State of New Mexico
Human Services Department
Human Services Register

I. DEPARTMENT
NEW MEXICO HUMAN SERVICES DEPARTMENT (HSD)

II. SUBJECT
8.200.430 NMAC, MEDICAID ELIGIBILITY - GENERAL RECIPIENT POLICIES, RECIPIENT RIGHTS AND RESPONSIBILITIES

III. PROGRAM AFFECTED
(TITLE XIX) MEDICAID

IV. ACTION
PROPOSED RULE

V. BACKGROUND SUMMARY
The Human Services Department (the Department), through the Medical Assistance Division (MAD), is proposing to amend 8.200.430 NMAC, *Medicaid Eligibility - General Recipient Policies, Recipient Rights and Responsibilities*. The proposed amendment will end the Health Insurance Premium Payment (HIPP) program on January 31, 2013.

Participants in this program will be contacted by representatives of the Department to transition to other health care programs or options prior to ending the HIPP program.

VI. RULES

The proposed rule will be contained in 8.200.430 NMAC. This register and the proposed amendment are available on the MAD website at http://www.hsd.state.nm.us/mad/registers/2013. If you do not have internet access, a copy of the proposed amendment may be requested by contacting MAD at 505-827-3152.

VII. EFFECTIVE DATE
The Department proposes to implement this rule effective January 31, 2014.

VIII. PUBLIC HEARING

A public hearing to receive testimony on the proposed amendment will be held at the South Park Conference Room, 2055 S. Pacheco Street, Santa Fe, NM on Monday, January 13, 2014 at 9 a.m.

If you are a person with a disability and you require this information in an alternative format or require a special accommodation to participate in the public hearing, please contact MAD toll free at 1-888-997-2583 and ask for extension 7-3152. In Santa Fe, call 827-3152. The Department's TDD system may be accessed toll-free at 1-800-659-8331 or in Santa Fe, by calling 827-3184. The Department requests at least 10 days advance notice to provide requested alternative formats and special accommodations.

Copies of all comments will be made available on January 31, 2014 by MAD upon request by providing copies directly to a requestor or by making them available on the MAD website or at a location within the county of the requestor.

IX. ADDRESS

Interested persons may address written or recorded comments to:

Sidonie Squier, Secretary
Human Services Department
P.O. Box 2348
Santa Fe, New Mexico 87504-2348

These comments must be received no later than 5 p.m. on Monday, January 13, 2014. Written and recorded comments will be given the same consideration as testimony made at the public hearing. Interested persons may address comments via telephone to 505-827-3152 or via electronic mail to: Emily.Floyd@state.nm.us.

X. PUBLICATION

Publication of these rules approved by:

Sidonie Squier

SIDONIE SQUIER, SECRETARY
HUMAN SERVICES DEPARTMENT

This is an amendment to 8.200.430 NMAC, Section 18 effective January 31, 2014.

8.200.430.18 ELIGIBLE RECIPIENT RESPONSIBILITY TO ENROLL IN AVAILABLE EMPLOYER-BASED GROUP HEALTH PLAN OR OTHER INSURANCE PLANS: Effective July 01, 1998, HSD no longer accepts referrals to the health insurance premium payment (HIPP) program. HIPP is only available to participants active on HIPP as of July 01, 1998 who have continued to maintain their eligibility for the program. This program will end January 31, 2014.

~~[A. **Payments under the health insurance premium payment program:** Under HIPP, HSD will pay premiums, deductibles, co-insurance and other cost-sharing obligations necessary to enroll an applicant or medicaid eligible recipient in an available cost-effective insurance plan.~~

~~(1) An applicant or an eligible recipient is required to participate in an employer-based group health plan (EGHP) as a condition of eligibility. If an applicant or an eligible recipient is enrolled in a non-employer-based plan and is also eligible to enroll in a cost-effective EGHP, he or she must enroll in the EGHP to remain eligible for medicaid. If continued enrollment in both plans remains cost-effective, HSD may choose to pay the premiums for the non-employer-based plan. If an applicant or an eligible recipient is eligible for more than one cost-effective EGHP, he or she must enroll in the EGHP which HSD determines to be more cost-effective.~~

~~(2) An applicant or an eligible recipient is not required to enroll in a non- employer-based insurance plan as a condition of eligibility. If such plan is cost-effective, HSD may choose to pay the applicable premiums and cost-sharing obligations.~~

~~(3) HSD can pay the premiums only for a non-medicaid eligible family member if that member must be enrolled in the EGHP in order for the medicaid eligible family member to receive coverage. The costs of furnishing coverage to the non-medicaid eligible family members are not considered in determining the cost effectiveness of the EGHP or non-employer-based plan.~~

