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State of California—Health and Human Services Agency
California Department of Public Health



EDMUND G. BROWN JR.
Governor

OFFICE OF AIDS
Insurance Assistance Section

Management Memorandum
Memorandum Number: 2014-05

DATE: March 21, 2014

TO: OFFICE OF AIDS-HEALTH INSURANCE PREMIUM PAYMENT
(OA-HIPP) ENROLLMENT WORKERS

SUBJECT: UPDATES REGARDING OA-HIPP POLICIES AND PROCEDURES FOR
TRANSITIONING CLIENTS TO MEDI-CAL EXPANSION

As stated in IAS Memorandum Number 2013-04, all ADAP clients with income less than 138 percent federal poverty level (FPL) must apply for Medi-Cal Expansion if potentially eligible. The purpose of this memorandum is to provide guidance to OA-HIPP Enrollment Workers (EWs) regarding OA-HIPP procedures for transitioning these clients.

Effective March 19, 2014, OA-HIPP staff will be screening each existing client prior to processing their quarterly payment, as well as new applicants, for Medi-Cal Expansion eligibility. Based on ADAP data, clients who report income of less than 138 percent FPL will need to apply to Medi-Cal Expansion. If existing or prospective OA-HIPP clients are identified as being potentially eligible for Medi-Cal Expansion, they will be placed on an ADAP 30-day grace period to apply. OA staff will notify the client's OA-HIPP and ADAP EW(s) that the client is potentially eligible for Medi-Cal Expansion and has been given 30 days to apply. The OA-HIPP and ADAP EW(s) must inform the client that they have been placed on a 30-day ADAP grace period. OA staff will also send letters to OA-HIPP clients that may be eligible for Medi-Cal Expansion with information about how to apply. Eligibility for Medi-Cal Expansion will be based on the 2013 FPL guidelines (\$15,856 for an individual) through March 31, 2014. Beginning April 1, 2014, eligibility will be based on the 2014 FPL guidelines or \$16,105 for an individual.

In order to continue receiving ADAP services beyond the 30-day ADAP grace period, the existing or prospective OA-HIPP client must demonstrate one of the following to their OA-HIPP and ADAP EW(s):

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1. Proof of Medi-Cal Expansion application. If the client provides proof of Medi-Cal Expansion application, s/he will be placed on a 45-day grace period to allow time for Medi-Cal Expansion eligibility determination. If a client is deemed ineligible for Medi-Cal Expansion, s/he will need to submit the Medi-Cal denial letter to their OA-HIPP and ADAP EW(s) within the 45-day ADAP grace period to continue to receive OA-HIPP and ADAP services. The client should also contact their OA-HIPP and ADAP EWs if the Medi-Cal determination has not been completed within the 45-day ADAP grace period. In this scenario, the client may be granted an additional 30-day grace period(s) to allow more time for the Medi-Cal Expansion determination. OA-HIPP will continue making premium payments on the client's behalf as long as the client meets the eligibility requirements for OA-HIPP and ADAP.
2. Medi-Cal Expansion ineligibility. For example, clients may provide updated income documentation which demonstrates that the client's income exceeds the Medi-Cal Expansion threshold. Medi-Cal Expansion income ineligibility can only be substantiated with a copy of the client's most recent tax return or most recent pay stubs/disability award income for three months. No other income documentation will be accepted. Once Medi-Cal Expansion ineligibility has been verified, the ADAP 30-day grace period will be removed and the client will continue to receive OA-HIPP and ADAP services.
3. Proof of enrollment in a Covered California plan. If the client provides proof of enrollment in a Covered California plan, the ADAP 30-day grace period will be removed and the client will continue to receive OA-HIPP and ADAP services. OA-HIPP will pay the monthly premiums for the new insurance policy through Covered California if it is more cost effective and the client submits a new OA-HIPP application package.)

OA-HIPP Process for Prospective Clients: OA will not enroll individuals in OA-HIPP and make a premium payment for them if they appear to be eligible for Medi-Cal Expansion. Prospective clients may reapply to OA-HIPP only if they can provide documentation of denial for Medi-Cal Expansion enrollment, demonstrate Medi-Cal Expansion ineligibility or submit proof of enrollment in a Covered California plan.

