



# Alternative Benefit Plan

OMB Control Number: 0938-1148

OMB Expiration date: 10/31/2014

Attachment 3.1-L-

## Service Delivery Systems

ABP8

Provide detail on the type of delivery system(s) the state/territory will use for the Alternative Benefit Plan's benchmark benefit package or benchmark-equivalent benefit package, including any variation by the participants' geographic area.

Type of service delivery system(s) the state/territory will use for this Alternative Benefit Plan(s).

Select one or more service delivery systems:

- Managed care.
- Fee-for-service.
- Other service delivery system.

## Other Service Delivery Model

Name of service delivery system:

HIP Employer Benefit Link - Premium Assistance

Provide a narrative description of the model:

HIP Link is an optional defined contribution insurance program for all HIP eligible individuals who have access to HIP Link qualifying employer sponsored insurance (ESI). HIP Link allows HIP eligible individuals to choose to enroll into their qualifying ESI instead of into HIP. This option increases choice for beneficiaries and also reduces crowd out of private health insurance.

HIP Link maintains HIP's consumer directed framework by providing enrolled individuals with a HIP Link Personal Wellness and Responsibility (POWER) account valued at \$4,000. This Health Savings like account holds the state's defined contribution for ESI coverage of \$4,000 and will cover the premiums and out of pocket costs associated with enrollment in ESI. Additionally, the account serves as supplemental coverage for medical expenses incurred during the employer's annual coverage period. Like HIP Plus, individuals enrolled in HIP Link will be required to contribute 2 percent of their income towards the cost of their employer sponsored insurance. Premiums will be deducted from the employee's paycheck as usual, and the state will send the employee prepayment for the difference between the premium amount and their 2 percent POWER account contribution.

The individual who elects to enroll into HIP Link will receive the benefits offered by the HIP Link qualified employer health insurance instead of the HIP Plus, HIP Basic, or HIP State Plan benefits as applicable. HIP Link beneficiaries will access benefits provided through their employer sponsored insurance and limited additional benefits as specified in this ABP.

The state will provide HIP participants with support as they contemplate enrolling in HIP or HIP Link. The state's enrollment broker will provide counseling to assist them with their decision. The enrollment broker will have access to information detailing the benefits in each employer sponsored plan and will be able to explain the differences between HIP and HIP Link, as well as answering questions about HIP Link.

## PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-1148. The time required to complete this information collection is estimated to average 5 hours per response, including the time to review instructions, search existing data resources, gather the data needed, and complete and review the information collection. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Reports Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

V.20131219