

OKLAHOMA EPIC

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O-EPIC Program Update

July 2005

WAIVER SUBMISSION PROCESS

To date the waiver has not been approved.

Questions have been exchanged between OHCA and the Centers for Medicare and Medicaid Services (CMS) since the waiver was submitted in January 2005. Conference calls were held in mid-June and early July to review the remaining CMS questions. At this time, we are awaiting additional questions or comments from CMS.

The waiver was submitted to CMS under the Health Insurance Flexibility and Accountability Demonstration Initiative. OHCA was authorized to take the action when Governor Brad Henry and the state legislature worked together passing measures to increase access to affordable health coverage.

Please note:

Final approval of this waiver and the program requirements are contingent upon federal approval.

THIRD-PARTY ADMINISTRATOR FOR O-EPIC

Electronic Data Systems Corporation (EDS) is OHCA's current fiscal intermediary. As part of the current contract EDS will administer this program.

INFORMATION TECHNOLOGY SYSTEMS

IT representatives from small group carriers were invited to attend a meeting June 20, 2005 at the Oklahoma Insurance Department. Meeting minutes are available on OHCA's website.

EDS is developing an on-line application process for the employer and employee process. EDS will interface with the Oklahoma Department of Human Services (OKDHS) systems to certify employee eligibility. There will be a 30 day period, to certify eligible employees, upon employer qualification. A timeline has been developed to interface OHCA, EDS and OKDHS systems.

We are currently testing the web-based application forms for employers.

Final revisions for the interface documents are being made at this time.

HEALTH PLAN REQUIREMENTS

Every effort is being made to ensure currently offered products are eligible for qualification in this program.

Carriers will be contacted individually by OHCA regarding the interface document and rules and requirements that may apply for program involvement.

Call for Information from small group carriers:

OHCA is requesting product information on small group products sold in Oklahoma. OHCA is gathering this data for internal purposes only to ensure that as many currently offered products as possible will be eligible for qualification with this program. Please contact Buffy Heater at 405-522-7545 or Sarah Hyden at 405-271-5362, Extension 32405.

OKLAHOMA INSURANCE DEPARTMENT (OID)

OID continues to facilitate meetings between OHCA and private carriers. Feedback received at these meetings is incorporated wherever possible into program design. Meeting minutes are available on OHCA's website.

IMPORTANT NOTE FOR PRODUCERS:

The premium assistance program training and tool-box will be available soon!

Attention! This monthly newsletter is now being delivered only by email. In order to continue receiving these important updates, please go to the website listed below and sign up to receive updates. Please include your email address!

[http://www.ohca.state.ok.us/provider/premium/premiunenroll.asp](http://www.ohca.state.ok.us/provider/premium/premiumenroll.asp)

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"Most Oklahoma small business owners want to provide medical coverage to their employees, but because health insurance costs are so high, they just can't afford it, by offering premium assistance through this program, we can get health coverage to uninsured Oklahomans and help businesses at the same time."

—Governor Brad Henry
April 28, 2004

Proposed Requirements

Small Employers

Business must be located within Oklahoma and have 25 or fewer employees on payroll.

Contribute at least 25% of eligible employees' premium costs.

Offer a qualified insurance plan that covers a minimum set of services.

Businesses and their producers will be provided a list of qualified health plans.

The business must initiate the application process for this program.

Low-Income Employees

Eligible employees are Oklahoma residents.

The employee contribution will be no more than 15% of their family's premium & total contribution of household income may not exceed 5%.

Although employees must complete their own online eligibility application verifying their household income at or below 185% of the federal poverty level (FPL), their employer must initiate the application process for this program.

Individuals

This portion of the program is designed to assist uninsured sole proprietors and workers whose employers do not provide health insurance; this will allow Oklahomans to buy health coverage directly through the state and is anticipated to begin in early 2006.

The 2005 FPL schedule can be found below.

Important Note:

At this time of this distribution the program requirements are still being discussed at the federal level.

Although the waiver has been submitted, the federal government has final approval over the program requirements.

OHCA and CMS are working together to ensure the waiver is approved as quickly as possible.

Pending federal approval, O-EPIC is anticipated to begin in October 2005.

2005 Federal Poverty Guidelines (FPL)

All States (Except Alaska and Hawaii) and D.C.

Income Guidelines as Published on the Federal Register on February 18, 2005

Family Size	Percent of FPL	Annual Guidelines	Monthly Guidelines
1	185%	\$17,704.50	\$1,475.38
2	185%	\$23,735.50	\$1,977.96
3	185%	\$29,766.50	\$2,480.54
4	185%	\$35,797.50	\$2,983.13
5	185%	\$41,828.50	\$3,485.71
6	185%	\$47,859.50	\$3,988.29

For family units larger of more than 6 add \$3,260 for each additional member

Premium Assistance Overview

For more than two years, Governor Brad Henry and the state legislature worked to increase access to affordable health coverage.

This joint effort resulted in the Oklahoma Health Care Recovery Act that authorized a program to provide premium assistance to Oklahoma's low income individuals and small businesses for health care coverage.

Oklahomans can participate in the Premium Assistance Health Program in two ways:

Phase 1: Premium Assistance Partnership Program

The Premium Assistance Partnership Program, newly named the Oklahoma Employer/Employee Partnership for Insurance Coverage (**O-EPIC**), is designed to assist small business owners in providing their employees and their employees' families with health insurance. *

*Phase 1 - is anticipated to begin in October 2005, pending federal approval.

Phase 2: Premium Assistance Public Program

The Premium Assistance Public Program is designed to assist uninsured sole proprietors and workers whose employers do not provide health insurance; this plan allows Oklahomans to buy health coverage directly through the state. **

**Phase 2 - discussions are currently being held between OHCA and agencies detailed in the waiver. It is anticipated that this phase will begin in early 2006.



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Did you know?

According to Families USA...

Nearly 48 million Americans will be uninsured for the entire year in 2005.

Across the nation, premium costs for family health insurance coverage, provided by private employers, will include an extra \$922 in 2005 due to the cost of caring for the uninsured; premiums for individual coverage will cost an extra \$341.

Nearly 500,000 Oklahomans will be uninsured for the entire year in 2005.

In Oklahoma, premiums in 2005 for a family with private, employer-sponsored coverage are \$1,781 higher, due to the unpaid cost of health care for the uninsured; premiums for individual coverage will be \$680 higher in 2005.

Data above from Paying a Premium: The Added Cost of the Care for the Uninsured by Families USA. Report available online at www.familiesusa.org.

Additional information about the uninsured is available on the OHCA website.

PROGRAM INQUIRIES TO DATE (Jan-Jun 05):

OHCA Link: www.ohca.state.ok.us/general/premium_assistance.htm

Small Business Employer Inquiries = 857

Individual Inquiries = 358

Agent Inquiries = 180

Total Inquiries = 1,395

Inquiries include contact via website and telephone

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