

June 4, 2013

The Honorable Senator Alan Bates- Co Chair  
The Honorable Representative Nancy Nathanson, Co-Chair  
Joint Ways and Means Human Services Subcommittee  
900 Court Street NE, H-281  
Salem, OR 97301

Subject: Health Care Programs, Oregon Health Authority  
Office of Private Health Partnerships

Dear Subcommittee Co-Chairs:

Thank you for the opportunity to provide information about the Office of Private Health Partnerships (OPHP) to your committee. The following are responses to the requests of committee members during the work session on June 4, 2013. Each question/request listed below is identified by a number and a corresponding response.

- **1. Representative Freeman: Can you please provide us with copies of the FMIP transition documents sent to enrollees?**

Response: Copies of documents recently mailed to members are attached as Attachment A & B.

- **2. Representative Freeman: Asked about the increase in positions associated with OPHP displayed in the HB 5030 memo. The position count changed from 43 Pos/42.36 FTE in 2011-13 LAB to 61 Pos/59.75 FTE in 2013-15 CSL.**

- Response: In 2011-13, the Healthy Kids Connect (HKC) program administration was blended with the Oregon Healthy Kids (OHK) program in the ORBITS budget structure **020-40-03** – “Oregon Healthy Kids.” This resulted in complications since the OHK program is operated by the Medical Assistance Programs (MAP) division, and the HKC program is operated by the OPHP.

OPHP resolved this issue when constructing the 2013-15 Base budget build, where the programs were shifted from the blended structure to their own structures within their respective divisions (**020-01-06** – OHK in MAP, and **020-04-02** – HKC in OPHP). This resulted in a net-zero shift (within OHA) including all program positions, as detailed in the table below.

		FTE	Positions	
		N/A	N/A	
44300-020-01-06-00000	Oregon Healthy Kids	2011-13 Leg Approved Budget	36.98	40
<div style="border: 1px solid black; padding: 5px;"> <p>This is a MAP division budget structure that is not reflected in the OPHP totals included in the HB 5030 Memo.</p> </div>		Summary of Base Adjustments	(28.08)	(31)
		2013-15 Base Budget	8.90	9
		Essential Packages	-	-
		2013-15 Current Service Level	8.90	9
44300-020-04-02-00000	Healthy Kids Connect	2011-13 Leg Approved Budget	-	-
<div style="border: 1px solid black; padding: 5px;"> <p>This is an OPHP division budget structure, and the HB 5030 Memo table includes the increase from 0 to 26 highlighted to the right, but not the offsetting decrease above in the MAP division structure.</p> </div>		Summary of Base Adjustments	26.00	26
		2013-15 Base Budget	26.00	26
		Essential Packages	(4.00)	(4)
		2013-15 Current Service Level	22.00	22

As noted in the table above, what appears to be an increase of positions between 2011-13 LAB and 2013-15 CSL is actually a shift of existing positions from non-OPHP budget structure to an OPHP budget structure.

There were a number of other structural shifts in both of the parent divisions – OPHP and MAP – between 2011-13 LAB and 2013-15 CSL. However, within OPHP, *there were no new positions/FTE added to OPHP between 2011-13 LAB and 2013-15 CSL.*

Please let me know if you have any further questions. I am happy to provide additional information.

Sincerely,

Don Myron, Administrator  
Office of Private Health Partnerships

Cc: Courtney Thompson, OHA Governmental Affairs  
Brian Nieuburt, OHA Governmental Affairs  
Tina Edlund, Chief of Policy, OHA  
Bill Coulombe, OHA Budget Director  
Linda Ames, LFO  
Dustin Ball, DAS-CFO



**ATTACHMENT A to W&M**

**ENROLLEE NOTICE OF TRANSITION**

Dear Enrollee,

We are writing to let you know that the Federal Medical Insurance Pool (FMIP) will end on June 30, 2013. You have the option to continue your health care coverage after June 30 through the federal Pre-Existing Condition Insurance Plan (PCIP).

**In June 2013, you will get more information about how you can continue your health coverage through the federal Pre-Existing Condition Insurance Plan.**

**How to continue coverage - you do not have to reapply**

In June, you will receive a letter from the National Finance Center. The National Finance Center runs the federal PCIP plan that is available to you. The June letter will have more information and the amount of your premium.

**All you have to do to start coverage on July 1 through the PCIP is pay the first month's PCIP premium and have your FMIP premium paid through June 30<sup>th</sup>. The amount will be listed in the letter you will receive in June. To prevent a break in your coverage, you must pay the first month's premium by the deadline stated in the letter.**

When you pay this first month's premium, you will automatically be a member of the Federal PCIP program. You will not have to complete a new application to qualify for the PCIP plan.

Since you pay your premiums one month in advance and your FMIP coverage ends on June 30, 2013, you will not receive a premium notice for FMIP in June. If your bank is set up to automatically withdraw your monthly premium, contact your bank to stop the withdraw. If you have already paid your July premium, you will receive reimbursement.

