The Commonwealth of Kentucky

kynect State-Based Marketplace

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Kentucky Integrated Health Insurance Premium Payment (KI-HIPP) Program Certification Training Guide

March 9, 2026

Document Control Information

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Introduction

This Certification Course highlights some of the policies and procedures established for the Kentucky Integrated Health Insurance Premium Payment (KI-HIPP) Program. Agents and kynectors should familiarize themselves with KI-HIPP policies and procedures to better assist Individuals with their health coverage needs.

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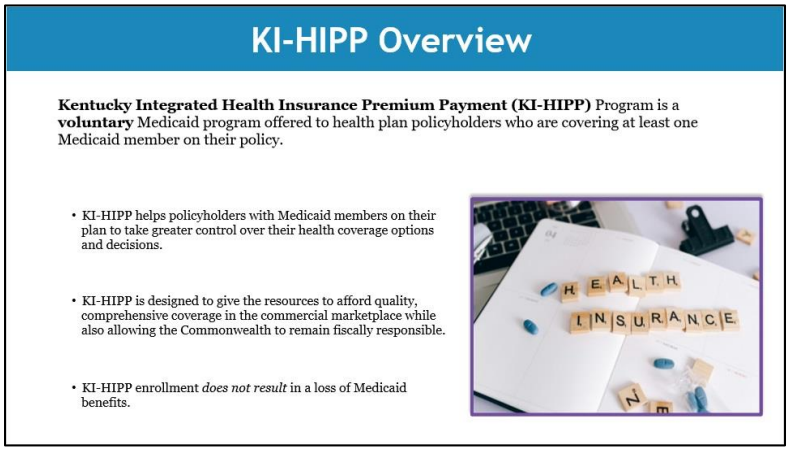
1. Kentucky Integrated Health Insurance Premium Payment (KI-HIPP) Program Overview

1.1 KI-HIPP Overview

Slide Voice-over: The Kentucky Integrated Health Insurance Premium Payment (KI-HIPP) Program is a voluntary Medicaid program available to health plan policyholders who have at least one Medicaid member covered under their policy. This program is specifically for Employer-Sponsored Insurance (ESI) health plans, not Qualified Health Plans (QHPs).

- KI-HIPP helps pay for the employee's share of health premiums for an ESI health plan. By participating, policyholders with Medicaid members on their plan can have greater control over their health coverage options and decisions.
- The KI-HIPP Program is designed to provide resources that make quality, comprehensive coverage in the commercial marketplace more affordable, while also allowing the Commonwealth to remain fiscally responsible.
- Enrolling in KI-HIPP does not result in the loss of Medicaid benefits.

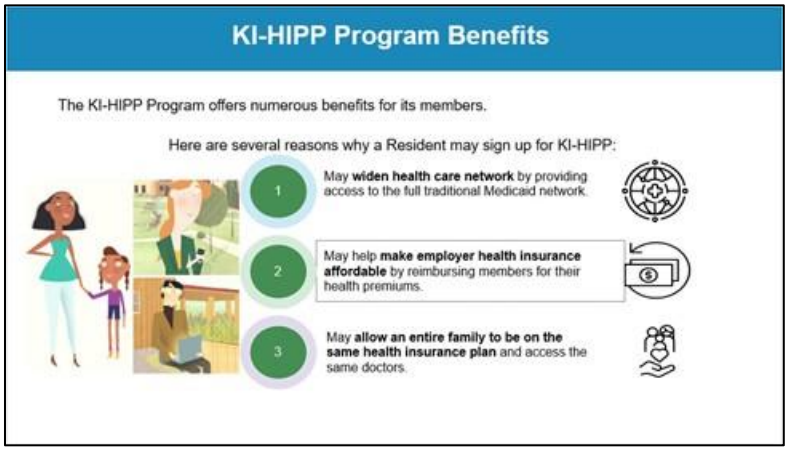


1.2 KI-HIPP Program Benefits

Slide Voice-over: The KI-HIPP Program offers numerous benefits for its members.

