

Producer Connection

*Your connection to important news about
FHIAP, OMIP/FMIP, Healthy KidsConnect, and other state health insurance programs.*

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Message from the Administrator

As we wrap up another calendar year, the Office of Private Health Partnerships (OPHP) is preparing for a new legislative session, a new governor, and new budgets.

OPHP carries on the work with both state and federal representatives, to implement new health care reform. We also continue the cross-agency work of becoming part of the Oregon Health Authority (OHA) and contribute to its triple aim for Oregonians: improve the lifelong health of Oregonians, increase the quality, reliability and availability of care, reduce or contain the cost of care so it is affordable.

Federal Grant for Health Insurance Exchange Planning

OPHP representatives serve on working committees preparing Oregon for a state insurance exchange. Recently, the federal Health and Human Services' Office for Consumer Information and Insurance Oversight (OCIO) awarded Oregon a State Planning and Implementation Grant for developing a health insurance marketplace, or insurance exchange.

The Oregon Health Authority is charged with implementing Oregon's exchange. I serve on the inter-agency health insurance planning steering committee that is overseeing the work of the grant.

The grant, which runs from Sept. 30, 2010 to Sept. 29, 2011, provides resources to conduct the research and planning required to build an exchange and determine how Oregon's will be operated and governed.

Our office will keep you informed through producer trainings, online resources and this newsletter. If you have questions, don't hesitate to contact our office, or visit the Oregon Healthy Authority's website at www.oregon.gov/OHA.

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Message, continued

Here are a few other highlights for this issue:

- **Enrollment Periods for Children Under 19**

One of the health insurance reform changes, effective Sept. 23, 2010 affects coverage for children under age 19. Specifically, children under age 19 can no longer be turned down for an individual health plan due to a pre-existing health condition. The law, however, allows insurers to limit enrollment for children to specific times of the year. See page 4 for a full overview of the change.

- **Coverage Up to 26**

Additionally, the *Patient Protection and Affordability Care Act* (PPACA) requires all plans offering dependent coverage to extend coverage to young adults (married and unmarried) up to age 26. This means that parents may add a child (under 26) onto their plan, even if the child does not live with them or is married. The parents' dependent coverage does not extend to their child's spouse or child's dependents.

- **Oregon Medical Insurance Pool Board Approves New Rates**

- Last month the Oregon Medical Insurance Pool (OMIP) Governing Board approved pursuing legislation to allow kids to be eligible for OMIP/FMIP (Federal Medical Insurance Pool) coverage during the 10 months they have no other coverage options due to the above mentioned limited enrollment periods. OMIP staff is working with OHA legislative coordinators and the Insurance Division to draft language and identify legislators willing to sponsor the bill. It is our hope that the legislature will pass legislation by Feb. 15, making OMIP/FMIP coverage available for kids at the end of the first open enrollment period in 2011.
- Additionally, the board approved new benefit changes and rate increases. When all is said and done, OMIP premiums will increase an average of six percent across all medical plans; FMIP's 500 plan will increase 10 percent and the 750 plan will increase 11 percent; and OMIP portability premiums for both the 750 and the 1500 plan will increase an average of 16 percent. For a full breakdown of all benefits changes as well as the rate increases and how they are figured, see the full article on page 5.

- **Healthy KidsConnect**

KidsConnect, the private market component of Healthy Kids, is in the process of renegotiating rate premiums and the benefit plan for kids in families over 300 percent of the Federal Poverty Level. New rates and plan information will be available in December. We will be sending a news alert out to our e-list as soon as information is posted. If you are not receiving e-mail alerts from us, visit our website and sign-up today.

- **Family Health Insurance Assistance Program**

The Family Health Insurance Assistance Program (FHIAP) remains open to applicants with access to group insurance. The Information, Education, and Outreach unit continues to provide producer referrals to individuals seeking assistance of a producer. If you are interested in becoming a referral producer, e-mail us at ophp.mail@state.or.us to get on the list to be contacted when we schedule trainings next year. ■



Tom Jovick, Administrator

Health Reform: Oregon Enrollment Periods For Children Under 19

As of Sept. 23, 2010, federal health reform no longer allows insurance companies to deny coverage to children with pre-existing conditions. However, the law does allow insurers to limit enrollment to specific times of year.

