

KI-HIPP: WHAT YOU SHOULD KNOW BEFORE YOU ENROLL

Kentuckians eligible for Medicaid who also have access to health insurance through an employer are being invited to enroll in a new “premium assistance” program called KI-HIPP (Kentucky Integrated Health Insurance Premium Payment).

THE DETAILS:

IS IT MANDATORY?

No, KI-HIPP is a voluntary program at this time. It could become a mandatory program in the future.

WHAT ARE THE BENEFITS?

It depends. KI-HIPP is primarily designed to save the state money. Under the right circumstances, it could benefit you and your family, too. If you live with family members who are not Medicaid-eligible, this program could make the cost of enrolling in employer sponsored insurance (ESI) more affordable. It could also extend your provider network, but only if you are able to pay more in out-of-pocket costs.

WHAT ARE THE DRAWBACKS?

KI-HIPP requires more of you. You will be required to pay your share of the premium upfront, submit paperwork at least monthly for reimbursement, and complete annual re-certifications for both plans. You will also have to be very careful to only see ESI providers who also accept Medicaid. If you see an ESI provider who does not accept Medicaid, you will be responsible for all out-of-pocket costs, including copays, deductible, and co-insurance. This could add up to hundreds or even thousands of dollars.

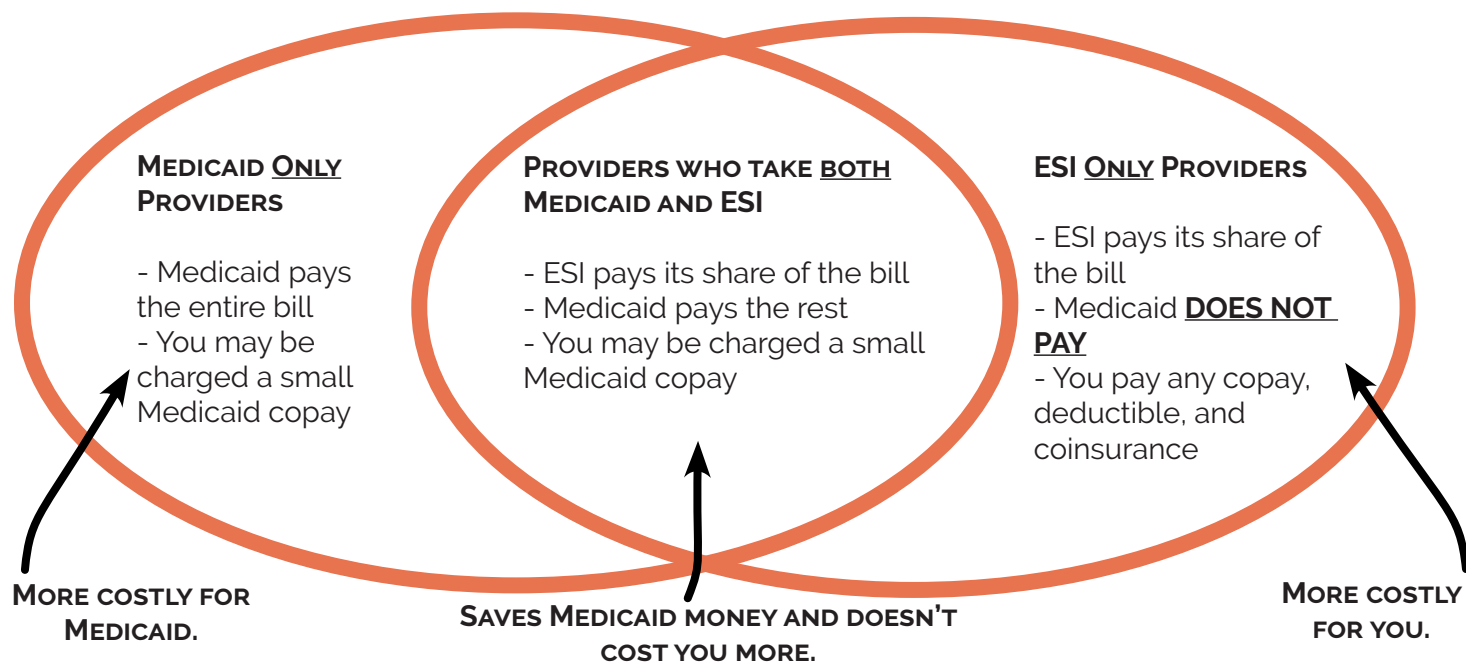
WHAT STAYS THE SAME?

