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Director

State of California—Health and Human Services Agency
Department of Health Care Services



ARNOLD SCHWARZENEGGER
Governor

October 27, 2009

To: Genetically Handicapped Persons Program (GHPP) Client

Subject: Changes in GHPP Law

The purpose of this letter is to tell you about changes in the GHPP that will take place on December 1, 2009, that may effect you. These changes are a result of a new State law enacted by the Legislature. The changes are in three areas: 1) enrollment fees; 2) maintaining employer-sponsored health insurance; and 3) GHPP payment of premiums for employer-sponsored health insurance.

GHPP Enrollment Fees

There are changes in the way GHPP determines annual enrollment fees. Enrollment fees will now be based on your “adjusted gross income” as identified on your state or federal income tax return. In the past, enrollment fees were based on your “gross income”. If you are a minor, GHPP will use your parents’ or legal guardians’ combined adjusted gross income.

If your GHPP reenrollment period begins on or after December 1, 2009, the amount of your future GHPP enrollment fee will be based on your adjusted gross income according to the different levels below. Federal Poverty Level (FPL) is based on your income and the number of individuals in your family who are dependent on your income.

- If your adjusted gross income is between 200 and 299 percent of FPL, your annual enrollment fee will be 1.5 percent of your adjusted gross income.
- If your adjusted gross income is equal to or greater than 300 percent of FPL, the annual enrollment fee will be 3 percent of your adjusted gross income.

You will not be charged an enrollment fee if:

- You are eligible for full scope Medi-Cal benefits, without being required to pay a share of cost for those benefits; or
- Your adjusted gross income is less than 200 percent of the FPL.

You must pay the enrollment fee in order to receive GHPP benefits. If you do not pay the enrollment fee or if you do not make an arrangement to pay it within 60 days of your

reapplication date you will be disenrolled from GHPP effective 60 days after your enrollment fee is due. If this happens to you, you will no longer receive GHPP benefits.

The Department of Health Care Services (DHCS) may waive or reduce the amount of an enrollment fee if the DHCS determines that paying the enrollment fee will result in undue hardship for your family. At the time the enrollment fee is set, if you believe the amount would be difficult for you to pay, you may appeal the amount of the fee by sending a letter that explains why you cannot pay the fee to

**Chief
Children's Medical Services Branch
1515 K Street, Suite 400
Sacramento, CA 95814**

Maintaining Employer-sponsored Health Care Coverage

Starting December 1, 2009, if you have commercial health insurance through your employer and it is terminated, you must notify GHPP within 45 days of the date of termination. You will remain eligible to receive GHPP services if the reason for the termination of the health insurance you receive through your employer is one of the following:

- You have lost your employment or the status of your employment has changed so that you are no longer eligible to participate in employer-sponsored health coverage.
- Your employer discontinued providing health benefits to all employees or dependents of employees.
- You have changed your address to a ZIP Code that is not covered by your employer's health insurance.
- There has been the death of or you have legally separated or divorced the individual through whom your employer-sponsored health insurance was provided.
- Your employer's health insurance coverage is no longer available to you because the cost of benefits provided to you by that insurance has exceeded the lifetime coverage limit of the insurance.
- Your coverage was available to you pursuant to the provisions of the federal Comprehensive Omnibus Reconciliation Act (COBRA) and the COBRA coverage period has ended.

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When notifying GHPP about the termination of your employer-sponsored health coverage, you must send to GHPP a copy of the official termination letter from your employer and/or your health plan. If you fail to notify the GHPP within 45 days of the date of such termination, you will not be eligible for GHPP coverage and services for six months.

If you are disenrolled from GHPP because of the termination of your employer-sponsored health coverage you may appeal the disenrollment. Appeals should be sent to:

**Chief
Children's Medical Services Branch
1515 K Street, Suite 400
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Payment of Third-Party Health Coverage Premiums

The GHPP may pay your share of premiums for employer-sponsored health insurance if the GHPP determines that it would be cost effective to do so. This might happen if: 1) you are eligible for health coverage through your employer and you have chosen NOT to participate in that coverage because of the expense; and 2) you lose employer-sponsored health insurance coverage because you lose your job and are unable to pay for continuing coverage for which you are entitled under COBRA. When you complete your annual GHPP Application to Determine Eligibility, please indicate if one of these situations applies to you and the GHPP program will follow-up with you.

If you have any questions please feel free to call the GHPP program at
1 (800) 639-0597

Sincerely,

Original Signed by Luis R. Rico

Luis R. Rico Acting Chief
Children's Medical Services Branch