



**CABINET FOR HEALTH AND FAMILY SERVICES
DEPARTMENT FOR MEDICAID SERVICES**

Matthew G. Bevin
Governor

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Adam M. Meier
Secretary

Carol H. Steckel, MPH
Commissioner

Dear Human Resources and Benefits Director,

I would like to invite your company to be part of an exciting new opportunity to help your employees access their Employer Sponsored Insurance or group health plan and the Commonwealth maximize its tax dollars.

According to federal legislation (42 U.S.C. 1396e), states may implement a program to identify cases where enrollment of a Medicaid eligible individual into a group health plan is cost-effective for the state. The Kentucky Department of Medicaid Services (DMS) has launched such a program – the Kentucky Integrated Health Insurance Premium Payment (KI-HIPP) program.

KI-HIPP is a voluntary program that helps eligible Medicaid members cover the cost of a group health insurance plan, usually offered through current or past employment. The program is designed to give Medicaid members the tools to afford quality, comprehensive coverage in the commercial marketplace while also saving taxpayer dollars on Medicaid expenditures.

KI-HIPP reimburses the member for their share of the health insurance premium thus buying the Medicaid beneficiary into the group health insurance plan. The program will cover any tier of coverage as long as the employer's insurance plan is comprehensive (i.e., covers ten essential health benefits) and cost-effective (i.e., the premium costs the state less than it would to cover the member on a Medicaid Managed Care Organization). As an employer, you do not have to do anything beyond enrolling approved individuals into your health plans. DMS will work with your employee to determine cost-effectiveness and eligibility.

The attached insert provides more details on the KI-HIPP program, including the special enrollment period triggered by KI-HIPP eligibility. Additional information about KI-HIPP and resources for employers may be found on the KI-HIPP webpage: <https://chfs.ky.gov/agencies/dms/member/Pages/kihipp.aspx>.

If we can answer any questions, please contact (855) 459-6328 or KIHIPPProgram@ky.gov.

Thank you,

Carol H. Steckel, MPH
Commissioner
Department for Medicaid Services
Cabinet for Health and Family Services



Kentucky Integrated Health Insurance Premium Payment (KI-HIPP) Program Overview for Employers

What is KI-HIPP?

KI-HIPP is a Medicaid program that helps eligible Medicaid members pay for the costs of group health insurance, most typically offered by employers. Once a member is enrolled in KI-HIPP, the Department for Medicaid Services will reimburse the member for their share of the premium.

Who is eligible?

To qualify for KI-HIPP, an individual must meet the following criteria:

- Be eligible for Medicaid, or have a Medicaid-eligible individual in their household
- Have access to or be enrolled to a health insurance plan through their employer

How do individuals sign-up for KI-HIPP?

Individuals interested in applying for KI-HIPP must submit the following documents for their employer's insurance plan to the KI-HIPP team:

- Summary of Benefits of Coverage (SBC)
- Premium Rate Sheet

If the individual is approved for KI-HIPP, they then need to enroll in their employer's insurance plan and submit proof of premium payment (e.g., paystub) each pay cycle.

Please note: Based on section 701(f)(3) of the Employee Retirement Income Security Act (29 U.S. Code § 1181), qualifying for Medicaid premium assistance programs constitutes a special enrollment period. The member or their dependent has up to 60 days after the plan compatibility determination to enroll in their employer's insurance plan.

What is the role of employers in the KI-HIPP program?

Employers are likely to receive requests for insurance documents from employees who are interested in applying in KI-HIPP, as well as copies of paystubs from those who are enrolled in the KI-HIPP program. As such, employers are encouraged to make these documents (e.g., SBC, Premium Rate Sheet, and paystubs) readily available to employees.

Employers are also expected to comply with federal regulation and allow employees who are approved for the KI-HIPP program to enroll in their insurance plan, even if it's outside of your organization's open enrollment period.

Additionally, employers may also distribute information about the KI-HIPP program to their employees.

Informational materials are available on the KI-HIPP webpage:

<https://chfs.ky.gov/agencies/dms/member/Pages/kihipp.aspx>.