The Department of Consumer & Business Services established **temporary rules** for these open enrollment periods. The temporary rules apply to children under age 19 who seek insurance in the individual market.

Children can enroll during an initial open enrollment period from Nov. 1, 2010 through Dec. 31, 2010. After that, children may enroll in individual insurance during the months of February and August of every year, beginning in Feb. 2011.

Discussions are underway to file for a permanent ruling in Feb. 2011. Additional enrollment periods must be allowed in cases such as birth, adoption, or loss of coverage due to divorce or death of a parent.

Here are some key facts about the rules and coverage of children in Oregon.

- Insurance companies may continue to offer coverage to children throughout the year outside of the enrollment periods. However, if they do so, they cannot deny coverage to children with pre-existing conditions.
- Under some circumstances, if a child's coverage with an insurance company ends, that company does not have to sell a new policy to the child for 12 months.
- Children already covered under child-only policies will be able to keep their coverage.
- Group plans through employers already are prohibited from denying coverage to anyone based on pre-existing conditions. However, the reform means that group plans can no longer require children to wait for coverage of any pre-existing conditions.
- In 2014, federal reforms will require that most people have health insurance coverage and provide financial assistance so that many more people can afford insurance. In turn, insurance companies will not be allowed to reject anyone based on their health.
- In Oregon, children have additional coverage options through Healthy Kids and the state-run high-risk pools. ■

OMIP/FMIP News

OMIP-
FMIP
We're here for you!

OMIP/FMIP Board Responds To Kids Enrollment Period Gaps

The Oregon Medical Insurance Pool (OMIP) Governing Board approved making OMIP and the Federal Medical Insurance Pool (FMIP) available to kids who do not have access to any other health insurance coverage during the 10 months in each year when commercial enrollments are closed to kids. The decision affects families that have annual incomes above 300 percent of the federal poverty level.

Although approved by the board, this decision requires a statute change. The board must now submit a bill to the legislature, prior to implementing the change.

Other OMIP/FMIP Changes Approved By The Board

Unless otherwise indicated, the following board approved changes apply to both OMIP and FMIP.

- Eliminated the six-month pre-existing condition wait period in OMIP for persons under age 19.
- Expanded coverage for preventive services received from primary care providers to include all of those required under *Patient Protection and Affordable Care Act*, pay them at 100 percent (no copay or coinsurance) and not subject them to meeting the deductible.
- Increased the out-of-pocket maximum for the \$500 deductible plan, for both OMIP and FMIP, from \$1,000 to \$1,500.
- Decreased the prescription drug out-of-pocket maximum to \$500 for the FMIP \$500 plan.
- Modified the skilled nursing benefit from 60 days per spell of illness to a 60-day maximum per calendar year. This change has no premium impact.
- Removed the deductible carry-over provision.
- Increased the emergency room copayment from \$100 to \$200. This puts the high-risk pools in the middle of the benefit in the commercial market.
- Revised the home health benefit from 60 intermittent medically necessary visits per calendar to 130 visits per calendar.
- Added a nutritional counseling benefit allowing three days lifetime maximum benefit. This is in addition to a nutritional counseling benefit already offered for outpatient diabetic self-management programs.

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OMIP/FMIP News, *continued*

Premium Rate Increases

OMIP statutes require rates be based on an estimated average market premium. They also require that estimate on premiums be based on those in the individual commercial market, rather than the group market, and adjust them for differences between the individual plan benefit and the risk pool benefits.

- To estimate the averages, we survey the premium rates most currently approved by the Insurance Division.
- The premium rate increases and decreases that result from benefit changes get added to our estimates of the average market premiums.
- Portability premiums and FMIP premiums must be set no higher than the market average. The Board can surcharge the OMIP medical premiums as high as 25 percent above the market average. Currently, rates are set at a 17 percent surcharge.

OMIP medical premiums: The Board voted to a 10 percent surcharge, which is equal to an average rate increase across medical plans of six percent.

FMIP premiums: The \$500 deductible plan will increase 10 percent and the \$750 deductible plan will increase 12 percent.