Here are several reasons why a Resident would benefit from signing up for KI-HIPP.

- KI-HIPP may expand the healthcare network by providing access to the full traditional Medicaid network.
- KI-HIPP may make employer health insurance more affordable by reimbursing members for their health premiums. Enrolling in KI-HIPP does not result in the loss of Medicaid benefits.
- KI-HIPP may allow an entire family to be on the same health insurance plan and access the same doctors.

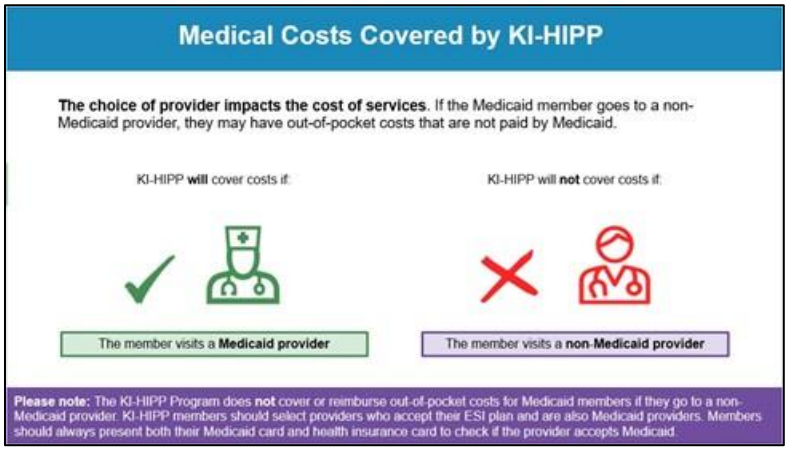


1.3 Medical Costs Covered by KI-HIPP

Slide Voice-over: The choice of provider impacts the cost of services. Agents and kynectors should be informed that if the Medicaid member visits a non-Medicaid provider, they may incur out-of-pocket costs that are not paid by Medicaid.

- **Medical costs covered:** KI-HIPP will cover costs if the member visits a Medicaid provider.
- **Medical costs <u>not</u> covered:** KI-HIPP will not cover costs if the member visits a non-Medicaid provider.

Please note: The KI-HIPP Program does NOT cover or reimburse out-of-pocket costs for Medicaid members if they go to a non-Medicaid provider. KI-HIPP members should select providers who accept their Employer-Sponsored Insurance plan and are also Medicaid providers. Members should always present both their Medicaid card and health insurance card to check if the provider accepts Medicaid.



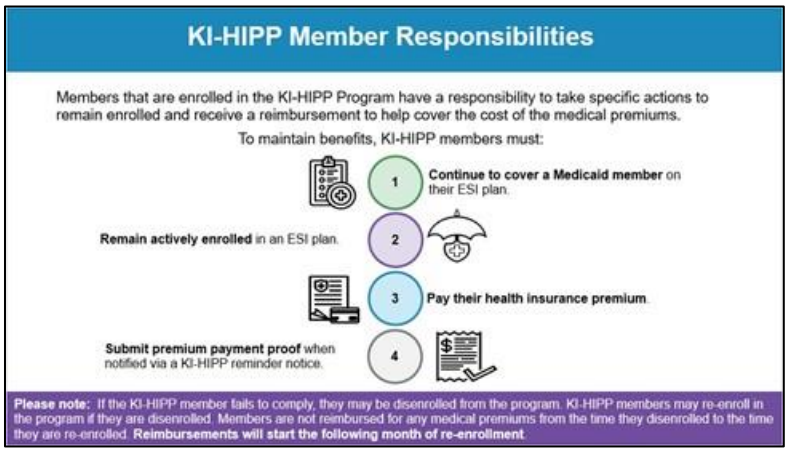
1.4 KI-HIPP Member Responsibilities

Slide Voice-over: Members that are enrolled in the KI-HIPP Program have a responsibility to take specific actions to remain enrolled and receive a reimbursement to help cover the cost of the medical premiums.