OA-HIPP Process for Current Clients that may be eligible for Medi-Cal Expansion: OA will pay the insurance premium for two months beyond the ADAP 30-day grace period for these OA-HIPP clients.

OA-HIPP Clients not eligible for Medi-Cal Expansion – These clients must demonstrate ineligibility to their OA-HIPP EW as listed above to continue receiving OA-HIPP services. OA-HIPP EWs must inform OA staff once ineligibility is verified and provide documentation as applicable.

OA-HIPP Clients that enroll in Med-Cal Expansion - A client that enrolls in Medi-Cal Expansion will have to decide if they would prefer to keep their private health insurance or receive their medical care and treatment through Medi-Cal

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Expansion. If the client wants to receive care and treatment through Medi-Cal, the client would simply let their insurance coverage expire. To ensure there is no lapse in drug coverage, OA will extend the client's ADAP eligibility to coincide with the same date that the client's health insurance premiums are paid through or to the next month following Medi-Cal Expansion enrollment. For example, if an OA-HIPP client gets enrolled in Medi-Cal Expansion on February 10, 2014, his/her and health insurance premiums and ADAP eligibility will extend through at least March 31, 2014. The client would not be eligible to receive OA-HIPP or ADAP services after that date.

However, if the client wants to continue their private insurance coverage the client will have to make the premium payment him/herself or apply to Medi-Cal HIPP for premium assistance. The transitional OA-HIPP and ADAP coverage described above will give clients time to apply for Medi-Cal HIPP which offers private insurance premium payment assistance when it is cost effective.

Medi-Cal HIPP Enrollment:

To enroll in Medi-Cal HIPP, the client must submit a Medi-Cal HIPP application which is available here: <http://www.dhcs.ca.gov/services/Pages/HIPPOnlineForms.aspx>.

The client will also be required to submit the following documents to Medi-Cal HIPP:

1. Explanation of Benefits – At least one (1) year of medical and pharmaceutical services (showing what was billed and paid.)
2. Insurance Rate Sheet Breakdown or Current Premium Statement (Employee or Subscriber, Employee + One, etc.)
3. Payee Data Record (STD. 204 form.)
4. HIPP Forms (Disclosure Statement, Release of Information, Medical Statement of Diagnosis, Appointment of Representative.)

The Medi-Cal HIPP processing timeline is approximately two days if a complete application is submitted. If approved, Medi-Cal HIPP will pay premiums prospectively for clients living with HIV/AIDS. Please have clients contact HIPP@dhcs.ca.gov or 916-650-0490 to request prospective payments.

ADAP can provide drug co-payment assistance to Medi-Cal HIPP clients if the co-pays are not covered by Medi-Cal. Eligible Medi-Cal HIPP clients must provide documentation to their ADAP EW to verify Medi-Cal HIPP enrollment and to continue receiving drug deductible and drug co-payment assistance for drugs on the ADAP formulary. If OA-HIPP EWs or clients have any questions regarding Medi-Cal HIPP enrollment, please contact HIPP@dhcs.ca.gov or 916-650-0490.

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Please contact Irina Banar at Irina.Banar@cdph.ca.gov or 916-449-5882 if you have any questions regarding the updated OA-HIPP procedures.

Thank you,

A handwritten signature in black ink, appearing to read 'RM', with a long horizontal flourish extending to the right.

Richard Martin, Chief
Insurance Assistance Section
Office of AIDS

cc: ADAP Coordinators
ADAP Enrollment Workers



RON CHAPMAN, MD, MPH
Director & State Health Officer

State of California—Health and Human Services Agency
California Department of Public Health



EDMUND G. BROWN JR.
Governor

March xx, 2014

Dear Client,

You are receiving this letter because you are a current recipient of the department's health insurance premium payment assistance program and based on the department's drug assistance program data your income is less than 138 percent of the federal poverty level (\$15,856 for an individual based on 2013 federal poverty guidelines.) Consequently, you are potentially eligible for Medi-Cal Expansion, which offers free health coverage for legal California residents between the ages of 19 to 64 years old, regardless of disability status.

