Questions and Answers about HIPP (Health Insurance Premium Payment)

The HIPP Program was created to assist families of Medicaid beneficiaries with the cost of health insurance that covers the client. The goal of the program is to help beneficiaries maintain their private insurance to ensure Medicaid as the payer of last resort. Private plans pay first for medical services and Medicaid is secondary. This savings benefits all South Carolinians.

In order to be approved, HIPP program cost effectiveness guidelines must be met. Once approved, a cost effectiveness re-evaluation is done every six-month to determine continued program eligibility.

- **Who qualifies for HIPP?**

  Applicants must be receiving South Carolina Medicaid benefits and have access to medical health insurance coverage. Premiums must be cost-effective. Cost effective means that the anticipated medical cost of the client are greater than the cost of the private health insurance premium, deductible, and administrative cost. Medicaid beneficiaries with a chronic medical condition requiring long term or short term treatment that will result in high medical cost usually qualify for the program.

  The beneficiary must be enrolled in Fee-For-Service Medicaid. Beneficiaries currently enrolled in a Medicaid Managed Care Organization (MCO) or Medical Home Network (MHN) is not eligible to participate in the HIPP program until the MCO or MHN is terminated. HIPP staff can assist with the dis-enrollment process.

- **How to apply?**

  A referral form should be completed and returned indicating client's diagnosis and other requested information. Providers, other state agencies and departments, self or family members and support groups or organizations can make referrals. Referral forms can also be obtained by calling **(803) 264-6847** Case approval or denial is usually completed within 30 days.

- **Who receives premium payments?**

  Checks are mailed to beneficiaries, employers or insurance company. HIPP staff will determine the proper payee. Health insurance premiums are not paid retroactive. Example: If a case is approved in July premium payments will begin that month, payments are not made for prior months.

- **What are the beneficiary's responsibilities?**

  Furnish HIPP staff with copies of EOB's (Explanation of Benefits) or paid claims to

support medical condition, medical and prescription drug expenses, and documentation of ongoing treatments, to determine cost effectiveness.

Notify staff of any changes with insurance policy or premium amount.

Give providers both Medicaid and health insurance benefit cards at time of service.

Send copies of proof of premium payment each month. Proof of payment could include pay stubs, bank drafts, or letters from Human Resource department.

- **What are the benefits of the HIPP program?**

  All South Carolinians will experience benefits from the program. It saves taxpayers dollars by making Medicaid the payer of last resort. It could assist with reducing the state's overall uninsured rate. Medicaid beneficiaries are able to maintain their private health insurance, which may increase their accessibility to medical care.

  Insurance companies' reimbursement rates may be higher than the Medicaid allowed amount; therefore, by billing the third party carrier first, providers will receive maximum amount of payment for services rendered.