

Producer Connection

Message from the Administrator



Our efforts to emphasize the Family Health Insurance Assistance Program (FHIAP) in the group market are in full swing. We hope that you get more and more calls from uninsured employers or existing groups asking how this premium subsidy program works.

Although we continue to have a waiting list for individual market subsidies, we continue to have immediate openings for group market subsidies. Don't forget that in addition to bringing on new groups, FHIAP subsidies can help employees add dependents who have opted out of the employer's health plan because of cost.

All the major carriers in Oregon are working with us to make producers and clients aware of FHIAP. Providence and PacificSource, for example, recently hosted continuing education classes that allowed us to train a combined 160 appointed agents in FHIAP.

Additionally, our staff have met one-on-one with at least 700 producers in the Willamette Valley, bringing them up to date on how to use FHIAP with uninsured businesses, new hires and dependent coverage. If we missed any of you in the valley and you would like a refresher course, please give us a call. To make an appointment, call Chris at (503) 378-5244.

Finally, we recently alerted chambers of commerce throughout Oregon of our group openings. As a result of their response, we are mailing thousands of Employer Guides explaining FHIAP to chamber members in various parts of the state.

When an employer asks you for information on FHIAP, will you be ready? Our staff is available to explain FHIAP or to accompany you on an employer visit. Ask for anyone in our marketing department.

Enjoy your summer!

A handwritten signature in black ink that reads "Howard R. King". The signature is fluid and cursive, with a large, stylized "H" and "K".

Howard "Rocky" King

**Office of Private
Health Partnerships**



See Page 2 for the *NEW*
Proof of Citizenship Requirement

Proof of citizenship requirement

New federal rules require all FHIAP applicants to supply proof of U.S. citizenship and identity, starting July 1, 2006.

Existing FHIAP members will need to provide proof when they re-apply but may want to start gathering documents now.

Rules remain the same for non-citizens who qualify for services; they continue to provide a copy of their INS card.

Documents that provide acceptable proof of citizenship and identity include one of the following:

- U.S. Passport (doesn't have to be current if issued without limitations but must be the original)
- Certificate of Naturalization (N-550 or N-570)
- Certificate of Citizenship (N-560 or N-561)
- Supplemental Security Income (SSI) claim letter

People who don't have any of the above may send the following **TWO** documents:

- A certified U.S. birth certificate **AND** Oregon photo identification such as a driver's license. Children also need a birth certificate **AND** photo identification such as a school identification card. Daycare records with identifying information are acceptable.

FHIAP doesn't need birth certificates from people who were born in Oregon. However, Oregon-born applicants must still prove identity (with a driver's license or other document).

There are other documents that may be used to prove citizenship and/or identity. We suggest applicants call FHIAP with their individual situations if they are unable to provide the documents listed above.

Passports must be original and birth certificates must be either originals or "certified copies," meaning people can't send photocopies. FHIAP will return the documents by certified mail.

Background on the issue and a more complete list of documents that may be submitted as proof are posted on FHIAP's Web site: www.fhiap.oregon.gov.

Contact
OPHP/FHIAP at:
Web: ophp.oregon.gov
E-mail: ophp.mail@state.or.us
Phone: 1-888-564-9669
Hours: 9 a.m. to 5 p.m.
Monday through Friday

New producer training

New producers in your office can receive four hours of free continuing education **and** learn about state programs for uninsured Oregonians through the Office of Private Health Partnerships.

Here is the remainder of the 2006 schedule. Most classes start at 8 a.m. and end at noon. Participants receive two hours credit in law and two hours in health. To register, call Chris at (503) 378-5244.

Salem: July 19, Aug. 16, Sept. 20, Oct. 18, and Nov. 15

Wilsonville: July 20 and Aug. 17

Bend: Sept. 13

Pendleton: Sept. 27

Medford: Sept. 6

FHIAP rule changes

FHIAP's new rules, effective June 1, are posted on the Web site at www.oregon.gov/OPHP/docs/new_rules_6_1_06.pdf.

