

**HEALTHY INDIANA PLAN SECTION 1115 DEMONSTRATION
FACT SHEET**

Name of Section 1115 Demonstration:	Healthy Indiana Plan (HIP)
Waiver Number:	11-W-00237/5
Date Proposal Submitted:	July 3, 2007
Date Proposal Approved:	December 14, 2007
Date Implemented:	January 1, 2008
Date Expires:	December 31, 2012

SUMMARY

The Healthy Indiana Plan section 1115(a) demonstration provides authority for the State to operate two distinct health insurance products: the Hoosier Healthwise Program for current Medicaid eligible persons, and the Healthy Indiana Plan (HIP) for uninsured adults not currently eligible for Medicaid.

The Healthy Indiana Plan provides a high-deductible health plan and an account styled like a health savings account called a Personal Wellness and Responsibility (POWER) Account to uninsured adults including uninsured custodial parents of Medicaid and CHIP children with family incomes above 22 percent of the Federal Poverty Level (FPL) through 200 percent of the FPL. HIP is also available to uninsured childless adults with family incomes up to and including 200 percent of the FPL.

HIP offers the following coverage:

- 1) A basic commercial benefits package once annual medical costs exceed \$1,100;
- 2) A Personal Wellness and Responsibility (POWER) Account valued at \$1,100 per adult to pay for initial medical costs. The POWER Accounts provide incentives for participants to utilize services in a cost-efficient manner. HIP members make monthly contributions to their POWER Accounts depending on their income level.
- 3) \$500 in “first dollar” preventive benefits at no cost to HIP members.

ELIGIBILITY

The following populations participate in the Hoosier Healthwise (HHW) component of the Demonstration.

**HEALTHY INDIANA PLAN SECTION 1115 DEMONSTRATION
FACT SHEET**

Description	FPL Level and/or other qualifying criteria	Demonstration Eligibility Group
State Plan Mandatory and Optional Groups		
Pregnant women	0% FPL through 200% FPL; no resource limit	HHW Pregnant Women
Qualified Pregnant Women	Pregnant women up to the AFDC income limit for the particular family size as indicated in the State plan; resource limit of \$1,000	HHW Caretakers
Children under age 1	0% FPL through 200% FPL; no resource limit	HHW Children
Newborns born to & living with a woman who was eligible and received Medicaid on the date of the child's birth	Eligible for 1 year as long as mother is eligible for Medicaid or would be if pregnant <u>and</u> the child remains in the same household as mother.	HHW Children
Children 1 through 5	0% FPL through 133% FPL; no resource limit	HHW Children
Children 6 through 18	0% FPL through 100% FPL; no resource limit	HHW Children
Blind and Disabled children under age 18 receiving SSI and except for receipt of SSI would be eligible for AFDC	Income up to and including the AFDC income limit for the particular family size as indicated in the State plan; resource limit of \$1,000	HHW Children
Custodial parents and caretaker relatives of children eligible for Medicaid	Income up to and including the AFDC income limit for the particular family size as indicated in the State plan; resource limit of \$1,000	HHW Caretakers
Blind and Disabled adults 18 years old and older receiving SSI and except for receipt of SSI would be eligible for AFDC	Income up to and including the AFDC income limit for the particular family size as indicated in the State plan; resource limit of \$1,000	HHW Caretakers

The following populations participate in the HIP component of the Demonstration.

**HEALTHY INDIANA PLAN SECTION 1115 DEMONSTRATION
FACT SHEET**

Description	FPL Level and/or other qualifying criteria	Demonstration Eligibility Group
Demonstration Eligible Groups		
Custodial parents and caretaker relatives currently excluded from the Medicaid State plan who have been uninsured for at least six months, and who are not otherwise eligible for Medicaid or Medicare	Income up to the AFDC income limit for the particular family size as indicated in the State Plan with resources in excess of \$1,000	HIP Caretakers
Custodial parents and caretaker relatives of children eligible for Medicaid who have been uninsured for at least six months, and who are not otherwise eligible for Medicaid or Medicare	Income above the AFDC income limit for the particular family size as indicated in the State Plan and up to and including 200% FPL; no resource limit.	HIP Caretakers
Non-custodial parents and childless adults (19-64) who do not meet the criteria of HIP Caretakers, who have been uninsured for at least six months, and who are not otherwise eligible for Medicaid or Medicare	0% FPL through 200% FPL; no resource limit. An enrollment cap may be implemented.	HIP Adults

BENEFITS

The populations in the Hoosier Healthwise component of the Demonstration receive Medicaid State plan benefits.

The populations in the HIP component of the Demonstration receive the following benefits: physician services, prescriptions, diagnostic exams, home health services, outpatient hospital, inpatient hospital, hospice, preventive services, family planning (excluding abortions), and case and disease management.

The benefits available under the HIP component of the Demonstration are limited to \$300,000 annually and \$1 million over a lifetime.

**HEALTHY INDIANA PLAN SECTION 1115 DEMONSTRATION
FACT SHEET**

DELIVERY SYSTEM

The populations in the Hoosier Healthwise component of the Demonstration receive services through a managed care delivery system.

HIP members who have not been identified with a high-risk condition receive services through a managed care delivery system.

HIP members who have one of these conditions: cancer, past recipient of organ and/or tissue transplants or awaiting an organ and/or tissue transplant, HIV/AIDS, aplastic anemia, or hemophilia, receive services through the Enhanced Services Plan (ESP). ESP is managed by the Indiana Comprehensive Health Insurance Association (ICHIA), the organization that also manages the State’s high risk pool.

COST SHARING

Any cost sharing requirements for persons enrolled in the Hoosier Healthwise component of the Demonstration are stipulated in the Medicaid State plan.

Persons enrolled in the HIP component of the Demonstration will have an annual budget of at least \$500 for “first dollar coverage” to pay for preventive services. Enrollees may not be required to pay any cost sharing for the first \$500 of preventive services in any coverage year.

All HIP members are required to make specified monthly contributions to their POWER Accounts as a condition of continued enrollment. The POWER Account is modeled in the spirit of a traditional Health Savings Account (HSA) and will, at minimum, be funded with State, Federal, and enrollee contributions. Employers may contribute as well with some restrictions.

HIP members’ contributions to their POWER Accounts will not exceed 5 percent of annual family income. The contributions are based on family income level as shown below:

Annual Household Income	Maximum POWER Account Contribution
All enrollees at or below 100 percent FPL	No more than 2 percent of income
All enrollees above 100 through 125 percent FPL	No more than 3 percent of income
All enrollees above 125 through 150 percent FPL	No more than 4 percent of income
HIP Caretakers above 150 through 200 percent FPL	No more than 4.5 percent of income
HIP Adults above 150 through 200 percent FPL	No more than 5 percent of income

Finally, HIP members may be charged co-payments for non-emergency use of a hospital emergency department, as described below.

**HEALTHY INDIANA PLAN SECTION 1115 DEMONSTRATION
FACT SHEET**

Population	Co-Payment Amount
HIP Caretakers Above 22 through 100% FPL	\$3 per visit
HIP Caretakers Above 100 through 150% FPL	\$6 per visit
HIP Caretakers Above 150 through 200% FPL	Lower of 20 percent of the cost of the services provided during the visit, or \$25
HIP Adults	\$25 per visit

Amendment #1 – On September 23, 2009, the State submitted an amendment request to add two strategic purchasing projects to the current list of savings projects that the State must achieve by the end of the demonstration. The amendment request is currently under review.

Date Amendment #1 Submitted: September 23, 2008
Date Amendment #1 Approved: Under review

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