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POTENTIAL MEDICAL INSURANCE SOLUTIONS FOR UNINSURED INDIVIDUALS IN NEW YORK

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***Editor's Note:** This article describes New York's answer to publicly-financed health insurance needs. It is highly detailed. You may at first think that it is more detailed than you wanted to know. But we offer it as a challenge to you since you are an actuary and have a responsibility to the public. What's happening in your state? What needs are there? What plans exist? What have you done to make yourself knowledgeable? How can you make your actuarial voice heard? How can you, as an actuary, help your public? Read on and get educated about the issues.*

For those of you that have medical insurance and those that do not have coverage, one thing we all know is that premiums are very expensive. Whether you are an individual or part of an employer group plan, insurance coverage is not cheap. Group plan insurance averages more than \$600.00 per month for single employees and more than \$1,800.00 per month for family coverage. Medical plans for individuals (not part of an employer group plan) are higher in cost and will have less medical benefits than traditional employer (company) sponsored plans. As a result, we are seeing a growing population of uninsured people, especially in our community. Job layoffs due to the economy have not helped the situation.

Many individuals do not have the luxury to wait and see if health care from the state and federal level will result in affordable health care. For those individuals today without insurance due to financial, unemployed or uninsurable reasons, there might be some immediate solutions. Many of you may not be aware that the New York State Department of Health (NYSDOH) offers insurance for those without the financial ability to obtain it. The purpose of this article is to educate those that might not have the resources or assistance to find health care. If you are aware of people that might benefit from reading this article, please forward it along. Since insurance carriers participate at the county level, there will be variations of insurance companies and HMOs by county. For illustrative purposes, we showed county level information for Westchester County, however, these government programs are offered statewide. Many of the websites and sources listed further in this document are applicable to all counties in New York and not solely Westchester County.

School district and local municipality officials will find this article beneficial since it will identify solutions for lower cost health care for uninsured members of their community as well as students in their school district that might be without health care.

MEDICAID

The New York State government offers medical insurance through Medicaid. The income level (needs basis) to obtain this coverage is very low and might be difficult to meet. In addition to income levels, you may be eligible to be covered by Medicaid if you have high medical bills, receive Supplemental Security Income (SSI) or you meet certain resource, age or disability requirements. To learn more about Medicaid eligibility, the toll free number is 1-877-472-8411.

For information about your local Department of Social Services Offices (Children's Medicaid), contact the following:

Westchester County DSS
County Office Building #2
112 East Post Road
White Plains, NY 10601
1-914-995-5000

CHILD HEALTH PLUS

Other New York state benefits offered include a health insurance plan for kids, called Child Health Plus. Depending on your family's income, your child may be eligible to join a medical program. Coverage is available through dozens of providers (health plans) throughout the state. For this coverage, there is no monthly premium for families whose income is less than 1.6 times the poverty level. That's about \$563 a week for a three-person family, about \$678 a week for a family of four. Families with somewhat higher incomes pay a monthly premium of \$9, \$15, \$30, \$45, \$60 or more per child per month, depending on their income and family size as posted on the New York Department of Health website in February 2011.

For larger families, the monthly fee is capped at three children. If the family's income is more than four times the poverty level, they pay the full monthly premium charged by the health plan. There are no co-payments for services under Child Health Plus, so you don't have to pay anything when your child receives care through these plans. This is important since traditional health insurance plans will have deductibles, coinsurance and/or copays (cost per visit) requiring a covered person to spend additional out-of-pocket costs beyond medical insurance premium.

To be eligible for coverage, children must be under the age of 19 and be residents of New York State. Qualifications will depend on gross family income. To obtain more information, please call the 1-800-698-4KIDS (1-800-698-4543). Resources are available for non-English speaking people as well. For additional information about Child Health Plus, please visit <http://www.health.state.ny.us/nysdoh/chplus/>.

FAMILY HEALTH PLUS

Besides Medicaid & Child Health Plan, another program exists called Family Health Plus,

which is a state insurance program for adults between the ages of 19 and 64 who do not have health insurance (either on their own or through their employers), but have income or resources too high to qualify for Medicaid. Family Health Plus is available to single adults, couples without children, and parents with limited income who are residents of New York State and are United States citizens or fall under one of many immigration categories.

Most of the carriers that participate in Child Health Plus also offer the Family Health Plus plan. To learn more about these coverages, please visit <http://www.health.state.ny.us/nysdoh/fhplus/>.

Access is available in all counties in New York State. In this document, we are illustrating Westchester County, but the New York State Department of Health website above will provide information by county.

The Family Health Plus will provide comprehensive health care coverage to adults, with and without children, who have incomes or assets greater than the current Medicaid eligibility standards. Individuals meeting the following criteria will be eligible to enroll in Family Health Plus:

- Permanent residents of New York State.
- Age 19 through 64.
- Citizens or Medicaid eligible qualified aliens.
- Not eligible for Medicaid based on income and/or resources.
- Not in receipt of "equivalent" health care coverage or insurance.

Parent(s) living with a child under the age of 21 will be eligible if the gross family income is up to:

- 120 percent of the Federal Poverty Level (FPL) as of Jan. 1, 2001;
- 133 percent FPL as of Oct. 1, 2001; and
- 150 percent FPL as of Oct. 1, 2002.

Individuals without dependent children in their households will qualify with gross incomes up to 100 percent FPL.

