

Miami-Dade County Premium Assistance Program (PAP) in conjunction with *Miami-Dade Blue*

OFFICE OF COUNTYWIDE HEALTHCARE
PLANNING presentation on:
PAP's Premium Incentive Initiative

LIP Council Meeting December 17, 2009

Making Premiums Accessible to Working Low Income Individuals

- For individuals living below 250% of poverty, even a low monthly premium of \$101/\$111 monthly premium (35yr old non-smoker male/female) may not present a clear cost-benefit
- Yet, the current economic environment does not support the creation of a new entitlement program
- MDC is instead pursuing Premium Assistance with the goals of:
 - Providing incentives for the purchase of low cost insurance
 - Maintaining personal responsibility & investment
 - Encouraging working uninsured to have insurance
 - Expanding the utilization of preventive healthcare services
 - Improving overall health of Miami-Dade residents

Premium Incentive (PI):

a component of PAP

Three Components of PAP – Short & Long-term Vision

- ❑ PI – incentives for individuals with incomes between 150% & 250% FPL

Longer Term Additions

- ❑ PS -- subsidies for those with incomes above 50% & 149% FPL
- ❑ Small Group – support for low income employees with employee-sponsored plans

Key Elements of PAP/PI

- **Premium Assistance Pool** -- Year I, \$250,000 “seed money” from LIP
- **Four Partners**
 - BCBSF – Miami-Dade Blue Insurance Product
 - Local Health Foundation – Fiscal Agent
 - FQHCs – “Medical Home” also serves as PI enrollment site (utilizes income validation staff additionally responsible for Medicaid enrollment)
 - OCHP – PI/PAP administrator & monitor
- **Enrollment** – estimated to be 150 – 200 individuals first year
- **Scaled Incentive Payments** – based on income & premium
 - Range \$25 - \$150 per month
 - Added to enrollee’s monthly premium
 - Payments to BCBSF made in single monthly installments

How PI Will Work¹ - Target Start January (possibly February) 2010*

- **AHCA** – Transfer funds
- **Marketing** – Open enrollment event
- **FQHC**
 - Pre-qualify recipients for PI²
 - Maintain “medical home”
- **Blue Cross Agent** – insurance pre-screening
- **Enrollee** – contribution to binding/1st premium payment
- **Fiscal Agent** – ‘dedicated fund’ manager & ‘payer’ PI-enrollees monthly premiums
- **OCHP**
 - Reconcile payments received & outstanding
 - Required monitoring & reporting

¹Attachment 1 – Flow Chart

²Attachment 2 - Application

*Pending CMS Approval

3 Year Pilot – Premium Assistance to Purchase *Miami-Dade Blue (MDB)*³ Coverage

- **Products** – Individual & Small Group
- **Low Cost Monthly Premiums** – discounted services
- **Broad Provider Network**
 - **Over 1600 physicians & 7 hospitals**
 - **FQHC's credentialed in all BCBSF products**
 - **Urgent Care & Home Health**
- **Unlimited Office-Based Visits** -- up to \$50 insurance payment per visit (both primary care & specialty)
- **Cost-Share & Added Benefits**
 - \$250 annual deductible/\$2,500 Max OOP /\$5M lifetime max
 - MDB covers 90% of in-network hospital care up to \$2,500, then 100%
 - \$10 prescription co-pay (generics); discounted brands
 - Durable medical also included
 - Labs & preventive services covered
- **MDB Plan Benefits** –Comprehensive package
<http://www.bcbsfl.com/index.cfm?fuseaction=HealthIndividualUnder65.MiamiDade>

³See Attachment 3

Beyond the 3 Year Pilot -- Community-Run PAP Trust

- Full Implementation of all components of PAP (with full funding)
 - Premium Incentive
 - Premium Subsidy
 - Small Group Employee Assistance
- Expanded selection of certified, low-cost, but comprehensive insurance products
- Enrollees receive vouchers (similar to housing voucher)
- Dedicated funding source - expand coverage
- Benefit cover % of Premiums – rather than static amount
- Will operate in conjunction with National Health Insurance Reforms

Miami-Dade PAP - Year II Request

- **“Carry over” funds into SFY 2010-11** -- Due to CMS approval process , legislative approval for Year I PAP funds to be available for full year from CMS approval (pending)
- Year II funding increased to \$1M – enabling a total of 750-800 individuals to benefit (an increase of \$750,000)