

DEPARTMENT OF MEDICAL ASSISTANCE SERVICES

Title of Regulation: **12 VAC 30-100-10 et seq. State Programs: Part IV, Health Insurance Program for Working Uninsured Individuals (adding 12 VAC 30-100-400, 12 VAC 30-100-410, 12 VAC 30-100-420, 12 VAC 30-100-430, 12 VAC 30-100-440, 12 VAC 30-100-450, 12 VAC 30-100-460 and 12 VAC 30-100-470).**

Statutory Authority: § 32.1-325 of the Code of Virginia.

PART IV.

HEALTH INSURANCE FOR THE WORKING UNINSURED.

12 VAC 30-100-420. Program subscribers.

A. DMAS shall determine whether individuals who apply for premium subsidies are eligible for the premium subsidies. This section specifically applies to individuals eligible for premium subsidies. Employees of eligible firms who are not eligible for the premium subsidy, or who choose not to apply for the subsidy, may enroll with the contractor to receive the Essential Health Benefits Plan subject to requirements the contractor may impose. These employees' rights and responsibilities as well as those of the contractor, the employers and the providers will be governed by relevant state or federal laws and regulations that apply to HMOs.

B. Eligibility requirements. Employees and their dependents shall be eligible for receiving health insurance premium subsidies through the program if the following requirements are met:

1. The employee's gross household income is at or under 200% of the United States nonfarm poverty income guidelines.
2. The employee is a U.S. citizen or eligible alien, and a resident of Virginia.
3. The employee has no health insurance and is ineligible for any state's Medicaid benefits.

4. The employee is employed by a small employer which is located in the geographical area covered by the program.

5. The employee works full time (30 hours per week or more).

6. The employee agrees to pay his designated portion of the health insurance premium as specified by DMAS.

7. The employer agrees to pay at least 50% of the cost of the premium for all his employees. Initially, the employer is not obligated to contribute toward the cost of health insurance for the employee's dependents. The type and amount of employer contributions in future project sites will be controlled by the appropriate contract with DMAS.

8. The employer has not offered health insurance to his employees for 12 months prior to his employees enrolling in the program.

9. A contractor may exclude a late subscriber from coverage for up to 18 months. If a contractor does impose a waiting period on late subscribers, then the enrollment of employees in any given eligible firm shall be limited to the initial enrollment period, subject to the provisions of subsection N of § 38.2-3432.3 of the Code of Virginia.

10. A contractor may impose a minimum participation requirement for each firm. Thus, although an employee and his employer may have met all the other eligibility requirements, the contractor will not enroll any employees until the minimum participation requirement for each firm is met.

C. Determination of countable income. When determining eligibility for the program, income shall include total projected family income for the year beginning with the month of application to the program, including but not limited to:

1. Wages;
2. Commissions and fees;
3. Salaries and tips;
4. Profit from self-employment;
5. Dividends or interest income;
6. Disability benefits;
7. Unemployment; and
8. Pension or retirement.

D. Subscriber application and enrollment process. The HMO contracted to provide services in each pilot area will market the program to the employers and employees in its service area. Employees not requesting the subsidy shall be enrolled directly by the contractor, while the applications of the employees requesting the subsidy shall be forwarded to DMAS where their eligibility for the subsidies shall be determined. Eligible persons shall be enrolled in the program on a first-come, first-served basis taking into account that the contractor may have a minimum participation requirement. Eligible individuals shall be enrolled until the available funding limit for that pilot site is reached as provided for in subsection F of this section.

1. An applicant or applicant's representative shall complete an application on the form designated by DMAS and the contractor. The application shall include information requested by the contractor for purposes of enrolling the applicant into the health plan, as well as financial information requested by DMAS to determine the applicant's eligibility for the program.

2. Applications shall conform with the requirements of this part and shall be approved by DMAS.

DMAS may request additional documentation for eligibility determination purposes as it deems necessary.

Applicants shall provide additional documentation requested by DMAS within 20 days of the date that

DMAS mails its request for information. Applicants shall be determined ineligible without prejudice when they fail to provide information sufficient for the determination of eligibility.

3. An applicant or applicant's representative shall sign a statement authorizing DMAS to verify from any source, including banks and public or private agencies providing monetary benefits, qualifying information submitted to the program as part of the application process. Refusal to sign an authorization is considered failure to provide sufficient information, and applicants shall be determined ineligible in accordance with the provisions of this part.

4. Eligibility determination by DMAS shall be made promptly, not later than 30 days from the date of receipt of the completed application by the program. This time standard shall be extended for reasons of just cause as determined by DMAS.

