

STATE SELECTS INSURANCE PROVIDERS FOR HEALTHY INDIANA PLAN

INDIANAPOLIS (August 30, 2007) - Today Secretary Mitch Roob announced that the State of Indiana has awarded Anthem Insurance Companies and is close to making a second award to either Golden Rule, MDwise or a partnership of the two.

"This is a major step in reaching our goal of beginning coverage by Jan. 1, 2008," commented Secretary Roob. "Our commitment is to cover as many uninsured Hoosiers as possible, and by working with experienced, Indiana companies like these I'm confident that the Hoosiers we cover will get great service and the peace of mind that comes with having health insurance."

During the course of evaluation, the State scrutinized all proposals to determine the viability of the proposed business solutions to meet the goals of the program and to meet the needs of the members it will serve. The team evaluated proposals based on the stipulated criteria outlined in the RFS document.

As communicated in the RFS process, the State expects coverage to begin on January 1, 2008. Meeting this implementation timeline demands quick ramp-up. To ensure successful implementation, the State prefers to work with two Plans. However, if necessary, the State will work with one Plan.

The recommendation of the evaluation team reads as follows:

- 1. The team recommends Anthem for contract negotiations for the full scope of services covered in the RFS. Anthem demonstrated capability and capacity to deliver the full scope of services in preparation of the January 1, 2008 program go-live date.
- 2. Because of the State's desire to work with no more than two Plans and because of the close proximity of final scores between Golden Rule and MDwise, the State believes a partnership between Golden Rule and MDwise can provide combined business solution that delivers the full scope of services to the State's satisfaction. The team's review revealed complementary strengths and weaknesses in these proposals, and given the urgency of this program, the aggressive implementation timeline, and the critical need for all elements of the business solution to be at full strength, a partnership has the potential for success.
- 3. Enrollment in each plan will not commence until the State determines successful completion of a readiness review.

The Healthy Indiana Plan, which was included in HB 1678 and passed with overwhelming bipartisan support, was a result of a statewide conversation Governor Daniels began over a year

ago. It will provide health insurance for uninsured Hoosiers who earn less than 200% of the federal poverty level (FPL) and who are without access to employer-sponsored health insurance.

Some significant features of the plan include:

- A POWER Account valued at \$1,100 per adult to pay for medical costs. Contributions to the account are made by the State and each participant (based on ability to pay). No participant will pay more than 5% of his/her gross family income on the plan.
- A basic commercial benefits package once annual medical costs exceed \$1,100.
- Coverage for preventive services up to \$500 a year at no cost to participants.
- Services include: physician services, prescriptions, diagnostic exams, home health services, outpatient hospital, inpatient hospital, hospice, preventive services, family planning, and case and disease management.
 - Mental health coverage is similar to coverage for physical health, and includes substance abuse treatment, inpatient, outpatient, and drugs.
 - Vision and/or dental coverage can be purchased as a rider. Individuals will pay 50% of the premium cost (on top of their POWER Account contribution) for these services.

Funding for the Healthy Indiana Plan was provided through a \$.44 increase in the cigarette tax. That is enough funding to cover over 130,000 Hoosiers.

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