, interest earnings and liquidated damages, is not budgeted and recorded when received.

Notes:

¹ The Board of Directors authorized the use of the Corporation's private funds in the amount of \$750,000 for a marketing campaign to promote HB 121 (increases the income eligibility limit for CHIP coverage from 200% to 300% of the federal poverty level) at a meeting held on August 10, 2023. The unexpended 2023-24 year-end balance of \$750,000 was carried forward to FY 2024-25. The unexpended 2024-25 year-end balance of \$750,000 was carried forward to FY 2025-26.

Tab 6D

Cyber Security Internal Audit

FLORIDA HEALTHY KIDS CORPORATION

**REPORT ON CORRECTIVE ACTIONS
REGARDING PRIOR FINDINGS RELATED TO CYBERSECURITY
IN INTERNAL AUDIT REPORT #25-02**

REPORT #26-01

December 26, 2025

TABLE OF CONTENTS

Transmittal Letter	1
Internal Auditor's Report	
Background	2
Objectives, Scope, and Methodology	3
Observations and Recommendations	3
Conclusion	5

Board of Directors
Florida Healthy Kids Corporation
1203 Governors Square Blvd #400
Tallahassee, Florida 32301

Pursuant to the Florida Healthy Kids Corporation (FHKC) internal audit activity charter, we are reporting on the status of FHKC's corrective actions taken on unresolved prior internal audit findings from the following Law Redd, Crona & Munroe, P.A. reports:

- Report #25-02, dated January 31, 2025, Follow-up on Corrective Actions Regarding Prior Findings Related to Cybersecurity in Internal Audit Reports #24-01 and #25-01.

We conducted this audit in accordance with generally accepted government auditing standards. Those standards require us to plan and perform the audit to obtain sufficient and appropriate evidence, providing a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions, which are based on our audit objectives.

This report is intended solely for the information and use of the Board of Directors and FHKC management. It is not intended to be used by anyone other than these specified parties. ***The content of this report is confidential and exempt from public disclosure pursuant to Section 119.0725(2), Florida Statutes.***

If you have any questions regarding this report, please contact Geoffrey Adams, CPA, CISA, CFE.

Sincerely,

LAW, REDD, CRONA & MUNROE, P.A.
Tallahassee, Florida
December 10, 2025

FLORIDA HEALTHY KIDS CORPORATION
REPORT #26-01
FOLLOW-UP ON PRIOR CYBERSECURITY FINDINGS
DECEMBER 10, 2025

BACKGROUND

Pursuant to the Florida Healthy Kids Corporation (FHKC) internal audit activity charter, the Internal Auditor is responsible for following up on engagement findings and recommendations in a timely and appropriate manner.

On January 31, 2025, we released our Report #25-02, Follow-up on Corrective Actions Regarding Prior Findings Related to Cybersecurity in Internal Audit Reports #24-01 and #25-01. Our report reiterated a recurring observation originally recommended by EY in their HIPAA MARS-E report about improvements in FHKC network design and architecture.

On August 27, 2024, we notified the Director of Information Systems of some outdated and inconsistent references in FHKC's Continuity of Operations Plan (COOP).

The report and the verbal comment included observations and related recommendations, as described below:

- As recommended by EY and reiterated in our reports, FHKC should develop and implement a plan to improve the network design and architecture by segmenting the network into trust zones and establishing device access controls to identify and authenticate devices and restrict access as necessary.
- As recommended in our verbal comment to the Director of Information Systems, FHKC should review and update the COOP for the specific items we brought to their attention and initiate the annual comprehensive review and update process discussed in section 12.2 of the COOP.

Both the above-described observations and recommendations are addressed in this follow-up internal audit report.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objective of this follow-up engagement was to determine the status of corrective actions taken by FHKC to address the observations and recommendations in Internal Audit Report #25-02, dated January 31, 2025, and the internal audit comment regarding the COOP plan dated August 27, 2024.

The scope of our audit focused on FHKC actions to address the above-referenced internal audit observations and recommendations.