5. An applicant or applicant's representative may voluntarily withdraw the application at any time without prejudice.

6. Program enrollment shall be effective following determination by DMAS that the applicant is eligible for a premium subsidy and that there is an available applicant space. The actual date of enrollment of the subscriber into the health plan shall be specified in the contract between the contractor and DMAS. For individuals found eligible after appeal of an ineligibility decision, program participation shall be retroactive to the first day of the month following the decision that was the subject of appeal. If the subscriber elects to either maintain or initiate his health insurance coverage, then the employer and employee shall be responsible for payment of any unpaid premiums to the contractor, and DMAS shall reimburse the

subscriber for the amount that the premium subsidy would have covered during the time period of the appeal consideration and decision.

E. DMAS will promptly redetermine eligibility when it receives information concerning an applicant's or subscriber's circumstances that may affect eligibility.

1. The subscriber or his representative shall notify DMAS within 10 working days of any changes in circumstances which would affect continuing eligibility, including but not limited to a change in:

- a. Income;
- b. Name or address;
- c. Employment status; or
- d. Marital status.

2. If any changes in status result in a subscriber no longer qualifying for the program, the premium subsidy payments will be canceled. The cancellation shall be effective at the end of the month of determination of ineligibility. DMAS shall notify the subscriber and the contractor of its determination and inform the subscriber of any legal rights to appeal the decision pursuant to the notification requirements of this part. If the subscriber who no longer qualifies for the subsidy chooses, he may continue to receive the Essential Health Benefit Plan through the contractor by agreeing to pay any premium amount not covered by his employer. If a subscriber's employment status changes such that he is no longer eligible for health insurance coverage under his employer, he shall be responsible for paying the full cost of any replacement health insurance coverage.

F. The number of subscribers enrolled in the program shall be limited to the number that can be covered by the program's available funding based on DMAS' projections of expenditures.

1. When enrollment into the project is initiated, enrollment of eligible applicants will be performed on a first-come, first-served basis once any minimum participation requirement for each firm has been reached. If the contractor has a minimum participation requirement, available openings in the program shall be filled based on the official date of receipt by the contractor of a batch of applications from each firm with sufficient employees to meet the minimum participation requirement of the contractor. If the contractor does not have a minimum participation requirement, enrollment of eligible employees shall be performed on a first-come, first-served basis based on the date the employee's application is officially received by the contractor. If the contractor imposes a waiting period on late subscribers, employees who choose not to enroll during the initial enrollment period shall not be allowed to enroll in the program. New employees hired by a firm after the initial enrollment period will be permitted to apply for subsidized health insurance at the discretion of the contractor as long as there are available openings in the program.
2. As the enrollment cap is reached, DMAS shall limit the number of premium-eligible subscribers who are enrolled in the program in such a way as to allow for enrollment of additional subscribers from firms which are already participating in the program, or to allow for the enrollment of all premium-eligible subscribers from a new firm.
3. DMAS shall maintain a waiting list of applicants who are determined to be eligible for the program but for whom openings are not available when the eligibility determinations are made. DMAS shall send this waiting list to the contractor on a monthly basis or more often if the contractor so requests.
4. Available openings shall be filled from the waiting list on a first-come, first-served basis, except that applicants from firms that are already participating shall be given preference over applicants from firms that are not participating. Enrollment of eligible applicants from the waiting list shall also take into account that the contractor may have minimum participation requirements. A minimum participation requirement

would have to be fulfilled for any given firm before any applicants on the waiting list from that firm are enrolled.

5. If openings become available, the applicant, employer, and contractor shall be notified in writing by DMAS. The applicant and the employer must provide any necessary information to the contractor and to DMAS to verify that they are still eligible within 10 days of receiving notification. The 10-day period may be extended by DMAS for just cause. If determined to be still eligible, the applicant shall be enrolled.

G. Authorization for premium subsidies under this program shall be granted until program termination (see 12 VAC 30-100-499), unless the subscriber's status changes so that he no longer meets the eligibility criteria or unless the contractor terminates coverage of a subscriber or an employer for failure to comply with the contract between the contractor and the employer or the subscriber.

H. Disenrollment. A subscriber may request to disenroll from the premium subsidy program at any time. Participation in the premium subsidy program is voluntary. However, once a subscriber disenrolls from the premium subsidy program, he may not be allowed to [~~enroll~~ re-enroll] in the premium subsidy program again at a later date.

CERTIFIED:

April 3, 2000
Date

/s/ Dennis G. Smith
Dennis G. Smith, Director
Dept. Of Medical Assistance Services