Highlights:

Asset limit: FHIAP applicants formerly could own a home *and* a business property without exceeding FHIAP's \$10,000 asset limit. Now, they may own only one piece of real property that is valued at more than \$10,000 and it must be their family residence.

Six months without insurance requirement: Someone with TriCare (military insurance) does not have to be uninsured for six months to qualify for FHIAP.

Other exceptions to FHIAP's requirement that people be uninsured for at least six months are:

- People who are enrolled in Oregon Health Plan or were enrolled in OHP within 120 days of applying to FHIAP.
- People who enrolled in a group plan at work within 120 days of applying to FHIAP and were previously uninsured.
- Former FHIAP members.
- People on the FHIAP reservation list who meet the six-month period without insurance while waiting for an application or who had been uninsured for six months when their name was placed on the list.

Counting family size: Applicants may now count an elderly relative (55 and older) or adult disabled child who lives with them in their family size. However, if they do so, they must also count any income generated by these family members. For example, disability payments, social security and retirement income all count toward the family's income.

Grow your group year-round

Using FHIAP to enroll Oregonians in health insurance can increase your book of business year-round. Here's why:

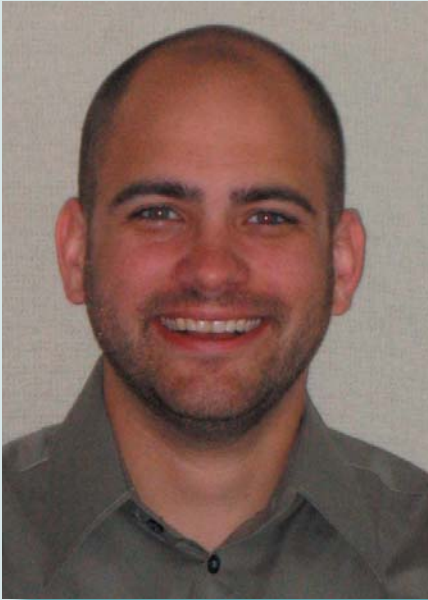
Some employees and many dependents opt out of employer-sponsored insurance because of the costs. A FHIAP subsidy can help pay a big part of the monthly premium for uninsured dependents.

Producers don't have to wait until open enrollment to share FHIAP. All domestic carriers plus Aetna and Cigna recognize FHIAP as a "qualifying event," allowing FHIAP applicants to enroll once they receive a FHIAP approval letter.

Because FHIAP applicants must be uninsured for six months, key target audiences in the group market are:

- New hires who were previously uninsured. Suggest that FHIAP applications be part of new employee packets.
- Employees or, more likely, dependents who opt out of the group plan because of costs. Distribute FHIAP applications year-round.
- Uninsured businesses with employees in the FHIAP target incomes. Employers who are unable to pay 100 percent may think they can't meet participation requirements because employees can't pay their share of the costs. FHIAP can help some employees and their family members with those costs.

Eugene business gets insurance with FHIAP



Chris Boone, producer

“FHIAP made it possible for the employees to cover themselves as well as everybody in their family,” office manager Julie Barber said.

Eugene producer Chris Boone sold a group health plan to an uninsured power-washing business as soon as four of the five employees qualified for a FHIAP subsidy to help pay their share of the costs.

Boone said that the subsidy program made it possible for the businesses to buy a plan because the employer couldn't pay 100 percent of the premium for all the employees and the employees couldn't afford to split the premium cost.

With FHIAP subsidies, the employer pays half of the employees' premiums. FHIAP pays the bulk of the remainder for the four employees, including the costs for workers to add dependents.

“FHIAP made it possible for the employees to cover themselves as well as everybody in their family,” office manager Julie Barber said.