OMIP portability premiums: There are two portability benefit plans, which are the same as the plans offered in the commercial market. Both the \$750 deductible and the \$1,500 deductible plans will increase 16 percent. ■

Applying for OMIP/FMIP

Remember, there is one application for both the Federal Medical Insurance Pool (FMIP) and the Oregon Medical Insurance Pool (OMIP). If you are helping a client apply for the high-risk coverage, complete the OMIP/FMIP application. A program specialist will determine which program an applicant is eligible for based on information contained in the application.

Applications can be downloaded from the website at www.omip.state.or.us. You can also find rate sheets and benefits summary online. Individuals who do not qualify for the federal pool will be evaluated for OMIP. If an OMIP/FMIP applicant marks the medical condition list for eligibility, the applicant must have a medical provider affirm that he/she has the condition marked on the application.

Producers receive a one-time \$75 fee for each person they assist who completes an application that results in OMIP/FMIP coverage. ■

Off The List And Into The Lot



FHIAP developed a new process to reduce wait time on the reservation list and enroll qualified applicants. Here's how it works:

People at the top of the reservation list will be sent a “parking lot” application. The application is a different color and when returned to eligibility, will be coded to reflect a person being evaluated for the parking lot.

Once an applicant is approved, the person is moved to the eligible “que” or parking lot. Although not decided at this time, eligibility will either begin on the application approval date or the plan enrollment date. Eligibility will be good for one year from the decided date.

Think of it as getting “pre-qualified” for coverage. As FHIAP openings occur, those in the parking lot are ready to enroll into an insurance plan. As the parking lot empties, new applications will be sent to those at the top of the reservation list to get pre-qualified.

If the applicant is declined, a letter is immediately mailed. Anyone who is declined may put their name back on the reservation list should circumstances change. If you have questions about FHIAP or the new process, contact the Information, Education, and Outreach unit at **503-373-1692** or toll-free in Oregon at **1-800-542-3104**. ■

Welcome to the FHIAP Application Wizard

Take a look at the new FHIAP application wizard. The online tool “talks” you through the FHIAP application. When you pass the cursor over a section of the application, it lights up. When it “lights up”, click that area. You will hear an explanation about that part of the application.

It is available at <http://www.oregon.gov/OPHP/fhiapwizard.shtml>. Take a look and let us know what you think. ■

Provide Great Service To A Group That Includes FHIAP Members

Rates: Send FHIAP a copy of the new rates as soon as possible once you know they will change. Make sure the employer name is on the rates. This will prevent any delays in reimbursing employees the proper amounts. The rates may be sent to our Oregon toll-free fax: **1-866-843-8936**.

New hires: Make sure the employer has FHIAP materials for new hire packets so you can reach eligible workers before they enroll in insurance. FHIAP can supply you with materials that alert employees to the possibility of getting help with premiums as well as group applications for the employer to keep on hand.

Open enrollment: Explain FHIAP to employees: A member of FHIAP's outreach staff will be glad to you prepare for explaining FHIAP to an employee group. One of the best ways to explain FHIAP is to give employees an example of their premium costs with and without FHIAP.

Share new health plans with FHIAP: Send a summary of the employer's plan with FHIAP during every open enrollment. FHIAP is required to make sure the employer plan meets minimum standards known as a “benchmark.” We must do this annually or at any time an employer changes carriers or coverage. **COBRA:** Remember that FHIAP members who lose their group insurance may use their subsidy to pay COBRA premiums. ■

Healthy Kids Updates



Become a Healthy Kids Application Assister

Certified Application Assister Organizations (CAAO) help families apply to the Healthy Kids program. CAAOs ensure a client's application is complete and properly submitted to avoid a potential delay for missing information or documentation.

CAAOs must attend a two-hour training. Those interested in becoming CAAOs must complete a Request for Application (RFA), and be approved by Healthy Kids prior to attending a training.

Click on “Application Assisters” under the Outreach section at www.oregonhealthykids.gov, for details. You may also contact the Office of Healthy Kids directly at 1-877-314-5678. ■

KidsConnect to Announce New Rates in December

Healthy KidsConnect contracts are being renegotiated for 2011. All contracts should be finalized by early December. New rates and plan information will be posted to the KidsConnect website by mid-December (www.oregon.gov/OPHP/kidsconnect/). ■

Employer Outreach Helps Reach Qualified Employees

OPHP's Information, Education, and Outreach (IEO) team recently sent over 69,000 employer mailers to registered businesses throughout Oregon. The mailer provided an overview of the Family Health Insurance Assistance Program and Healthy Kids. FHIAP and HK offer premium subsidies to employees who qualify and enroll on an employer-sponsored plan.