To achieve our audit objectives, we conducted the following procedures:

- 1) Examined the above-mentioned internal audit reports and comments to review the details of the observations, recommendations, and FHKC management’s original responses thereto.
- 2) Made inquiries of FHKC management regarding corrective action taken by management since the release of the original audit reports and comments.
- 3) Reviewed FHKC system settings for enforcing various security controls.
- 4) Reviewed the COOP plan for specific updates and made follow-up inquiries to understand additional updates based on a comprehensive COOP review and update.

OBSERVATIONS AND RECOMMENDATIONS

We concluded that FHKC has corrected the previously reported audit observation and is in the process of fixing the comment, as shown in the following table.

Original Report #	Observation	Status as of Current Follow-up Audit
Report #25-02, Observation 1, April 4, 2024	As recommended by EY, FHKC has developed a plan to enhance the network design and architecture by segmenting the network into trust zones and implementing device access controls to identify and authenticate devices, thereby restricting access. FHKC will continue to	Corrected

REPORT #25-02

FOLLOW-UP ON PRIOR CYBERSECURITY FINDINGS

	monitor their network environment and make changes to ensure its data is protected.	
Prior Year IAC # 3, August 27, 2024	We noted opportunities for improvement in the FHKC continuity of operations plan (COOP).	Corrective Action in Progress.

Observation 2: Continuity of Operations Plan Updates

In our PY internal audit comment, we noted that the COOP had some outdated and inconsistent references. We reiterated that a clause in the plan, Section 12.2, states that the plan will be reviewed and updated annually.

During our current audit, we determined that FHKC made progress in implementing some of the recommendations. As of December 10, 2025, FHKC’s management was still in the process of performing the annual comprehensive review and approval.

Recommendation:

FHKC should continue its review and update of these plans, as well as periodically test and update them to ensure their currency and readiness when the time comes to activate the plans.

Management Response:

FHKC has fully implemented all recommendations made by Ernst & Young in their 2021 audit. As noted in Observation 1, FHKC has implemented several network changes to enhance security and will make additional adjustments as needed to ensure ongoing security and operability.

As of January 6, 2026, FHKC leadership has completed a comprehensive review of its policies and procedures. The COOP plan and Acceptable Usage Policy have also been reviewed and approved.

FHKC looks forward to collaborating with its auditors in the coming year on additional audits to further enhance FHKC’s cybersecurity posture.

CONCLUSION

Based on the results of our audit procedures, we concluded that FHKC has corrected one of the two prior audit observations included in the scope of our follow-up activities and was in the process of fixing the second observation. We will continue to follow up on management's progress in addressing this matter in a future audit.

We want to take this opportunity to thank the FHKC staff for the assistance and cooperation they provided during the conduct of our audit. If you have any questions regarding this report, please do not hesitate to contact Geoffrey Adams, CPA, CISA. CFE.

LAW, REDD, CRONA & MUNROE, P.A.

Tab 6E

Internal Audit Plan

FLORIDA HEALTHY KIDS CORPORATION

INTERNAL AUDIT PLAN

FOR THE FISCAL YEAR ENDING JUNE 30, 2026

Board of Directors
Florida Healthy Kids Corporation
1203 Governors Square Blvd #400
Tallahassee, Florida 32301

Pursuant to the Florida Healthy Kids Corporation (FHKC) internal audit activity charter, we have prepared this internal audit plan for the fiscal year ending June 30, 2026. This plan lists the internal audit projects to be completed during the fiscal year.

We appreciate the opportunity to serve as your Internal Auditor. If you have any questions regarding this plan, please contact Geoffrey Adams, CPA, CISA, CFE.

Respectfully Submitted,

LAW, REDD, CRONA & MUNROE, P.A.
Tallahassee, Florida
August 7, 2025

OVERVIEW

The Florida Healthy Kids Corporation (FHKC) Internal Audit Activity Charter provides that, at least annually, the Internal Auditor will submit an internal audit plan to the Board of Directors for review and approval. The plan will include a work schedule, budget, and resource requirements for the next fiscal year. The Charter further provides that the plan will be developed to prioritize the audit universe using a risk-based methodology.

