

TAB - D

## **Cost-Effectiveness Evaluation and Premium Assistance**

The cost-effectiveness evaluation includes a review of the health insurance plan and coverage under your employer's health benefit plan compared to Medicaid. Premium assistance payments are allowable up to the HIPP cost-effectiveness rate for those health plans determined to be cost-effective. The HIPP cost-effectiveness rate is the average monthly cost for Medicaid to provide services for an individual of similar age, gender, city or county of residence and aid category in a Medicaid program.

### **Reporting Changes in Medicaid, Employment, Health Insurance or Household Information**

Please use the change form when reporting changes, see *Tab E - Change Form*. If the following changes occur during participation in the HIPP program, they must be reported within 10 days of the date on which the change occurred:

- Medicaid eligibility ending
- Employer health insurance coverage or policy (this includes premium changes or when adding or dropping Medicaid-eligible family members)
- Changes in employment, or to the policyholder
- Changes in family/household member information (address, phone number, etc.)

Once changes occur, the case will be re-evaluated.

### **Changes that may impact your Premium Assistance Reimbursements**

When one of the following occurs, your premium assistance amounts will be adjusted and could result in a reduction:

- Annually around July, when HIPP cost-effectiveness rates are updated
- At ages at 1, 6, 15, 21 and 45
- Medicaid enrollment category changes, i.e. as a result of disability status, start or stop receiving waiver services
- Medicaid eligibility changes

### **High Deductible Health Plans (HDHP)**

High-deductible health plans (HDHPs) are where the annual deductible per individual is \$1,200 or more, and/or \$2,400 or more for a family plan (2 or more people). Amounts are updated annually by the Department of Treasury.