

Bulletin

April 1, 2006

Minnesota Department of Human Services □ P.O. Box 64989 □ St. Paul, MN 55164-0989

OF INTEREST TO

- County Directors
- Financial Assistance Supervisors
- Financial Workers
- Social Services Supervisors and Staff
- Mille Lacs Tribal TANF
- MinnesotaCare Managers, Supervisors and Enrollment Representatives

ACTION/DUE DATE

Implement all changes provided in this bulletin effective April 1, 2006

EXPIRATION DATE

This bulletin expires on September 30, 2006. After this date, refer to the Health Care Programs Manual.

Verification of Employer Subsidized Health Insurance Required for MinnesotaCare Enrollees and Applicants

TOPIC

The 2005 Minnesota Legislature enacted a change that requires verification of employer subsidized health insurance for all employed MinnesotaCare applicants and enrollees.

PURPOSE

Provide policy information and implementation instructions for changes to employer subsidized health insurance verification requirements for MinnesotaCare applicants and enrollees effective April 1, 2006.

CONTACT

MinnesotaCare Operations, Counties and Tribal Agencies:
Submit questions to HealthQuest.

All others direct questions to:
Health Care Eligibility and Access
P.O. Box 64989
540 Cedar St.
St. Paul, MN 55164-0989

SIGNED

BRIAN J. OSBERG
Assistant Commissioner
Health Care Administration

I. Background Information on Access to ESI

Employer subsidized insurance (ESI) is defined as coverage for which an employer pays at least 50% of the cost of coverage. People who have ESI or have current access to ESI but choose not to take it, are ineligible for MinnesotaCare. People who have had access to ESI through a current employer in the preceding 18 months are also ineligible for MinnesotaCare. There is an exception to this rule for children under age 21 with family incomes at or below 150% of Federal Poverty Guidelines (FPG). These children may have access to ESI and are not required to accept it. If these children have current ESI coverage, it must be considered underinsured for them to be eligible for MinnesotaCare.

If ESI becomes available to MinnesotaCare enrollees who are children with family incomes above 150% of FPG or adults, they may not refuse the coverage to remain eligible for MinnesotaCare. They are ineligible regardless of whether they actually accept the ESI. *See* Health Care Programs Manual (HCPM) 0910.11 (Access to Employer Subsidized Insurance) for more information about access to ESI.

II. Introduction

The 2005 Minnesota Legislature, First Special Session, passed legislation requiring increased verification of access to employer subsidized insurance (ESI) coverage for MinnesotaCare applicants and enrollees.

The legislation does not change current policies with regard to ESI as a barrier to MinnesotaCare eligibility. It changes the ESI verification policy.

III. Action Required

A. ESI Verification Policy Prior to April 1, 2006

Before April 1, 2006, access to ESI was verified only in limited situations.

B. ESI Verification Policy Effective April 1, 2006

Effective with applications and renewals **processed on or after April 1, 2006**, verify access to ESI for all employed MinnesotaCare applicants and enrollees reporting employment who do not report access to ESI.

- ▶ Deny or terminate eligibility for applicants and enrollees who report access to ESI. Do not require verification prior to denial or termination.
- ▶ If an applicant or enrollee indicates that he or she is employed, their spouse is employed or their child(ren) are employed, verify whether there is access to ESI for each employer listed if the applicant or enrollee does not report access to ESI.
- ▶ Do not delay or deny coverage for children in households with verified family incomes at or below 150% FPG regardless of their parents' failure to verify access to ESI.

► Require verification of access to ESI for each employer listed by an applicant or enrollee, regardless of whether the worker or agency has knowledge of a particular employer's policy on offering health insurance.

► Do not verify access to ESI for applicants and enrollees who are:

- Children with verified family incomes below 150% FPG;
- Farmers with no other type of employment in the household; or
- Self-employed with no other type of employment in the household.

► All applications and renewals must be pended (P30 or C48), awaiting verification of access to ESI from all employers listed on the application or renewal form. Request ESI verification and document all actions and requests for verifications in case notes. Applicants and enrollees have 30 days to provide verification of access to ESI. Applicants and enrollees who fail to provide this verification will be denied or terminated automatically by MMIS in 60 days or for enrollees renewing coverage, at the end of the renewal period.

► Require verification of access to ESI at each renewal, for all currently employed enrollees, for all employers listed, regardless of whether verification was collected previously.

► Require verification of access to ESI between renewals if the enrollee reports new employment or a change in employers for themselves, their spouse or their children.