To maintain benefits, KI-HIPP members must:

- Continue to cover a Medicaid member on their Employer-Sponsored Insurance plan
- Remain actively enrolled in an Employer-Sponsored Insurance plan
- Pay their health insurance premium, and
- Submit premium payment proof when notified via a KI-HIPP reminder notice

Please note: If the KI-HIPP member fails to comply, they may be disenrolled from the program. KI-HIPP members may re-enroll in the program if they are disenrolled. Members are not reimbursed for any medical premiums from the time they disenrolled to the time they are re-enrolled. Reimbursements will start the following month of re-enrollment.



2. KI-HIPP Eligibility

2.1 KI-HIPP Eligibility

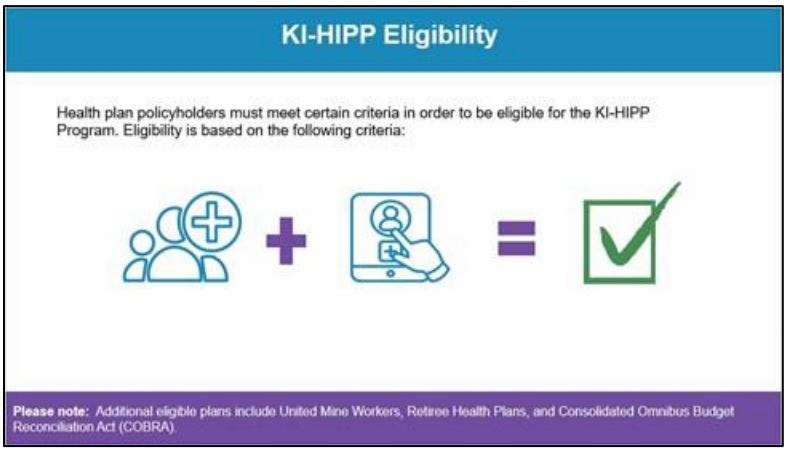
Slide Voice-over: Health plan policyholders must meet certain criteria to be eligible for KI-HIPP.

Residents may be eligible for the KI-HIPP Program based on the following criteria:

- There must be a Medicaid member on the policy, and
- Policyholders must be enrolled in or have access to an Employer-Sponsored Insurance plan

By meeting these criteria, the policyholder may potentially be eligible for KI-HIPP, pending a review by the KI-HIPP Team.

Please note: Additional eligible plans include United Mine Workers, Retiree Health Plans, and the Consolidated Omnibus Budget Reconciliation Act, or COBRA.



2.2 KI-HIPP Plan Compatibility

Slide Voice-over: Before a Resident can join the KI-HIPP Program, the KI-HIPP Team must verify if the Resident's current Employer-Sponsored Insurance plan, E.S.I., meets certain requirements. The KI-HIPP Team reviews specific criteria to ensure the plan is suitable for the program.

When evaluating a resident's potential eligibility for KI-HIPP, the KI-HIPP Team assesses compatibility based on two main criteria:

- **Cost-effectiveness:** The KI-HIPP Team examines the premium, deductible, and co-pays of the Employer-Sponsored Insurance medical plan. This is to ensure that the health plan costs the state less than it would to cover a Medicaid member through Medicaid alone.
- **Comprehensiveness:** The KI-HIPP Team verifies that the employer's health insurance plan covers at least one benefit from each of the 10 Essential Health Benefits, or EHBs.
    - For the plan to be considered **comprehensive**, the plan must meet the requirement of **covering at least one benefit** from each of the essential health benefits displayed below:
        - Ambulatory patient services
        - Emergency services
        - Hospitalization
        - Pregnancy, maternity, and newborn care
        - Mental health and substance use disorder services, including behavioral health treatment
        - Prescription drugs
        - Rehabilitative and habilitative services and devices
        - Laboratory services
        - Preventive and wellness services and chronic disease management
        - Pediatric services, including oral and vision care