IEO works with Oregon employers, helping them better understand programs, educate employees on program availability, and provide information about state health insurance laws and changes.

Additionally, IEO provides producer referrals to businesses interested in purchasing a group plan for the first time. Employers who request help are referred to a producer in their region. If you are interested in becoming a referral producer, e-mail IEO at ophp.mail@state.or.us to get on the list to be contacted when next year's training schedule is available. ■

New Online Training Tools

The Information, Education, and Outreach unit continues to develop easy-access learning tools for producers and the general community. The online resource library now contains several Webinars, video updates, and audio casts. Tools are available for use anytime. Visit www.oregon.gov/OPHP/video to access the following:

- **Pre-Existing Health Conditions And Enrollment Periods For Children Under age 19:** Oregon Office of Private Health Partnership's (OPHP) **Mark Jungvirt** explains the removal of the pre-existing condition clause on non-grandfathered individual commercial health insurance plans for children under age 19. This is another of a series of video casts that the Oregon Office of Private Health Partnerships will be providing to help better understand the law and rulings of the **Federal Patient Protection and Affordable Care Act** and health care reform in Oregon. (Video)
- **FHIAP Changes – 2010:** OPHP's **Susan Stigers**, explains changes to the Family Health Insurance Assistance Program (FHIAP), and how those changes will affect Oregonians. Susan addresses issues relating to FHIAP's status, how to get clients on the reservation list, referrals, eligibility requirements, and changes to the FHIAP application. (Video)
- **High-Risk Pool – 2010:** In August, OPHP hosted a pair of Webinars about the Federal Medical Insurance Pool (FMIP). In this session, OPHP's **Don Myron** describes the new changes to the Oregon and Federal Medical Insurance Pool programs. (Audio/Video)
- **OMIP/FMIP Combined Application:** In this session, OPHP's **Linnea Saris** describes the new combined application for the Oregon and Federal Medical Insurance Pool programs, and addresses questions relating to it. (Audio/Video) ■



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Multimedia Resources

eLearning Overview
Traditionally, agencies such as our own have relied on face-to-face contact for much of our informational and educational outreach. This approach has proved very successful and allows for direct interaction between OPHP and the public at large.
However, due to the economic situation we find our state and nation in, many of these traditional outreach approaches are being re-examined, due to the increasing costs of staff travel. And while we are not totally abandoning our traditional approach to outreach, OPHP has initiated a series of robust new electronic learning components to our toolbox. Over the next several months, we will be rolling out more of these multimedia resources here, so stay tuned!

Video Clips

Federal Health Care Reform Update - October, 2010

- **Pre-Existing Health Conditions and Enrollment Periods for Children Under age 19:** Office of Private Health Partnership's **Mark Jungvirt**, explains the removal of the pre-existing condition clause on non-grandfathered individual commercial health insurance plans for children under age 19. This is another of a series of VodCasts that the Oregon Office of Private Health Partnerships will be providing to help better understand the law and rulings of the Federal Patient Protection and Affordable Care Act and health care reform in Oregon. Click the icon on the left to view.

FHIAP Producer Update - September, 2010

- **FHIAP Changes - 2010:** Office of Private Health Partnership's **Susan Stigers**, explains changes to the Family Health Insurance Assistance Program (FHIAP), and how those changes will affect Oregonians. Susan addresses issues relating to FHIAP's status, how to get clients on the reservation list, referrals, eligibility requirements, and changes to the FHIAP application. Click the icon on the left to view.

OMIP/FMIP Update - Summer, 2010

- **High-Risk Pool - 2010:** During the first week of August, 2010, OPHP hosted a pair of webinars about the Federal Medical Insurance Pool (FMIP). In this session, OPHP's **Don Myron** describes the new changes to the Oregon and Federal Medical Insurance Pool programs. Click the icon on the left to view.
- **OMIP/FMIP Combined Application:** In this session, OPHP's **Linnea Saris** describes the new combined application for the Oregon and Federal Medical Insurance Pool programs, and addresses questions relating to it. Click the icon on the left to view.