You will continue to be enrolled in Medicaid and should have access to all Medicaid benefits as long as you are seeing a Medicaid provider.

WHAT CHANGES?

- 1. MCO COVERAGE:** If you currently have Medicaid coverage through an MCO (Aetna, Anthem, Humana CareSource, Passport, or WellCare), you will be moved into “traditional” Medicaid, meaning the state will manage your benefits through their “fee-for-service” (FFS) network and you will no longer be covered by your MCO. This network may be different from your MCO, so you should check to make sure a provider takes FFS Medicaid. Extra benefits offered by your MCO -like eyeglasses or sports physicals - will not be covered by “traditional” Medicaid.
- 2. ENROLLMENT:** Under KI-HIPP you are enrolled in two health insurance plans: Medicaid and your ESI. You must complete all required paperwork and annual re-certifications for both plans.
- 3. PROVIDER NETWORK:** While you will technically have an extended provider network, you are strongly encouraged to see providers who accept both your Medicaid and your employer insurance. You will be responsible for all out-of-pocket costs if you see a non-Medicaid provider.
- 4. COST SHARING:** You must pay your premium UPFRONT. You will then have to submit paystubs and/or proof of payment to Medicaid within 60 days for reimbursement. If you receive care from a provider who does not take Medicaid, you will be RESPONSIBLE FOR ALL OUT-OF-POCKET COSTS, including copays, deductible, and coinsurance.
- 5. WHAT HAPPENS IF SOMETHING CHANGES?** If you are no longer eligible for Medicaid or if you no longer meet KI-HIPP requirements, your ESI premium payment will no longer be reimbursed by Medicaid. Your employer will decide if you are allowed to dis-enroll from your ESI plan.

WHO PAYS WHEN YOU SEE A PROVIDER? IT DEPENDS ...



WHEN COULD KI-HIPP BE RIGHT FOR ME?

You are able to do the extra paperwork to stay enrolled in both plans

+

you are able to pay the premium up front and submit paystubs for reimbursement.

AND

... you are willing to see **ONLY** the ESI providers who also accept Medicaid.

OR

... you are able to pay out-of-pocket costs to see ESI providers who do not accept Medicaid.

OR

... you have family members who are not eligible for Medicaid, but could have their ESI premium cost covered under KI-HIPP.

DEFINITIONS

Cost-effective ESI: Federal rules require the state to compare the cost of covering the employee's premium, deductible, copays, and coinsurance, and any "wrap-around" benefits that are not covered by employer insurance. ESI is only considered cost-effective if Medicaid is likely to save money by assisting a beneficiary in enrolling in ESI.

Premium Assistance: A program where the state covers the employee's share of an ESI premium.

Primary Insurance: Insurance that pays first and pays up to the limits of its coverage.

Secondary Insurance: Insurance that pays second, only if there are costs the primary insurance did not cover.

Premium payment: A fixed amount of money people have to pay each month to cover part of the cost of their health insurance.

Copayment: An amount of money people pay for each health service, office visit, or prescription medication. The amount differs depending on the services received. Medicaid copays are typically lower than ESI copays.

Coinsurance: A type of insurance in which the patient pays a share of the payment made against a claim.

Deductible: The amount people pay for covered health care services before their insurance plan starts to pay. With a \$1,000 annual deductible, for example, the person pays the first \$1,000 of covered services each year, and the insurance company pays for any expenses beyond \$1,000.

Wrap-around benefits: States must ensure beneficiaries are able to access all Medicaid benefits that are not covered in the ESI package (such as dental, vision, non-emergency medical transportation, EPSDT for children up to age 21, etc).