2.3 KI-HIPP Scenario One

Slide Voice-over: The following KI-HIPP scenarios illustrate situations that Agents and kynectors may encounter when assisting Residents trying to access KI-HIPP. Eligibility for KI-HIPP includes Medicaid members listed in the same case as the health plan policyholder. In this scenario, our goal is to identify if Rebecca potentially qualifies for KI-HIPP. The scenario revolves around Rebecca who has health insurance through her job, known as an Employer-Sponsored Insurance plan.

- **Scenario:** Rebecca who has health insurance through her job, known as an Employer-Sponsored Insurance plan.
    - Rebecca wants to add her husband, Jake, to this plan
    - Jake is the only person in their household who receives Medicaid benefits, while Rebecca does not receive Medicaid
    - Rebecca is the Policyholder and already has insurance coverage
    - Jake, Rebecca's spouse, is a Medicaid recipient

- Based on what you have learned so far, does Rebecca qualify for the KI-HIPP Program?
    - Yes, Rebecca is eligible for KI-HIPP! For Rebecca to receive KI-HIPP benefits, the KI-HIPP Team must determine if her Employer-Sponsored Insurance plan is cost-effective and comprehensive based on the documents she submits.

2.4 KI-HIPP Scenario Two

Slide Voice-over: Another common example would be identifying eligibility in an instance when a non-KI-HIPP Primary Policy Holder lists a Modified Adjusted Gross Income (MAGI) member on the policy. In the scenario we will walk through below, our goal will be to identify if Erin, who is a non-KI-HIPP primary policyholder, potentially qualifies for KI-HIPP based on the information provided.

- Erin has health insurance through her employer
  - Erin is not a Medicaid member
  - Erin's spouse, David, applies for Medicaid and is approved as a Modified Adjusted Gross Income (MAGI) member
  - Erin decides to apply for the KI-HIPP Program
  - On the KI-HIPP application, Erin lists David, the Medicaid member, as a person covered by her insurance policy
  - Erin submits all the required documents for her KI-HIPP application and after review, Erin is notified that her application is Plan Compatible

- Based on this scenario, does Erin, who is the non-KI-HIPP primary policyholder, qualify for KI-HIPP?
  - Yes, Erin is potentially eligible for KI-HIPP! Erin, as the primary policyholder, listed a Medicaid member, David, on her insurance policy and completed all required steps. The plan is compatible, so Erin is potentially eligible for KI-HIPP!

3. KI-HIPP Program Roles and Processes

3.1 KI-HIPP Roles for Agents, kynectors and the KI-HIPP Team

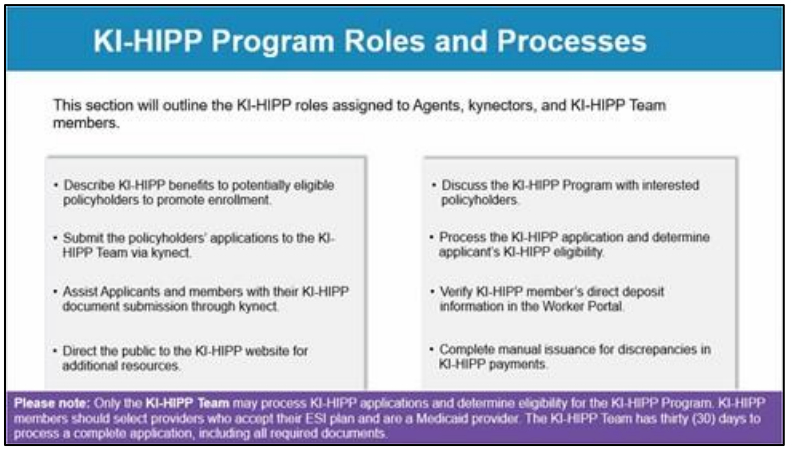
Slide Voice-over: To support the KI-HIPP Program, the role of an **Agent or kynector** is to:

