

Health Services
Office of Medical Assistance Programs

Joan M. Kapovich

OMAP Program and Policy Section

Authorized Signature

Number: OMAP-IM-04-061

Issue Date: 6/24/2004

Topic: Medical Benefits

Subject: OHP Premium Sponsorships

Applies to (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> All DHS employees | <input type="checkbox"/> County Mental Health Directors |
| <input type="checkbox"/> Area Agencies on Aging | <input type="checkbox"/> Health Services |
| <input type="checkbox"/> Children, Adults and Families | <input type="checkbox"/> Seniors and People with Disabilities |
| <input type="checkbox"/> County DD Program Managers | <input checked="" type="checkbox"/> Other (please specify): DHS staff and others identified on the SPD, CAF, OHMAS and OMAP transmittal lists |

Message: OMAP is sending all providers the attached notice and rule. It discusses the new OAR effective 6-1-04 regarding provider sponsorships (i.e., paying a client's premium). The letter reminds providers that OHP Standard will be closed to new enrollment 7-1-04.

If you have any questions about this information, contact:

Contact(s):	OMAP Program and Policy Unit		
Phone:	1-800-527-5772 or 503-945-5895	Fax:	503-373-7689
E-mail:			



Oregon

Theodore R. Kulongoski, Governor

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June 23, 2004

To: OMAP Service Providers

From: Joan M. Kapowich, Manager 
OMAP Program and Policy Section

Re: OHP Premium Sponsorships



Sponsors

Effective June 1, 2004, the Office of Medical Assistance Programs (OMAP) adopted OAR 410-120-1390 "Sponsorships." This rule outlines OMAP's sponsorship policy and references applicable federal regulations.

If you have been acting as a sponsor (i.e., paying a client's premium) to an OHP Standard client, review the attached rule and referenced federal regulations. OAR 410-120-1390(7)(a) requires you to determine whether or not your sponsorship is considered a "bona fide donation." If you decide to discontinue your sponsorship, it is your responsibility to notify clients you have sponsored.

Clients on the OHP Standard Benefit Package

Effective July 1, 2004, the OHP Standard benefit package will be closed to new enrollment. To maintain coverage, clients on OHP Standard must reapply in a timely manner, meet eligibility requirements, and pay premiums on time.

OHP Standard clients who lose their coverage will not be able to enroll as an OHP Standard client until enrollment is open again.

OMAP's Administrative Rules

OMAP's administrative rules and other provider information can be found at:
www.dhs.state.or.us/policy/healthplan/guides

PN:04-120

"Assisting People to Become Independent, Healthy and Safe"
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410-120-1390 Sponsorships

(1) Donations made for the benefit of one or more specified OMAP clients shall be referred to as a sponsorship and the donor shall be referred to as a sponsor.

(2) DHS may accept sponsorships consistent with the requirements of this rule. DHS may adopt such forms and reporting requirements, and change the forms and reporting requirements, as necessary to carry out its functions under this rule. DHS may identify one or more designees to perform one or more of the functions of DHS under this rule.

(3) This rule does not create or establish any sponsorship program. DHS does not operate or administer a sponsorship program. DHS does not find sponsors for clients or take requests or applications to be sponsored from clients.

(4) This rule does not create a right for any OMAP client to be sponsored. Sponsorship is based solely on the decisions of sponsors; DHS only applies the sponsorship funds that are accepted by DHS as instructed by the sponsor. DHS does not determine who may be sponsored. Any operations of a sponsorship program are solely the responsibility of the sponsoring entity.

(5) A sponsorship amount that is not actually received by the OMAP client shall not be deemed to be cash or other resource attributed to the OMAP client, except to the extent otherwise required by federal law. An OMAP client's own payment of his or her obligation, or payment made by an authorized representative of the OMAP client, is not a sponsorship except to the extent that the authorized representative is otherwise subject to subsection (7) of this rule.

(6) Nothing in this rule alters the OMAP client's personal responsibility for assuring that his or her own payments (including current or past due premium payments) are made on time as required under any rule of the Department of Human Services. If a sponsorship payment is accepted by DHS for the benefit of a specified client, DHS or its designee will credit the amount of the sponsorship payment toward any outstanding amount owed by the specified client. DHS or its designee is not responsible for notifying the client that a sponsorship payment is made or that a sponsorship payment has stopped being made.

(7) If a sponsor is a health care provider, or an entity related to a health care provider, or an organization making a donation on behalf of such provider or entity, the following requirements apply.

(a) DHS will decline to accept sponsorships that are not “bona fide donations” within the meaning of 42 CFR 433.54. A sponsorship is a “bona fide donation” if the sponsorship has no direct or indirect relationship to Medicaid payments made to the health care provider, a related entity providing health care items or services, or other providers furnishing the same class of items or services as the provider or entity;

(b) For purposes of this rule, terms “health care provider,” “entity related to a health care provider” and “provider-related donation” shall have the same meaning as those terms are defined in 42 CFR 433.52. Sponsorships made by a health care provider or an entity related to a health care provider must be a “bona fide donation” within the meaning of subsection (a) of this section;

(c) If a health care provider or an entity related to a health care provider donates money to an organization, which in turn donates money in the form of a sponsorship to DHS (referred to as an organizational sponsor), the organizational sponsor is subject to this rule. The sponsorship must be a “bona fide donation” within the meaning of subsection (a) of this section;

(d) Any sponsor that is a health care provider or entity related to a health care provider, or causing another to make a sponsorship on its behalf, and any organizational sponsor, is solely responsible for compliance with laws and regulations applicable to any donation, including but not limited to 42 CFR 1001.951 and 1001.952.

Stat. Auth.: ORS 409

Stats. Implemented: ORS 414.065

June 1, 2004 (T)