~~(4) HSD may pay the cost of premiums for a medicare supplemental insurance policy for a dual-eligible MAD recipient if HSD determines that such payment would be cost effective.~~

~~(5) Claims submitted by providers for furnishing medical or behavioral health services to an applicant or an eligible recipient covered under the HIPP program are subject to standard third party editing and processing. See 8.302.3 NMAC.~~

~~(6) Payments will not be made for premiums used as a deduction to income for purposes of the medicaid eligibility determination.~~

~~B. Insurance plans excluded from coverage under the health insurance premium payment program: HSD will not pay premiums or cost-sharing obligations for health insurance plans under the following circumstances:~~

~~(1) the EGHP is that of an absent parent;~~

~~(2) the EGHP is an indemnity policy which supplements the policyholder's income or pays only a predetermined amount for services covered under the policy; for instance, the plan pays $50 a day versus 80 percent of the total charges;~~

~~(3) the plan is an education policy offered on the basis of attendance or enrollment at an educational facility;~~

~~(4) the plan is maintained for the applicant or an eligible recipient through another source, such as maintenance of insurance for a child by the absent parent;~~

~~(5) the EGHP is designed to provide coverage for a temporary period only; or~~

~~(6) the individual covered under the plan is not medicaid eligible on the date the decision is made for enrollment in the HIPP program.~~

~~C. **Application process:** At the time an applicant applies for medicaid or a program that includes medicaid benefits or at the time of the periodic review of the eligible recipient's medicaid eligibility, he or she must complete a health insurance premium payment referral (HIPP) form. The form must be completed during the process and forwarded to MAD third party liability unit (TPLU).~~

~~(1) The MAD TPLU determines whether an EGHP is cost-effective using guidelines set forth in the approved state medicaid plan. After a determination is made, the MAD TPLU furnishes notice to the applicant or the eligible recipient and the appropriate ISD, SSI, or CYFD office of the determination within 30 calendar days of the receipt of the HIPP form or as soon as possible. Additional time may be required for the determination if required information cannot be obtained within the 30 calendar day time period.~~

~~(2) As a condition of medicaid eligibility, an applicant or an eligible recipient must provide HSD with all necessary information about the plan and report all changes with respect to the plan to HSD within 10 calendar days of that change.~~

~~(a) If an applicant or an eligible recipient parent fails to provide the information necessary to make the cost-effectiveness determination, fails to enroll in a cost-effective plan, or disenrolls from such a plan for reasons not described in Subsection E below, he or she is no longer a MAD eligible recipient. MAD benefits to an applicant or eligible recipient child are not terminated if the parent or responsible individual fails to provide information or cooperate with HSD.~~

~~(b) Medicaid benefits for the spouse of an employed individual are not terminated due to the employed individual's failure to provide information or cooperate if the spouse cannot enroll in the plan independently.~~

~~D. **Effective date:** Premium payments to the cost-effective plan are due on the first of the month in which an applicant's eligibility is established or the month, in which premium payments are due for the applicant or the eligible recipient enrollment in a cost-effective plan, whichever is later.~~

~~E. **Disenrollment and discontinuation of premium payments:** Premium payments are discontinued on the first of the month after the date that all members of a household lose medicaid eligibility. If only a portion of the household members lose medicaid eligibility, HSD will conduct a review of the plan to determine whether enrollment in the plan remains cost effective. As a condition of medicaid eligibility, an applicant or an eligible recipient is required to be enrolled in a cost-effective EGHP. Disenrollment is permissible under the following circumstances:~~

~~(1) HSD determines that plan enrollment is no longer cost effective; or~~

~~(2) the plan is no longer available to the applicant or the eligible recipient for instance, the applicant or the eligible recipient changes employers or the employer no longer offers insurance coverage; or~~

~~(3) the applicant or the eligible recipient was enrolled in a plan through a spouse or parent who is no longer willing to enroll him or her.~~

~~F. **Review of cost-effectiveness:** HSD reviews the cost-effectiveness for each plan:~~

~~(1) at least every six months for an EGHP and annually for non-employer-based insurance plans;~~

~~(2) with a change in the predetermined cost or services covered by the plan, such as an increase in a premium rate or elimination of maternity coverage;~~

~~(3) when a member of the household loses medicaid eligibility;~~

~~(4) when circumstances affecting the availability of the plan occur, such as employment termination, reduction in employment hours; and~~

~~(5) when the employer changes insurance carriers.~~]

[8.200.430.18 NMAC - Rp, 8.200.430.18 NMAC, 1-1-14; A, 1-31-14]