- Describe KI-HIPP benefits to potentially eligible policyholders to promote enrollment
- Submit the policyholders' applications to the KI-HIPP Team via kynect
- Assist applicants and members with their KI-HIPP document submission through kynect, and
- Direct the public to the KI-HIPP website for additional resources

Slide Voice-over: To support the KI-HIPP Program, the role of the **KI-HIPP Team** is to:

- Discuss the KI-HIPP Program with interested policyholders
- Process the KI-HIPP application and determine the applicant's KI-HIPP eligibility
- Verify KI-HIPP members' direct deposit information in the Worker Portal, and
- Complete manual issuance for discrepancies in KI-HIPP payments

Please note: Only the KI-HIPP Team may process KI-HIPP applications and determine eligibility for the KI-HIPP Program. The KI-HIPP Team has thirty days to process a complete application, including all required documents.



3.2 KI-HIPP Eligible Member Enrollment Process

Slide Voice-over: We will now review the Enrollment Process for KI-HIPP members.

To enroll in KI-HIPP, Residents need to follow the steps outlined in this below.

Enrollment in KI-HIPP: Enrollment in KI-HIPP begins with Residents completing and submitting an application. Residents may complete a KI-HIPP application with assistance from an Agent or kynector through Kynect benefits, in-person with DCBS, by phone, by email, or by mail.

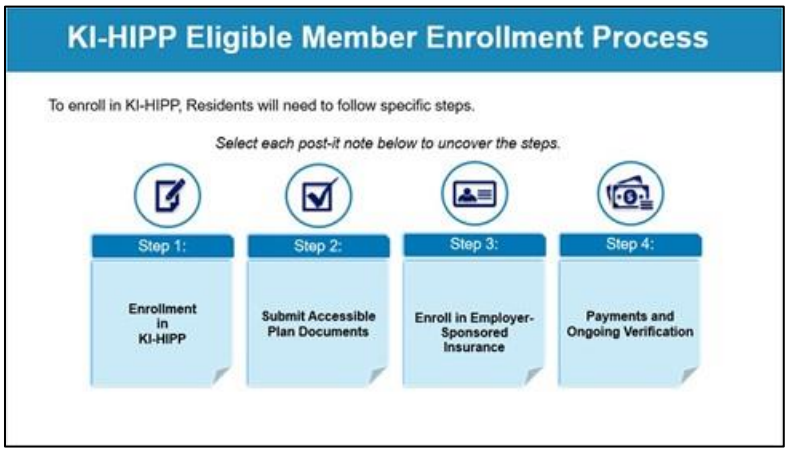
Please note: To apply via email, applicants are required to submit a completed Health Coverage Form to the KI-HIPP email: KI-HIPP.Program@ky.gov. This form may be found on

kynect.ky.gov. The KI-HIPP application via email should be seen as a last resort if kynect is not available.

Submit Accessible Plan Documents: Submit accessible plan documents to check plan compatibility. These documents include the Summary of Benefits and Coverage and the Premium Rate Sheet. These documents help to confirm cost-effectiveness and comprehensiveness during the KI-HIPP review process.

Please note: These documents may be obtained from the Resident's employer.

Enroll in Employer-Sponsored Insurance: After receiving a Notice of Health Insurance Review, the Resident must enroll in the eligible employer-sponsored insurance plan, if not already enrolled, and submit a copy of their employer-sponsored insurance card.
Payments and Ongoing Verification: To stay enrolled, a KI-HIPP Program member must pay their health insurance premium and submit a paystub or proof of payment to the KI-HIPP Team when notified via a notice.