Accordingly, we have prepared this Internal Audit Plan based on risk assessment activities we performed that include the following:

1. Inquiries of FHKC management, including the Chief of Staff/Chief Financial Officer and Director of Information Systems.
2. Review FHKC financial statements, website, and other documentation.
3. Review of management responses to questionnaires sent regarding, among other things, FHKC's overall business environment, governance and management structure, financial reporting requirements, controlling laws and regulations, internal controls, information technology, and recent key changes thereto.
4. Identifying potential audit areas, including accounts, functions, and activities.
5. Assessing risks associated with the potential audit areas.
6. Based on risk assessments, develop the lists of recommended audit topics presented on the following pages of this Internal Audit Plan.

**ANNUAL INTERNAL AUDIT PLAN AND BUDGET
FOR THE FISCAL YEAR ENDING JUNE 30, 2026**

Projects to Complete:		Est. Project Cost
Cybersecurity Controls, Phase 3 <ul style="list-style-type: none"> • Review selected cybersecurity controls in the following categories outlined in the National Institute of Standards and Technology (NIST) Cybersecurity Framework: <ul style="list-style-type: none"> ➤ Govern ➤ Identify ➤ Protect 	80 hours @ \$166(1) Tentative Start February 2026 (3) Estimated Completion Date: March 15, 2026 (3)	\$13,280
Follow-up on Prior Internal Audit Findings <ul style="list-style-type: none"> • Cybersecurity Controls, Phase 2 <ul style="list-style-type: none"> ○ Multifactor Authentication ○ Removal of Former Employee Access ○ Continuity of Operations Plan ○ Network Access Controls 	30 hours @\$166(1) Planned Start Date September 2025 (2)	\$4,980
Maximus Contract Change Requests and Contract Amendment Audit <ul style="list-style-type: none"> • Test for contract amendment and change request justification and authority • Test for evidence of performance relative to contract amendments and change requests • Test payments to Maximus for FY 2022-23, 2023-24, 2024-25 to ensure appropriate authority for the total amount paid based on the contract. • Review internal controls over contract payments. 	80 hours @\$147(1) Planned Start Date: March 2026 (3)	\$11,760
Procurement to Pay and Fixed Asset Acquisition and Management <ul style="list-style-type: none"> • Understand the procurement and payment policies and procedures. • Test procurement practices, ensure compliance with applicable policies, and document and test related controls. • Test payment practices, ensure compliance with applicable policies, and document and test related controls. • Review fixed asset acquisition, life cycle management, and depreciation practices. 	80 hours @\$147(1) Planned Start Date April 2026 (3)	\$11,760
Reserved for Additional Internal Audit Activities	50 hours @147(1)	\$7,350
Total		\$49,130

- (1) Blended staff rate
- (2) This audit is planned to be performed before the complete audit plan is approved due to professional requirements and the board transitions precluding the board from meeting before October 23, 2025.
- (3) Tentative dates contingent upon board approval of the complete audit plan.

Tab 7

Chief Marketing Officer Report



Healthy**kids**[™]

a Fl♥rida KidCare partner

Chief Marketing Officer Report

January 14, 2026

Currently Running: Open Enrollment Campaign

Drop the Cost - Not the Care

November 2025 - January 2026

- **1.6M** impressions across all advertising channels
- **10K** link clicks
- **1K** social media interactions



Upcoming: Health Insurance 101

Phase 2

Late February - May 2026

- Medical debt & high deductible plans
- Targeted digital advertising campaign
- Custom landing page with
 - Educational videos
 - FAQs
 - Downloadable resources
- Community Partner Toolkit



On the Horizon: KidCare+

Updated Partner Toolkit and Assets

- + Key messages and FAQs
- + Updated Income Guidelines and Eligibility Overview
- + Social media content and graphics
- + Web and email banners
- + Brochure and postcard
- + Email and newsletter copy
- + Pop-up banners and posters



Looking Ahead in 2026

- Enrollee education campaigns
 - ☆ 5th birthday - A Florida KidCare milestone
 - ☆ 19th birthday - Transitioning away from Florida KidCare
 - ☆ CHIP coverage to full pay