You have been given a 30 day grace period to provide the following proof to your enrollment worker by xx, xx, 2014, in order to continue receiving services:

1. Medi-Cal Expansion application. If you provide proof of Medi-Cal Expansion application, your grace period will be extended 45 days beyond the date above. This will allow time for the Medi-Cal Expansion eligibility determination. If you are deemed ineligible for Medi-Cal Expansion, you will need to submit the Medi-Cal denial letter to your enrollment worker within the 45-day grace period to continue receiving services. If you do not receive a determination from Medi-Cal within the 45-day grace period, simply contact your enrollment worker and the grace period may be extended.

You can apply for Medi-Cal Expansion in one of the following ways:

- Online – Please visit www.coveredca.com and click on the “Account Login” button. After you create an account, you will be able to enroll in coverage. If you are enrolling in Medi-Cal Expansion, please be aware that you cannot pick your provider online; you will need to submit a paper application.
 - Telephone – (800) 300-1506 – Representatives will answer your questions and submit your application for you.
 - In-Person – Please visit www.coveredca.com and click on the “Find Local Help” button. You will then be able to search for in-person assistance.
2. Medi-Cal Expansion ineligibility. For example, if your income is greater than \$15,856, you must provide a copy of your most recent tax return or most recent pay stubs/disability award letters for 3 months. No other income documentation will be accepted. Once you provide the income documentation to your EW, the grace period will be removed and you will be able to continue receiving services.

3. Proof of enrollment in a Covered California plan. If you provide proof of enrollment in a Covered California plan to your enrollment worker, the grace period will be removed and you will be able to continue receiving services.

If you enroll in Medi-Cal Expansion you will have to decide if you would prefer to keep your private health insurance or receive medical care and treatment through Medi-Cal Expansion. If you decide to receive care and treatment through Medi-Cal, just simply let your insurance coverage expire. To ensure there is no lapse in drug coverage, the department will extend your drug assistance eligibility to coincide with the same date that your health insurance premiums are paid through or to the next month following Medi-Cal Expansion enrollment. For example, if you enrolled in Medi-Cal Expansion on February 10, 2014, and your health insurance premiums and drug assistance eligibility will extend through at least March 31, 2014. The department will not provide assistance beyond that date.

However, if you want to continue your private insurance coverage, you will have to make the premium payment yourself or apply to Medi-Cal HIPP for premium assistance. The department will provide transitional coverage described above to give you time to apply for Medi-Cal HIPP which offers private insurance premium payment assistance when it is cost effective.

To enroll in Medi-Cal HIPP, you must submit a Medi-Cal HIPP application which can be found here:

<http://www.dhcs.ca.gov/services/Pages/HIPPOnlineForms.aspx>

You will be required to submit the following documents to Medi-Cal HIPP:

1. Explanation of Benefits – At least one (1) year of medical and pharmaceutical services (showing what was billed and paid.)
2. Insurance Rate Sheet Breakdown or Current Premium Statement (Employee or Subscriber, Employee + One, etc.)
3. Payee Data Record (STD. 204 form.)
4. HIPP Forms (Disclosure Statement, Release of Information, Medical Statement of Diagnosis, Appointment of Representative.)

The Medi-Cal HIPP processing timeline is approximately two days if a complete application is submitted. If approved, you may contact Medi-Cal HIPP at HIPP@dhcs.ca.gov or 916-650-0490 and request that they pay your premiums prospectively. Also, if enrolled in Medi-Cal HIPP, the department would once again provide drug assistance to you if the co-pays are not covered by Medi-Cal. You would simply need to provide documentation to your drug assistance program enrollment worker that you were enrolled in Medi-Cal HIPP.

If you have any questions regarding Medi-Cal HIPP, please contact HIPP@dhcs.ca.gov or 916-650-0490. Please contact your premium assistance enrollment worker or me if you have any questions about the content of this letter. I can be reached via email at ____@cdph.ca.gov or (xxx) xxx-xxxx.

Sincerely,

(Signature here)

(Insert Analysts name)
Insurance Assistance Section

SAMPLE CLIENT LETTER