

December 2, 2008

Department of Health Services – Office of Independence and Employment – Pathways Programs

The Health Insurance Premium Payment (HIPP) Program

What is HIPP?

HIPP is a program in which Wisconsin MA pays the member's share of an employer sponsored health plan premium if it is less costly to the state than providing services through Medicaid only.

- HIPP will pay the employee's share of the premium and other co-pays and deductibles that apply to the employer health coverage.
- The member will still pay the MAPP or BadgerCare+ premium (if applicable) and the nominal MA co-pays.

Who is eligible for HIPP?

All MAPP and BadgerCare+ members are eligible.

How are MAPP and BadgerCare+ members screened for HIPP?

As part of the application process and the annual review, members are asked whether they have access to employer sponsored health insurance. If so, EDS will send a form to the employer asking about whom in the member's family is eligible for insurance and what the cost is. EDS will then determine if HIPP is cost effective.

How does EDS decide if HIPP is cost effective?

This is done differently depending on whether the recipient is in MAPP or BadgerCare+.

- For MAPP, a figure was determined by looking at the MA costs for people with disabilities not living in an institution and comparing the costs of those with health insurance and those without. The difference in those costs is the number used to define what is cost effective. On the basis of that calculation, if the employee's share of the premium is less than \$338, the plan is considered to be cost effective.
- For BadgerCare+, it is a more involved process. This process is explained in more detail in the BadgerCare Handbook (7.7.1 Cost Effectiveness).

December 2, 2008

Department of Health Services – Office of Independence and Employment – Pathways Programs

How does the member know if s/he has to enroll in the employer sponsored health plan?

EDS will send instructions and information about what plan s/he needs to enroll in and who is covered by that plan.

What if a member is already enrolled in the employer sponsored health plan?

The member should remain enrolled. More information will be sent by EDS if it is decided that HIPP is cost effective. Note that in the case of BadgerCare+, if the member is currently covered by insurance or has access to insurance for which the employer pays at least 80% of the premium, the member is not BadgerCare+ eligible.

Will HIPP pay for non-MA family members?

If it is required that a non-MA family member enroll in the employer sponsored health insurance in order for the member to get coverage, MA will pay for that person's premium but not other cost sharing expenses.

Is HIPP required?

Yes, cooperating with HIPP is an eligibility requirement for both MAPP and BadgerCare+. The following individuals may be exempt from HIPP:

- If the member is unable to enroll in a cost-effective employer health plan (e.g. the member's spouse refuses to enroll the member in his/her plan).
- If the member is enrolled in a Special Managed Care Program (e.g. I-Care, Elder Care, Wraparound Milwaukee).