► Acceptable forms of verification include:

- A Request for Verification of Employer Insurance (DHS-3348) completed and signed by the employer or union (*See Attachment A*);
- Documents from an employer that show what health insurance is offered and how much the employer and employee pay for it. Open enrollment materials will often have this information. Employee handbooks or new employee orientation papers may also have this information; or
- A written statement from the employer or union that provides information necessary to determine whether the employee and dependents have access to ESI.

EXAMPLE

Jack applies for MinnesotaCare for himself and his family on April 3. Jack answers “no” to the employer-offered health insurance questions on the application. Jack is employed. His wife is self-employed. Income verifications have not been submitted with the application. The worker pends Jack and his family for Incomplete Application, noting that income and insurance verifications are needed. *See* MMIS User Manual, MinnesotaCare section I-16-5, for information on correct MMIS codes.

The worker requests income verification and includes a Request for Verification of Employer Insurance (DHS-3348) and a note to Jack that he may submit open enrollment or other health insurance documents from his employer or give the verification form to his employer to complete. Jack faxes copies of his pay stubs and tax forms as income verification and provides the employer completed Request for Verification of Employer Insurance (DHS-3348). The ESI verification indicates that Jack and his dependents do not have access to ESI through his employer.

The family meets all income and eligibility requirements for MinnesotaCare. Approve the case as pending awaiting payment. If Jack submits income verification but does not submit the verification form or copies of his open enrollment materials or other employer documentation, MMIS will automatically deny the application in 60 days.

C. HCAPP and Renewal Form

The Minnesota Health Care Programs Application (HCAPP) (DHS-3417) and the Renewal Form (DHS-3418) are being revised to assist with obtaining verification of access to ESI. A space will be added for the applicant/enrollee to provide an employer contact name and telephone number. Information will also be included about the acceptable forms of verification and instruct applicants and enrollees to submit proof regarding access to ESI.

The signature section of the application and renewal will specify that by signing the application/renewal the person is giving their permission for the agency to contact their employer(s) for purposes of verifying access to ESI.

The Request for Employer Verification form will also be incorporated into the HCAPP and Renewal Form for the applicant/enrollee to take to their employer to complete if they choose that verification method.

► Do not delay implementation of this change while the application and renewal forms are being revised.

D. Premium Stuffer

An informational stuffer will be inserted with the May MinnesotaCare premium billing. This stuffer will explain the access to ESI verification requirements due to this legislative change. *See* Attachment B.

IV. Legal Reference

Laws of Minnesota 2005, First Special Session, Chapter 4, Article 8, section 65

V. Attachments

- A. DHS Form 3348 - Request for Verification of Employer Insurance
- B. Premium staffer explaining ESI verification requirements due to this legislative change.

VI. Special Needs

This information is available in other forms to people with disabilities by contacting us at (651) 431-2283 or toll free at (800) 938-3224 or through the Minnesota Relay Service at (800) 627-3529 (TDD), 7-1-1 or (877) 627-3848 (speech to speech relay service)



Important! Please read!

This letter is about giving us proof that shows if an employer offers health insurance to you and your family.



April 2006

Dear Enrollee:

Why am I getting this letter?

We are writing to tell you about a change. This change starts April 1, 2006. You need to give us proof to show us if your employer(s) offer health insurance. The proof also needs to show if the employer pays half of the premium for you and your family.

People who can get health insurance from an employer cannot get MinnesotaCare coverage if the employer will pay half the cost of that insurance. There is an exception to this for some children.

When will I have to give this proof?

You will have to give proof of health insurance that an employer offers:

- When you renew your MinnesotaCare coverage;
- When you or any member of your household starts a job or switches jobs;
- When you or a member of your household loses insurance from an employer and wants to enroll in MinnesotaCare; and
- When your child(ren) have insurance through your employer and they have MinnesotaCare coverage.

Remember to report any of these changes to your worker.

How can I give this proof?

Your worker will send you a request asking you to give proof of health insurance offered by your employer(s). You can give us this proof by:

- **Having your employer fill out a form.**

Your worker will send the form to you with the request for proof. If your renewal is coming up and you want to have this done ahead of time, you can call your worker to get a copy of this form. You can also get the form online at: <http://edocs.dhs.state.mn.us/lfservlet/Legacy/DHS-3348-ENG> You can send the completed form in with your renewal.