3.3 KI-HIPP Application Documents

Slide Voice-over: There are common documents used during the KI-HIPP application process. Residents interested in applying for the KI-HIPP Program must provide copies of all the following documents to assess plan compatibility. Agents and kynectors should also be aware that a Request for Information is not sent to the applicant after completing a KI-HIPP application.

The application documents include:

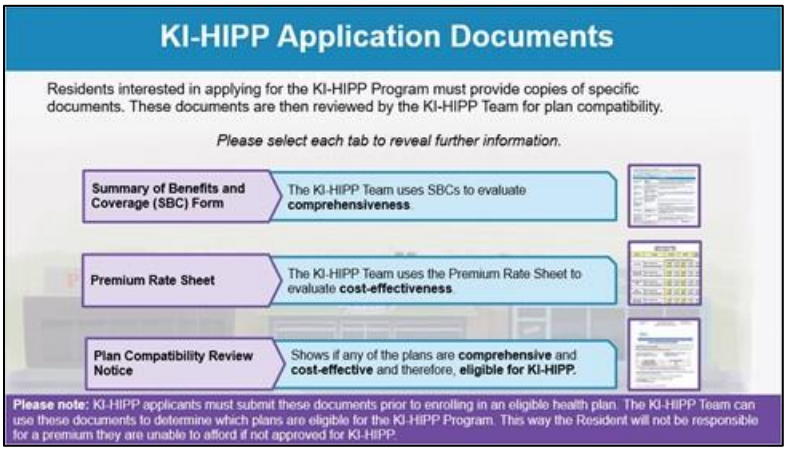
- The **Summary of Benefits and Coverage (SBC) Form**,
- The **Premium Rate Sheet**, and
- The **Plan Compatibility Review Notice**.

Please note: KI-HIPP applicants MUST submit these documents prior to enrolling in an eligible health plan. The KI-HIPP Team can use these documents to determine which plans are eligible for the KI-HIPP Program. This way, the Resident will not be responsible for a premium they are unable to afford if not approved for KI-HIPP.

Summary of Benefits and Coverage (SBC) Form: The Summary of Benefits and Coverage (SBC) form provides comparisons of costs and coverage for medical plans. The KI-HIPP Team uses the Summary of Benefits and Coverage (SBC) form to evaluate the comprehensiveness of the plans.
Premium Rate Sheet: The Premium Rate Sheet details the premium rates of insurance plans. The KI-HIPP Team uses the Premium Rate Sheet to evaluate cost-effectiveness.
Plan Compatibility Review Notice: Once the KI-HIPP Team receives the correct documentation and completes the Plan Compatibility Review, the Resident will receive a notice with the results of the review. The KI-HIPP Plan Compatibility Result Notice indicates whether any of the plans are comprehensive and cost-effective, and therefore eligible for KI-HIPP.

Please note: By federal regulation, the determination of eligibility for a Medicaid Health Insurance Premium Plan, HIPP, Program is a qualifying life event. This determination triggers a Special Enrollment Period during which the KI-HIPP applicant has 60 days to enroll in a qualifying Employer-Sponsored Insurance plan.

Section 701(f)(3) of the Employee Retirement Income Security Act (29 U.S. Code § 1181)

