

10-144 CODE OF MAINE REGULATIONS CHAPTER 335 HEALTH INSURANCE PURCHASE OPTION

Health Insurance Purchase Option (HIPO) established through P.L. 1997, Chapter 777 and 22 M.R.S.A. § 3173 and § 3174, and 22 M.R.S.A. §3174-T(2)(E), provides 18 months of extended health coverage to children under the age of 19 who are no longer eligible due to changes in income.

SECTION 1 ELIGIBILITY CRITERIA

- A child enrolled in Cub Care whose family income at the end of the child's enrollment period exceeded the maximum Cub Care income limit in effect at the time of reapplication; or
- A child enrolled in MaineCare whose family income exceeded the maximum MaineCare income limits and the maximum Cub Care limits at the time of reapplication.

SECTION 2 ELIGIBILITY PERIOD

Health coverage through the Health Insurance Purchase Option may be purchased for a period of up to eighteen (18) continuous months.

The eligibility period begins the first month following the last month of MaineCare or Cub Care coverage. Coverage may be purchased under this option beginning with any month of the eligibility period. If application for HIPO is made after the first month of eligibility, coverage may be purchased retroactive to the first month of eligibility.

Example: MaineCare coverage for DiDi Smith, 7 years old, ended April 30, 2010 because her family income exceeded the maximum income limit at the time of the MaineCare review. DiDi is eligible for HIPO effective May 1, 2010 through October 31, 2011. An application for HIPO coverage was received on January 3, 2011 and retro coverage was not requested. Didi is eligible for HIPO effective January 1, 2011 through October 31, 2011 (10 months) as long as premiums are paid timely as outlined in Section 5 below.

The eligibility period ends if an individual withdraws voluntarily or is terminated for non-payment of premium. Individuals who withdraw participation in HIPO or are terminated cannot re-enroll for the remainder of the eligibility period.

SECTION 3 NOTICE OF HIPO

Individuals will be informed of the availability of extended health coverage through HIPO at the time they are given notice of ineligibility at reapplication for Cub Care or termination of MaineCare due to excess income. A second notice will be sent thirty (30) calendar days after the initial notice to individuals who have not responded.

SECTION 4 APPLICATION FOR PARTICIPATION

Individuals who request to participate in this option will be sent information about the program and an agreement form to complete.

The child's responsible party is required to sign the agreement which specifies terms & conditions of participation, and for whom coverage will be purchased. Terms & Conditions include the monthly premium amount, due dates, and termination of coverage if a payment is not received timely.

The Department will verify the child's eligibility period and provide return payment vouchers for each month of coverage requested to purchase.

SECTION 5 PREMIUM PAYMENT

The monthly premium amount is determined annually by the Office of MaineCare Services as outlined in the Maine State Services Manual, 10-144 CMR Chapter 104, Section 5.

The premium for the first month of coverage is due before the end of the month. Subsequent premiums are due on the first (1st) day of each month of coverage.

Premiums may be paid monthly or for multiple months at a time.

A premium must be paid for an entire month; partial payments will not be accepted.

Premiums that are not received by the due date are considered overdue, and coverage will end effective the next month, unless there is good cause. Good cause exists if premiums are not paid by the due date because of the following reasons:

- Mail delay; or
- Illness of the covered child's responsible adult; or
- Unanticipated emergency beyond the control of the responsible adult.

SECTION 6 NOTICE OF TERMINATION AND RIGHT TO A HEARING

Individuals who are terminated from participation in HIPO will be notified in accordance with Part 5, Section 9 of the MaineCare Eligibility Manual, 10-144 CMR Chapter 332 and the Right to a Hearing is as outlined in the Maine State Services Manual, 10-144 CMR Chapter 104, Section 1, Administrative Policies and Procedures.