2025 BTS FINAL NUMBERS



Individuals Educated

90K+

Speaking Role or Materials Provided

367

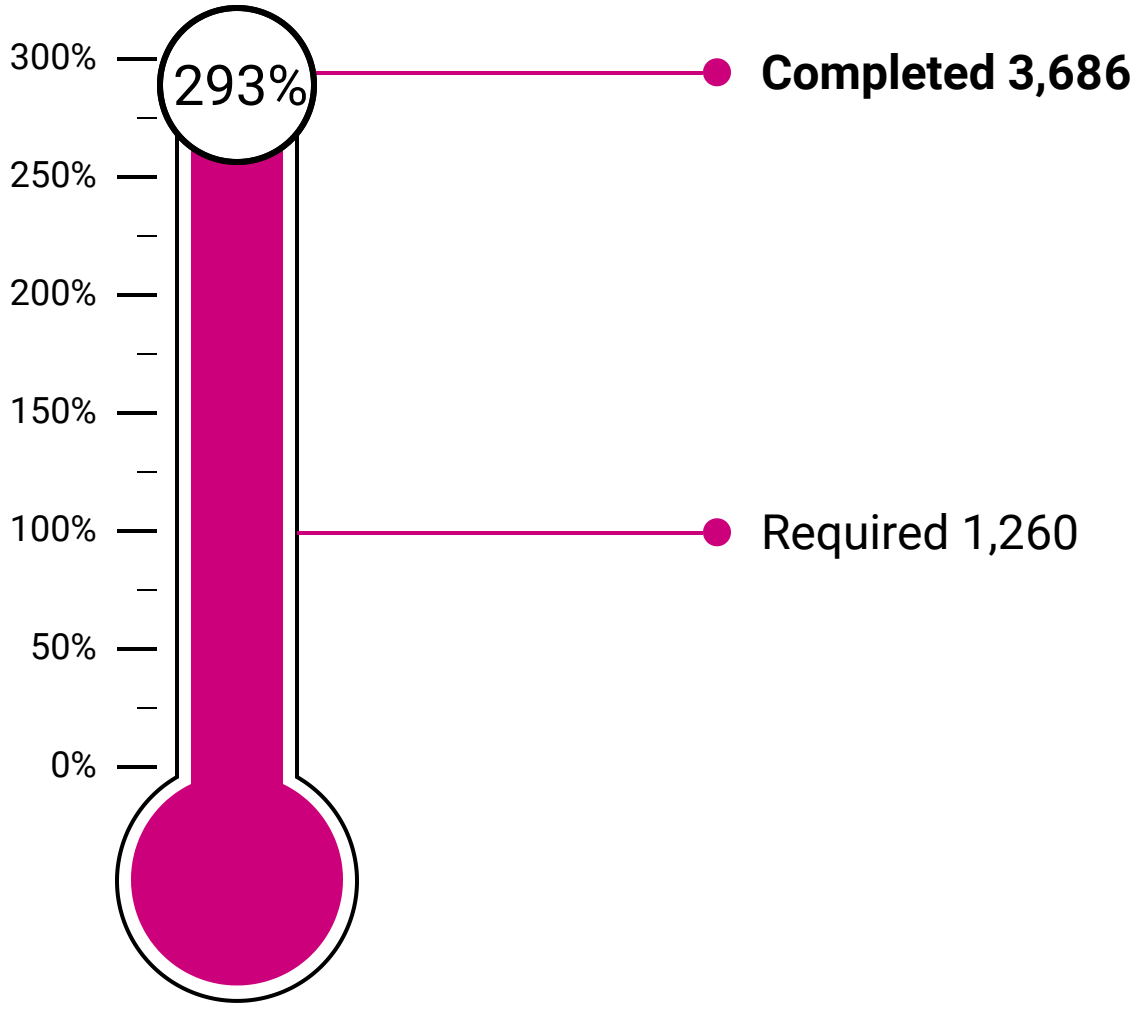
Community Events

316

Social Media Posts

334

Year-Round Partner Application Goals 2025



Training Update

Absorb LMS

Enrolled for 2025

- Introduction to Florida KidCare
 - **204**
- Introduction to Florida KidCare & Application Assister
 - **217**
- Total individuals trained
 - **421**