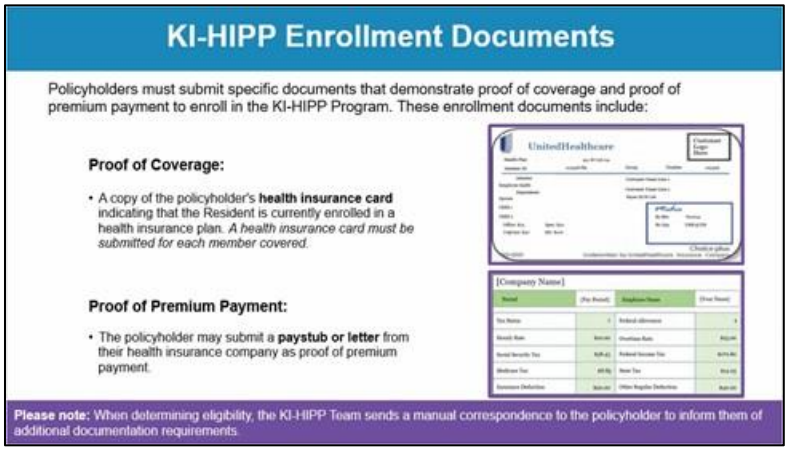


3.4 KI-HIPP Enrollment Documents

Slide Voice-over: Policyholders must submit specific documents that demonstrate proof of coverage and proof of premium payment to enroll in the KI-HIPP Program. These enrollment documents include:

- **Proof of Coverage:** A copy of the policyholder's Employer-Sponsored Insurance card, indicating that the Resident is currently enrolled in a health insurance plan. Please ensure that a health insurance card is submitted for all members covered, and
- **Proof of Premium Payment:** Either a paystub or a letter from the health insurance company to show proof of premium payment.

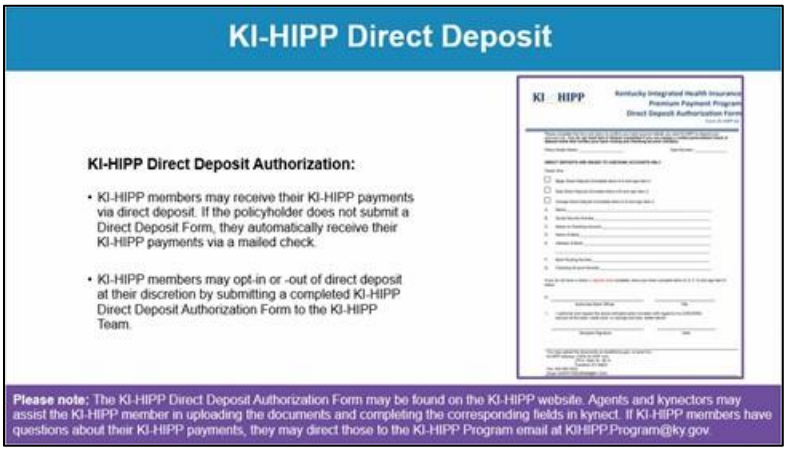
Please note: When determining eligibility, the KI-HIPP Team sends a manual correspondence to the policyholder to inform them of any additional documentation requirements.



3.5 KI-HIPP Direct Deposit

Slide Voice-over: KI-HIPP members may receive their KI-HIPP payments through direct deposit. If the policyholder does not submit a direct deposit form, they will automatically receive their KI-HIPP payments via a mailed check. KI-HIPP Members may choose to opt-in or opt-out of direct deposit at any time by submitting a completed KI-HIPP Direct Deposit Authorization Form to the KI-HIPP Team.

Please note: The KI-HIPP Direct Deposit Authorization Form can be found on the KI-HIPP website. Agents and kynectors may assist KI-HIPP members in uploading the documents and completing the corresponding fields in kynect. If KI-HIPP members have questions about their KI-HIPP payments, they may direct those to the KI-HIPP Program email at KIHIPP.Program@ky.gov.



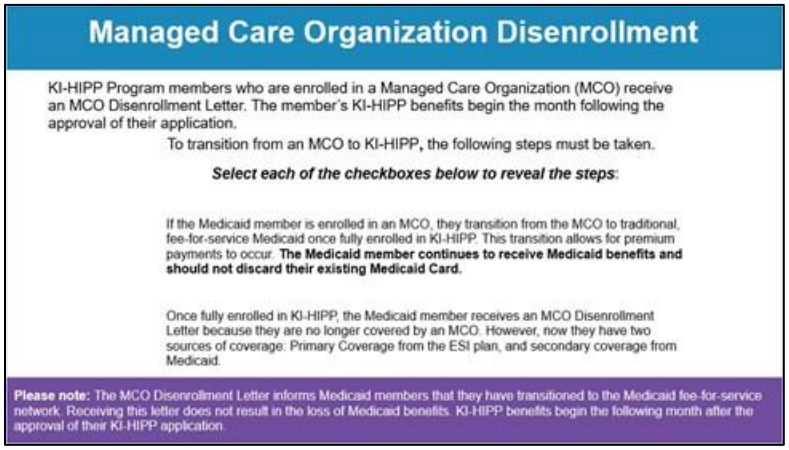
3.6 Managed Care Organization Disenrollment