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ACCESS IN WESTCHESTER

For health plans that participate in Westchester County, the phone numbers are as follows:

- Affinity Health Plan: 1-866-247-5678
- Empire BlueCross BlueShield:
1-800-431-1914
- Fidelis Care New York: 1-888-343-3547
- Health Insurance Plan of Greater NY:
1-800-542-2412
- Hudson Health Plan: 1-800-339-4557

The above numbers are posted on the NYSDOH website and are provided in this article for those that do not have internet access. Phone numbers and available health plans vary by county, so if you reside outside of Westchester, but still reside in New York, then there are other health plan solutions available to you. In addition, there are community organizations that can help you enroll state wide. For example, residents of Westchester can contact Westchester County Department of Health at 914-813-5048.

Individuals with internet access can go online to if they qualify for state programs such as Medicaid, Child Health Plus, and Family Health Plus. As an example, one company, Hudson Center for Health Equity & Quality (Hcheq), which is a non-for-profit organization in Tarrytown, has a website www.enrollny.org. Individuals can go online to this site and see if they qualify for benefits and start the enrollment process. It is available for use throughout New York State.

HEALTHY NEW YORK

Lastly, if you are not eligible for any of the plans above, New York State offers another program called Healthy New York. This coverage is available to individuals and small employers. To find out more information about Healthy New York, the toll free number is 866-HEALTHY-NY (866-432-5849) or visit website at the New York State Insurance Department at link <http://ins.state.ny.us/website2/hny/english/hny.htm>.

New York State lists 15 HMOs offering coverage though there participation varies by county.

Carriers in Westchester include Aetna, ConnectiCare, Empire, GHI, HIP, and Oxford. Note that ConnectiCare, GHI and HIP are all part of the same company EmblemHealth. In general, each company offers four health plan options. The standard plan and a high deductible health plan with each option offered with and without prescription drug coverage. Depending on the health care plan and coverage selected, the monthly cost of coverage for a single person in Westchester could be slightly above \$200.00 (low end) to \$400.00 (high end).

In order to participate, you must meet the following eligibility criteria: (1) reside in New York State; (2) must either be currently employed or must have been employed within the past 12 months; (3) Your employer does not currently provide you with health insurance; (4) You have not had health insurance in effect for the twelve-month period preceding application or have lost that coverage due to a qualifying event. Qualifying events are described on the NYSDOH website. Healthy New York is not only available to individuals, but also small employers. Eligibility requirements are described on the NYSDOH website.

Individuals without insurance today might find this program beneficial. In addition, children graduating high school and college without employment might find this beneficial. Hopefully this information will benefit those that need it. Please note that this is not an advertisement nor is the writer of the article compensated for this, nor support a political agenda. This information is solely being provided as a service to the community that may not be aware of options for the uninsured. Again, the above information for all of these plans come from the NYSDOH website and is public information. Information will periodically change, so see website for updates. Healthcare Reform at the state and federal level could change some of the coverages and requirements in the future.

If you have any questions pertaining to whether or not you may qualify for coverage, please

call any of the phone numbers listed through this document and you should be able to obtain guidance. Although this article is geared towards to Westchester county residents, coverage for the above programs (Medicaid, Child Health Plus, Family Health Plus, and Healthy NY) is accessible to all New York State residents though premium rates and health plan participants may vary.

INDIVIDUAL (DIRECT PAY) PLANS

The last alternative that we would mention available to individuals is the direct pay plans. These plans are significantly higher in cost to consumers than the other plans referenced above. These benefits are not income-means tested so available to all consumers that are uninsured. Carriers in Westchester County include Aetna, ConnectiCare, Empire, GHI, HIP, and Oxford.

These rates are posted on the New York State Insurance Department website by county, carrier and plan design. For current rates, visit <http://www.ins.state.ny.us/hmorates/html/hmowestc.htm>. For single (individual) coverage, the lowest cost plan is slightly below \$900 per month with the highest cost plans at or exceeding \$2,000 per month. Family coverage will be significantly more expensive (approximately three times the single rates). These plans are typically very expensive due to the guaranteed issue and guaranteed renewable nature of these policies. These plans typical waive pre-existing conditions and have no underwriting requirements making them very expensive to the consumer.

Despite the very high cost for these plans, this line of business is not profitable to the HMO community due to the adverse selection of the participants that join the plan. As high as the premium rates are, the claim cost to insurance companies may be materially higher.

For individuals interested in learning more about the coverages available, visit websites for the New York State Department of Health and

New York State Insurance Department. Both provide a variety of information and might be able to assist you in identifying solutions.

We hope that the above information is beneficial to the reader. If you have any comments on the article, please call (914) 933-0063 or alternatively e-mail at michael.frank@aquariuscapital.com. The writer of this article is an actuary in healthcare and insurance as well as an insurance/reinsurance broker. He is also a resident of Westchester County, New York.

About the Author. Michael L. Frank, is President & Actuary of Aquarius Capital, an organization that provides customized solutions in insurance, reinsurance and employee benefits in the life, accident and health insurance fields. He has twenty four years of experience in providing consulting to employers, including school districts, townships and other municipalities, as well as insurance companies/HMOs, Medicaid providers and government organizations. He has also completed more than 500 Other Postemployment Benefits (OPEB) valuations including GASB 45, FAS 106, SOP92-6 and other retiree valuations for employers and insurance companies. For information on his company, please see website www.aquariuscapital.com.

Michael Frank is credentialed as an actuary and licensed as a broker, reinsurance intermediary and managing general underwriter, and is very active in various Healthcare Reform task forces. He was recently elected President of the Actuarial Society of Greater New York (ASNY) and will serve as President in 2011. 