

Under federal law, if you lose your group coverage, you may be eligible for guaranteed coverage through the Health Insurance Portability and Accountability Act (HIPAA). Under state law, if your individual insurance carrier has elected to discontinue all health insurance coverage in the individual market in Louisiana, you may be eligible for coverage.

The Louisiana legislature, in conjunction with the Department of Insurance, has approved the HIPAA Plan, making available comprehensive major medical benefit coverage for Louisiana residents. Usually, pre-existing conditions are covered immediately. If you complete your enrollment in the HIPAA Plan within the 63-day time frame, this coverage is guaranteed to be renewable. These advantages may not be available to you in other plans.

Under state law, if your individual insurance carrier has elected to discontinue all health insurance coverage or an individual health insurance product in the individual market in Louisiana, you **may** be eligible for coverage.

YOU MAY BE ELIGIBLE

To be eligible for HIPAA coverage, you must be a Louisiana resident and:

- Your most recent health insurance coverage must have been under a group plan; or under an individual plan where the carrier has elected to discontinue all health insurance coverage or an individual health insurance product in the individual market in Louisiana
- If your coverage was under an eligible individual plan, you must have had all 18 months of previous, continuous coverage in the state of Louisiana
- You must have a total of 18 months of "Creditable Coverage"; and
 - You must not be eligible for health insurance coverage under another group plan, Medicare or Medicaid; and
 - You must not be covered by any major medical health insurance plan; and
 - If applicable, you must have elected and exhausted all COBRA and continuation benefits.
 - Your most recent coverage must not have been terminated because of non-payment of premium, fraud or material misrepresentation.

WHAT YOU WILL NEED

To be eligible for the HIPAA pool, your application MUST be postmarked within 63 days of the ending date of your group coverage or COBRA benefits or the date that your individual health insurance carrier terminated your coverage.

You will need a Certificate of Creditable Coverage (sometimes called a Certificate of Portability) from your current group insurance company or COBRA carrier. The Certificate is a letter that lists the date your group coverage began and the date the coverage ended. Your health carrier normally will not issue this until AFTER your coverage has ended. Therefore, you will not be able to include it with your application. A copy of the Certificate of Creditable Coverage can be mailed or faxed to Louisiana Health Plan (LHP) when you receive it.

If your insurance carrier stopped writing business in Louisiana, we will need a copy of the letter of notice you received from the insurance carrier notifying you when your coverage will end. You must continue coverage until the ending date.

If your application is received at the LHP office before your group coverage or COBRA benefits are exhausted (or the date that your individual insurance carrier will end your coverage because they are terminating business in Louisiana) your coverage will begin the day after your coverage expires. If your application is received at the LHP office after your coverage expires (but within 63 days), your coverage will begin on the postmark date.

HIGHLIGHTS OF PLAN

The HIPAA Plan offers traditional major medical health insurance coverage. All policies are individual policies. There are no mental and nervous benefits. There is an extremely limited one-time maternity benefit. If you take advantage of our Preferred Provider Network (PPO), you may receive additional savings. You are not required to use the PPO Network. You may go to any physician, hospital or other health care provider you choose for covered services. Pre-certification is required for hospital admissions and out-patient surgery. If you do NOT use the PPO network, you are not entitled to the PPO Savings Discount.

CAN YOU AFFORD THE PREMIUM?

The enclosed rate sheet will give you an idea of premiums. Remember that rates are based on different deductibles, gender (male and female, age, and geographic location (based on zip codes). Non-smokers may be entitled to the discounted rate.

The premiums are 200% of the average rates for the top five carriers in the state of Louisiana. The rates are adjusted in January each year for all policyholders. Policyholders renew their policies annually and can only change to a higher deductible, if they so desire. Policyholders CANNOT select a lower deductible.

SUMMARY OF BENEFITS

Major Medical Expense Benefits For All Plans

Only individual coverage is provided. No group coverage is available. Plans are defined by the deductible amount and stop loss limit (maximum out-of-pocket expense).

Deductible means the amount of eligible expenses that must be paid before the policy starts to pay. Stop Loss Limit means the amount of eligible expenses that must be incurred after the applicable deductible is met.

Maximum Benefits Payable per Lifetime	\$500,000
Maximum Benefits Payable per Calendar Year	\$100,000
Maximum Benefits Payable for Prescription Drugs Per Calendar Year (included in Calendar Year Maximum of \$100,000)	\$15,000
Maximum Benefits Payable for Eligible Transplants Per Lifetime	\$100,000

Deductible Per Individual

All Eligible Expenses incurred are subject to the following deductible per Calendar Year for individuals:

Plan J	\$1,000
Plan K	\$2,000
Plan L	\$3,500
Plan M	\$5,000

Stop Loss Limits

	Maximum Out-Of-Pocket Expense (after deductible has been met)
Plan J	\$3,500
Plan K	\$4,500
Plan L	\$4,500
Plan M	\$4,500

After the Stop Loss Limit (Maximum Out-Of-Pocket Expense) is reached, LHP will pay 100% of covered reasonable and customary charges up to the applicable maximum benefits limit.

The Benefit Period is the Calendar Year (Jan. 1 – Dec. 31).

BEGINNING JANUARY 1, 2005, prescription drug benefits will not have a Stop Loss Limit. A policyholder will always pay a co-insurance or minimum payment amount for prescriptions drugs (including the period AFTER the Maximum Out-of-Pocket Medical Expense is reached). This co-insurance or minimum payment amount for pharmacy benefits begins after the deductible period and continues until the annual prescription drug benefit is reached. However, applicable pharmacy payments will be applied to the Stop Loss Medical Limits. Thereafter, the policyholder must pay 100% of prescription drugs.

Benefit/Coinsurance Percentages
(after deductible has been met)

	Benefit Percentage (LHP Pays)	Coinsurance Percentage (You Pay)
Eligible Expenses (in general)	75%	25%
Eligible In-Patient Hospital		
Without Pre-Certification	50%	50%
With Pre-Certification	75%	25%
Eligible Out-Patient Surgery		
Without Pre-Certification	50%	50%
With Pre-Certification	85%	15%

Pharmacy Benefits

	<u>You Pay</u>	<u>LHP Pays</u>
Retail	Minimum or Co-Insurance	
Generic:	Minimum \$10 or 20% co-insurance	80% max
Brand:	Minimum \$20 or 30% co-insurance (whichever is greater)	70% max

Mail Order (must be ordered and paid for in three month supply)

Generic:	Minimum \$25 or 10% co-insurance	90% max
Brand:	Minimum \$40 or 10% co-insurance (whichever is greater)	90% max

HOW TO APPLY

Contact Louisiana Health Plan (LHP) at 1-800-736-0947 or in Baton Rouge (225) 926-6245 and ask for an application for the HIPAA pool. You may download an application from our website - www.lahealthplan.org

You may also reach us at our e-mail address: lhpl@lahealthplan.org

The fax number for LHP is (225) 927-3873.

The HIPAA policy cannot be issued until LHP receives ALL of the requested information.

Louisiana Health Plan

HIPAA Brochure

2007

IF YOUR HEALTH COVERAGE IS RUNNING OUT...



You've Got 63 Days to Enroll in The HIPAA Plan

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Health Insurance Portability & Accountability Act (HIPAA)

1-800-736-0947 · 926-6245 in Baton Rouge

Louisiana Health Plan

www.lahealthplan.org