Slide Voice-over: KI-HIPP Program members enrolled in a Managed Care Organization (MCO) receive an MCO Disenrollment Letter. Their KI-HIPP benefits begin the month following the approval of their KI-HIPP application.

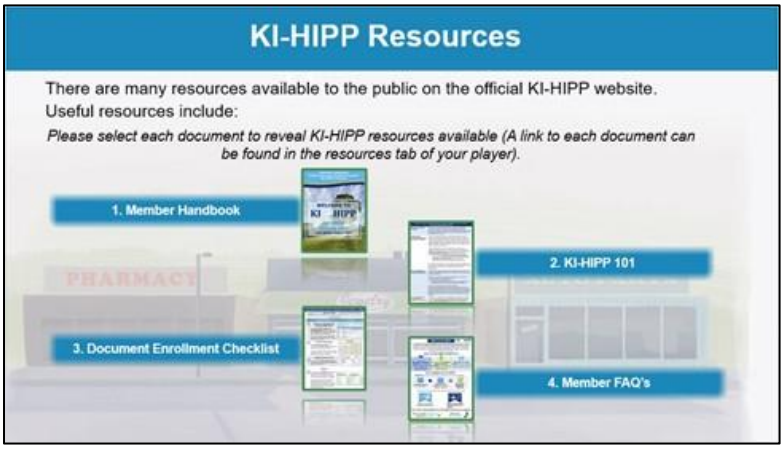
To transition from an MCO to KI-HIPP, the following steps must be taken:

Enrollment in KI-HIPP: If the Medicaid member is enrolled in a Managed Care Organization, they transition from the MCO to traditional fee-for-service Medicaid once fully enrolled in KI-HIPP. This transition allows for premium payments to occur. The Medicaid member continues to receive Medicaid benefits and should not discard their existing Medicaid Card.
MCO Disenrollment: Once fully enrolled in KI-HIPP, the Medicaid member receives an MCO Disenrollment Letter because they are no longer covered by a Managed Care Organization. However, they now have two sources of coverage: primary coverage from the Employer-Sponsored Insurance plan and secondary coverage from Medicaid.

Please note: The MCO Disenrollment Letter informs Medicaid members that they have transitioned to the Medicaid fee-for-service network. Receiving this letter does not result in the loss of Medicaid benefits. KI-HIPP benefits begin the following month after the approval of their KI-HIPP application.



3.7 KI-HIPP Resources

Slide Voice-over: Here are a few useful resources Agents and kynectors should be aware of to best support KI-HIPP members. The official KI-HIPP website, which can be found by using the link in the resources tab, offers a wealth of helpful information for everyone. It's a good idea to familiarize yourself with these resources, which include the KI-HIPP members handbook, the KI-HIPP 101 guide, the Document enrollment checklist, and the KI-HIPP FAQ Document.

- **The KI-HIPP Member Handbook:** Provides a detailed guide to the KI-HIPP Program for KI-HIPP members.
- **KI-HIPP 101:** A document that provides an overview of the KI-HIPP Program and outlines how policyholders or interested residents may apply.
- **The Disenrollment Checklist:** A resource that provides a checklist outlining the documents the policyholder must submit to check if their insurance plan is compatible with KI-HIPP.
- **The KI-HIPP Member FAQ:** Designed to provide answers to commonly asked KI-HIPP questions and directs members to helpful resources.