The key to using FHIAP with an uninsured group is knowing what to do when, Boone said. Since the employer couldn't buy a health plan until he knew how many employees could afford to participate, employees needed FHIAP approval before the plan purchase.

Here is what Boone did, step by step:

1. He called FHIAP's marketing staff for a telephone refresher on how to use FHIAP with a new group.
2. He asked carriers for quotes on health plans that would meet FHIAP's minimum standards (or benchmark). Boone already knew what plans would likely qualify. FHIAP's Web site lists the guidelines and posts a Request for Benchmark Analysis form (www.oregon.gov/OPHP/docs/request_benchmark.pdf) that producers or employers send to FHIAP with a summary of the employer's health benefits.
3. Boone then helped three employees apply to FHIAP; the fourth employee already had a FHIAP subsidy for an individual health plan. After the three employees received FHIAP approval letters, the business purchased the health plan.
4. The four employees plus the owner enrolled in the health plan. (The employee who already had a FHIAP subsidy switched to the group plan and FHIAP continued to help pay his/her share of the premium.) Some employees left their children on Oregon Health Plan; others put them on the group plan.

Barber, the office manager, sends payroll records to FHIAP several days before she generates employees' paychecks withholding their share of the premiums. This allows FHIAP to get employees' subsidy checks to them more quickly because FHIAP can't send its share of the premium to employees until it sees proof that money was taken out of employees' checks.

FHIAP attempts to assign a single eligibility worker to review multiple applications from a single employer but doesn't always succeed. In this case, Barber sent the applications in a single envelope by certified mail, FHIAP's recommended strategy. It also helps to write “Process with other applications from this employer” on the application itself.

If you encounter problems or can't send all the applications at one time, call FHIAP Eligibility Manager Perry DeJooede directly (503-378-2504). He will do his best to route all applications from an employer to the same eligibility specialist.

As a time-saver, Barber also suggests that applicants call FHIAP for a reservation number but then print the group application from FHIAP's Web site. It takes up to two weeks for FHIAP to mail applications because they are sent in batches to cut costs.

Oregon Health Plan

Children under age 19 and pregnant women who qualify for FHIAP also qualify for the Oregon Health Plan (OHP). Families need to know about both programs so they can select the one that best meets their needs.

Differences in the programs

FHIAP subsidizes private health insurance and has immediate openings for families with access to employer-sponsored insurance. FHIAP members must enroll in their employer's plan, assuming it meets a minimum set of standards called the benchmark. They hold private insurance cards and pay co-pays, deductibles and other costs of private insurance.

Oregon Health Plan offers pregnant women and children a comprehensive health benefit package with few or no costs. Once approved for the program, OHP clients do not face a wait for coverage of pre-existing conditions. Members hold a Medicaid card. In some parts of the state where doctors see a disproportionate number of Medicare-Medicaid clients, access to physicians may be an issue.

Many families enroll their children in OHP and non-pregnant adults in FHIAP. This is allowed. Different members of a family may be in different programs. **However, no family member may be enrolled in both OHP and FHIAP at the same time.** If this happens, FHIAP is required to collect any subsidies the family received.

Eligibility for FHIAP/OHP children

Children in either program must be:

- Members of households with income less than 185 percent of poverty (\$2,560 monthly for a family of three)
- Members of families with assets less than \$10,000 (doesn't count home, car or qualified retirement accounts)
- Citizens or non-citizens who qualify for services
- Oregon residents

Also, some children need to be uninsured six months to qualify for OHP; others do not. OHP has different programs for families of different incomes. Children generally must be uninsured six months to qualify for **FHIAP unless they are coming from OHP.** Call OHP or FHIAP to ask about exceptions to the six-month rule.

Children in FHIAP and OHP are approved for a year at a time and may re-apply. The OHP Application Center phone number (1-800-359-9517) is on the back of the FHIAP brochure.

Don't forget:
FHIAP subsidizes dental insurance in the group market. The dental plan does not have to meet any benchmark.