**Why is this happening**

This is happening because of federal budget constraints. Oregon will no longer run the FMIP program. Instead, you can receive care through the federal Pre-Existing Condition Insurance Plan (PCIP).

## What to do for ongoing treatment

If you currently receive ongoing treatment, you will get information in the mail about transitioning your care.

It is important that you follow procedures around required pre-authorization of benefits. This includes scheduled treatment, or potential treatment, for the following items:

- Hospitalization
- Durable medical equipment or supplies
- Transplants
- Skilled nursing
- Long-term acute care or rehabilitation facility admission
- Spinal fusion surgery
- Cancer treatment plans anticipated to occur on or after July 1, 2013

## Questions?

If you have questions, information and resources will be available to you, to learn more go to [PCIP.gov](http://PCIP.gov) or call **1-866-717-5826**.

## Next Steps

In June, look for a letter in the mail from the National Finance Center. It is very important that you act quickly on the information given in this letter.

After you pay the premium mentioned in the letter, you will receive your enrollment packet from the PCIP. This includes your new PCIP ID card and information about your new benefit plan. **You don't need to take any action right now.**

**Please watch for the Federal PCIP letter in the mail, which will tell you exactly what you need to do to avoid losing your health coverage.**

At FMIP, we have appreciated the opportunity to play a part in extending health care coverage to you and nearly 3,400 Oregonians. We also want to remind you that Cover Oregon, the state's health insurance exchange, opens for enrollment in October 2013. You can learn more about new coverage options available to you at [coveroregon.com](http://coveroregon.com). We wish you good health in the future.

Sincerely,



Don Myron  
Administrator, Federal Medical Insurance Pool



## **ATTACHMENT B TO W&M**

### **ENROLLEE NOTICE OF TRANSITION**

Dear Enrollee,

We are writing to let you know that Oregon's Federal Medical Insurance Pool (FMIP) will end on June 30, 2013. You have the option to continue your health care coverage after June 30 through the federal Pre-Existing Condition Insurance Plan (PCIP). As a CAREAssist client, you can continue to have your premiums paid by CAREAssist.

**In June, you will get more information about how your health coverage will be moved to the federal Pre-Existing Condition Insurance Plan.**

#### **How to continue coverage - you do not have to reapply**

In June, you will receive a letter from the National Finance Center. The National Finance Center runs the federal PCIP plan that is available to you. The June letter will have more information and the amount of your premium. CAREAssist will continue to pay your premium.

#### **Send CAREAssist a copy of the PCIP letter as soon as it arrives.**

All you have to do to start coverage on July 1 through the PCIP is make sure CAREAssist pays your first month's premium. The amount CAREAssist must pay will be listed in the letter you will receive in June. **To prevent a break in your coverage, you must provide CAREAssist a copy of your letter listing the first month's premium. CAREAssist must pay the premium by the deadline stated in the letter.**

Once CAREAssist pays the first month's premium, you will automatically be a member of the Federal PCIP program. You will not have to complete a new application to qualify for the PCIP plan. Your PCIP coverage will begin on July 1, 2013.

#### **Why this is happening**

FMIP is a federal program. This is happening because of federal budget constraints. Oregon will no longer run the FMIP program. Instead, you can receive care through the federal Pre-Existing Condition Plan.

## What to do for ongoing treatment

If you are receiving ongoing treatment, you will get information in the mail about how to continue your care under PCIP.

PCIP has to give approval before you get certain kinds of treatments. PCIP will tell you how to get this approval, and it is important that you carefully follow those instructions. This includes scheduled treatment, or potential treatment, for the following items:

- Hospitalization
- Durable medical equipment or supplies
- Transplants
- Skilled nursing
- Long-term acute care or rehabilitation facility admission
- Spinal fusion surgery
- Cancer treatment plans anticipated to occur on or after July 1, 2013

## Questions?

If you have questions about PCIP, information and resources will be available to you, to learn more go to [PCIP.gov](http://PCIP.gov) or call PCIP at **1-866-717-5826**.

**You can also call CAREAssist at 1-800-805-2313.** CAREAssist can help you as you transition your health coverage.

## Next Steps

In June, look for a letter in the mail from the National Finance Center. It is very important that you act quickly on the information given in this letter. **You must send a copy of the letter to CAREAssist.**

After CAREAssist pays the premium listed in the letter, you will receive your enrollment packet from the PCIP. This includes your new PCIP ID card and information about your new benefit plan. **You don't need to take any action right now.**

**Please watch for the Federal PCIP letter in the mail, which will tell you exactly what you need to do to avoid losing your health coverage.**

At FMIP, we are glad that we could provide health care coverage to you and nearly 3,400 Oregonians. We also want to remind you that Cover Oregon, the state's health insurance exchange, opens for enrollment in October 2013. You can learn more about new coverage options that will be available to you then at [www.coveroregon.com](http://www.coveroregon.com). We wish you good health in the future.

Sincerely,



Don Myron  
Administrator, Federal Medical Insurance Pool