- **Sending us documents from your employer.**

They must show what health insurance the employer offers and how much you and the employer will pay for it. Papers you get at the time of open enrollment may have this information. Employee handbooks or new employee orientation papers may also have this information.

How much time do I have to give this proof?

You will have 30 days to send proof to your worker. You will get a request explaining what you need to do.

What happens if I do not give this proof?

If you get MinnesotaCare now, your coverage may end. If you are applying, you may not get coverage.

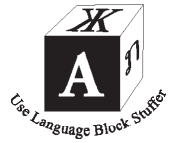
What other options do I have?

You can get information about other health insurance options and resources by contacting The Minnesota Health Information Clearinghouse at (800) 657-3793.

What if I have questions?

- Contact MinnesotaCare if your case is at the state.
- Contact your county worker if your case is at the county.

This information is available in other forms to people with disabilities by contacting us at (651) 431-2670 (voice) or toll free at (800) 657-3739. TTY/TDD users can call the Minnesota Relay at 711 or (800) 627-3529. For the Speech-to-Speech Relay, call (877) 627-3848.



Minnesota Health Care Programs

Employer Insurance Information Form

To: _____

Date: _____

Case Number: _____

Worker Name: _____

Worker Phone Number: _____

Fax Number: _____

Agency Name: _____

Agency Address: _____

Why did I get this letter?

We need your permission to ask your employer or union about your health insurance.

What do I need to do?

Fill in the information below and sign the form if it is okay for us to contact your employer or union. Then ask your employer or union to fill out page 2 of the form and return it to the agency address above.

Employee name: _____

Employer/Union: _____

What if I have questions?

Call your worker at the phone number given above.

Authorization for Release of Information

Giving Permission: I give permission to the employer/union listed above to release the requested information to the above agency. This information is used to figure my eligibility for public assistance and/or services.

Consequences: State and Federal privacy laws protect my records. I know:

- Why I am being asked to share/release this information.
- I do not have to consent to this authorization, but it may affect my benefits or services if I do not give my consent.
- That, generally, I must give my written consent for this person/agency to give out this information, but if I do not consent, this information will not be released unless the law otherwise allows it.
- I may stop the authorization with a written notice at any time, but this written notice will not affect information the agency has already shared/requested.
- The person or agency who gets my information may be able to pass it on to others.
- If my information is passed on to others by DHS, it may no longer be protected by this authorization.

This authorization will end one year from the date I sign it, unless the law allows for a longer period.

EMPLOYEE SIGNATURE	DATE
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This information is available in other forms to people with disabilities by us at (651) 431-2670 (voice) or toll free at (800) 657-3739. TTY/TDD users can call the Minnesota Relay at 711 or (800) 627-3529. For the Speech-to-Speech Relay, call (877) 627-3848.

EMPLOYEE NAME	CASE NBR
EMPLOYER/UNION	

To be Completed by the Employer or Union

Please indicate if you offer health insurance for the employee and/or employee's dependents. (Check Yes or No.)

Health Insurance is offered for this employee.

☐ Yes (Complete A below) ☐ No

Health Insurance is offered for the employee's spouse.

☐ Yes (Complete B below) ☐ No

Health Insurance is offered for the employee's dependents.

☐ Yes (Complete B below) ☐ No

Name(s) of dependents and relationship _____

On what date **was** this employee first eligible for health insurance? ____/____/____

or On what date **will** this employee be eligible for health insurance? ____/____/____

A. List the cost of insurance for the employee only

1. Employee pays: \$_____ per _____

2. Employer/union pays: \$_____ per _____

3. **Total cost:** \$_____ per _____

B. List the cost of insurance for the spouse/dependents

1. Employee pays: \$_____ per _____

2. Employer/union pays: \$_____ per _____

3. **Total cost:** \$_____ per _____

C. Total cost of insurance for employee/spouse/dependents

Add the two Total Costs from Line 3: \$_____ + \$_____ = \$_____ per _____

D. Do you offer a cafeteria-style health insurance plan? ☐ No

☐ Yes - The employer/union pays: \$_____ per _____

E. Do you offer money in lieu of insurance or for the purchase of health insurance?

☐ No

☐ Yes - The employer/union pays: \$_____ per _____

Please attach a copy of your employee benefits summary or other plan information, if available.

NAME OF INDIVIDUAL COMPLETING THIS FORM (PLEASE PRINT)	TITLE	PHONE ()
SIGNATURE		DATE

Return the completed form to the employee or mail/fax it to the agency shown on the reverse side.