



Common Cents

NHFPI's Budget Blog

An Overview of SB 413: Extending Affordable Health Insurance to Low Income Residents

February 14, 2014

On Thursday, February 13, 2014, Senators Morse, Larsen, Bradley, Gilmour, Odell and D'Allesandro introduced SB 413 to create the Health Protection Program.

SB 413 creates three stages of extending affordable health insurance to low income Granite Staters:

- Health Insurance Premium Program (timeline: ASAP–December 31, 2016)
- Bridge to Marketplace Premium Assistance Program (timeline: ASAP–June 30, 2015 if no waiver or December 31, 2015 if waiver approved)
- Marketplace Premium Assistance Program (timeline: January 1, 2016–December 31, 2016 if waiver approved)

The following outlines the general details of these three programs:

Health Insurance Premium Program (HIPP)

The Health Insurance Premium Program (HIPP) offers financial assistance to adults with incomes between 0 and 138 percent of the federal poverty level (FPL) to keep or accept cost-effective employer sponsored insurance (ESI). Anyone whose coverage is deemed cost-effective will be required to keep or accept the ESI available to them. Federal funds will be used to pay 100 percent of cost of the employee share of ESI, such as premiums and out-of-pocket cost-sharing, including co-pays and deductibles. HIPP will be implemented as quickly as is possible after necessary federal approval has been received. This program will conclude December 31, 2016.

Bridge to Marketplace Premium Assistance Program (The Bridge)

The Bridge to Marketplace Premium Assistance Program (The Bridge) offers insurance coverage to adults with incomes between 0 and 138 percent of the FPL without access to employer sponsored insurance. Enrollees will be able to either choose a cost-effective Qualified Health Plan (QHP) on the federally facilitated Marketplace or one of three Alternative Benefit Plans (ABP) offered by one of the three managed care organizations awarded contracts with the state in 2012. Federal funds will be used to pay for 100 percent of the costs of the coverage for eligible adults. The Bridge program enrollment will begin by May 1, 2014 with a hard coverage start date of July 1, 2014. This program will end either June 30, 2015 or December 31, 2015, depending on whether the state wins approval of a federal waiver by March 31, 2015.

Marketplace Premium Assistance Program (Premium Assistance)

The Marketplace Premium Assistance Program (Premium Assistance) requires those adults with incomes between 0 and 138 percent FPL who are ineligible for HIPP to choose insurance coverage from a QHP in the federally facilitated Marketplace. Federal funds will be used to pay 100 percent of the costs of the coverage for eligible adults. This program will begin January 1, 2016 and run through December 31, 2016.

Implementation Requirements

A federal waiver will be required to implement the Premium Assistance Program. The Commissioner of Health and Human Services must submit any required waiver application to the Centers for Medicare and Medicaid Services by December 1, 2014. If the federal waiver required to implement the Premium Assistance Program is approved on or before March 31, 2015, the Bridge program will terminate on December 31, 2015. If the federal waiver required for Premium Assistance is not approved by March 31, 2015, the Bridge program will terminate on June 30, 2015.

