

FAIL TO PAY PREMIUM/VOLUNTARY CANCELLATION

0915.11

MinnesotaCare:

People who fail to pay premiums by the last day of the month after the premium is due (the grace month) and people who request voluntary cancellation are ineligible to re-enroll in MinnesotaCare for 4 months unless they show good cause for non-payment or voluntary cancellation. People who pay all billed premiums by the 20th day following cancellation may be reinstated. See §0915.11.05 (Fail to Pay Premium/Reinstatement).

Good cause means circumstances beyond an enrollee's control or that the enrollee could not reasonably foresee which resulted in the enrollee being unable or failing to pay the premium or requesting voluntary cancellation. Good cause circumstances include but are not limited to:

- ▶ Serious physical or mental illness.
- ▶ The enrollee voluntarily drops MinnesotaCare believing that other health coverage is available, and the other coverage does not materialize.
- ▶ The enrollee does not receive a regular source of income on which s/he depended to pay the premium.

Good cause does not include choosing to pay other household expenses instead of the premium.

Make good cause determinations on a case by case basis based on the evidence the enrollee submits. Notify enrollees of their right to appeal if the agency does not find good cause. Continue benefits pending the outcome of the appeal unless the enrollee requests in writing not to have benefits continued. Require payment of all missed premiums to continue benefits. See §0917 (Appeals).

MMIS will automatically terminate coverage effective the 1st day of the month after the grace month. If the agency determines that good cause exists without an appeal, require payment of all missed premium(s) before reactivating coverage.

If the agency does not find good cause and the household does not appeal, the household must wait 4 calendar months beginning with the 1st month of disenrollment before re-enrolling.

EXAMPLE:

Jerry's August premium notice is mailed on June 15. No payment has been

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received as of cutoff on August 17. MMIS generates a cancellation notice for August 31. No payment has been received as of noon on the last working day of August. Jerry's coverage ends August 31. He cannot re-enroll until January unless he becomes eligible for reinstatement by paying all billed premiums during the 20-day reinstatement period. September, October, November, and December are his penalty months.

If Jerry does not pay the missed premiums during the reinstatement period but shows good cause and then pays the missed premiums, reinstate coverage for September. If Jerry files a timely appeal of a finding of no good cause, does not request that benefits stop pending appeal and pays the missed premiums, reinstate coverage for September. If the appeal decision finds that Jerry had good cause, coverage continues as long as Jerry pays the premiums. If the agency is upheld in the appeal, begin a penalty period in accordance with the appeal decision.

Do not require a new application for re-enrollment unless more than 11 months have elapsed since the household last completed an application. Instruct enrollees canceled for non-payment who have completed a HCAPP in the 11 months before the end of the penalty period to call to request re-enrollment at the beginning of the 4th month. Update income and other pertinent information on the most recent application. Re-evaluate group status based on current circumstances.

If you receive a HCAPP before the 4th month of the penalty period, deny the application using MMIS code 42 (Penalty Period). Send the Review Delay Letter (DHS 3399) advising the household to contact the agency at the beginning of the 4th month to reactivate the application.

If you receive a renewal form during the penalty period and the household has not completed a HCAPP in the past 11 months, send the household the DHS 3399 and a HCAPP to complete and return.

Process applications received in the 4th month of the penalty period. Approve applicants who meet all eligibility requirements as pending awaiting payment for coverage to begin effective the 1st day of the 5th month.

Forgive any premiums included in an approved bankruptcy order. Request a copy of the final order to verify whether the MinnesotaCare premium is included in the list of debts to be forgiven. Do not forgive premiums not specifically listed.

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Do not cancel a pregnant woman for non-payment of premiums during the pregnancy and 60-day postpartum period. See §0907.09 (MinnesotaCare Pregnant Women). Also do not cancel a child under age 2 for non-payment of premiums. Cancel other household members if appropriate. See §0915.11.03 (Fail to Pay Premium/PW's and Infants).

Household members who were not enrolled in MinnesotaCare when the penalty period began are not subject to the 4-month penalty period.

EXAMPLE:

Joan and Louie are enrolled in MinnesotaCare with their son Paul. Their daughter Jasmine receives MA. MinnesotaCare is canceled for failure to pay premium effective June 30. Jasmine's MA ends August 1. Jasmine is eligible for MinnesotaCare effective August 1 if she meets all eligibility requirements other than the 4-month penalty. The household must pay the past due premium and the current premium for Jasmine before her coverage begins.

If you are notified that an enrollee's premium check has been returned for non-sufficient funds (NSF), return the check with a letter requesting payment by money order or cashier's check. MMIS will terminate coverage and impose a 4-month penalty period if the enrollee fails to replace the NSF check with a guaranteed form of payment. See §0913 (Premiums and Spenddowns).

M. S. 256L.06 subd. 3

Minnesota Rule 9506.0040 subp. 6

MA:

People with incomes over **100%** FPG must pay monthly premiums to be eligible for the Medical Assistance for Employed Persons with Disabilities (MA-EPD) program. DHS bills and collects MA-EPD premiums and determines if a client has good cause for non-payment based on the guidelines listed in the MinnesotaCare section of this chapter. If DHS determines the client has good cause for non-payment, MA-EPD eligibility continues. A finding of good cause does not relieve the client's obligation to pay the premium. Deny or terminate MA-EPD for people who fail to pay without good cause. If the client later pays the premium in full, reinstate coverage back to the date of termination. SRU will send MAXIS E-mail to notify the financial worker of the good cause decision and whether the premium payment is made.

Refer clients who are unable to pay the premium by the due date or wish to claim good cause to DHS SRU at 1-800-657-3762 or (651) 296-6607. The client or

financial worker may submit a written request to:

DHS Special Recovery Unit
444 Lafayette Road
St. Paul, MN 55155-3863

or fax to (651) 282-6744. The written request should include the client's legal name, PMI number, mailing address and phone number, reason for requesting good cause, and supporting documentation. SRU will provide the client with written notice of the decision within 30 days. Clients may appeal a finding that good cause does not exist.

GAMC:

No provisions.