STATE OF CALIFORNIA--HEALTH AND WELFARE AGENCY

PETE WILSON, Governor

DEPARTMENT OF HEALTH SERVICES
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November 30, 1995

TO: All County Welfare Directors
All County Administrative Officers

Letter No.: 95-72

EMPLOYER GROUP HEALTH PLAN PROGRAM HEALTH INSURANCE PREMIUM PAYMENT PROGRAM

The purpose of this is to inform you of two programs which exist within the Department of Health Services (DHS) that may pay private and/or group health insurance premiums for certain Medi-Cal beneficiaries. A more detailed All County Welfare Directors Letter (ACWDL) No. 95-71 addressing commonly asked questions about the Health Insurance Premium Payment (HIPP) and Employer Group Health Plan (EGHP) Programs is being sent to All County Medi-Cal Program Specialists/Liaisons.

The HIPP and EGHP Programs may, whenever it is cost effective, enroll and pay health insurance premiums for certain Medi-Cal beneficiaries. The objective is to reduce Medi-Cal expenditures by redirecting the cost of medical care to existing or available insurance. The average monthly cost of the beneficiary's health care must be at least twice the monthly insurance premium.

County eligibility workers are responsible for identifying the existence or availability of private or group health insurance and assisting Medi-Cal beneficiaries in completing the Health Insurance Questionnaire (DHS 6155 - copy enclosed). It is important to note that eligibility workers should notate "EGHP REFERRAL ONLY" at the top of the DHS 6155 if health insurance is AVAILABLE to a Medi-Cal beneficiary, but not yet enrolled. This will ensure that the Medi-Cal beneficiary's Benefits Identification Card (BIC) will not be coded with current health insurance, resulting in inconvenience for medical providers and the Medi-Cal beneficiary.

The DHS' HIPP/EGHP Program staff will generate application packets to Medi-Cal beneficiaries who appear to meet the HIPP/EGHP Program eligibility requirements. Once a Medi-Cal beneficiary is approved for enrollment into either the HIPP or EGHP Program, a HIPP/EGHP Program approval notification will be generated to the beneficiary and the initiating county eligibility worker.

For more detailed information about the HIPP and EGHP Programs, please refer to ACWDL No. 95-71. If you have any questions, please contact Ms. Judy Gelein of the HIPP Program, Third Party Liability Branch, at (916) 323-9588.

Sincerely,

ORIGINAL SIGNED BY

Frank S. Martucci, Chief
Medi-Cal Eligibility Branch

Enclosure