



## Premium Assistance for Kids (PAK)

### 1. What Is PAK?

- ▶ Premium Assistance for Kids (PAK) is an *Insure New Mexico!* Solution to expand children's health care coverage in New Mexico.
- ▶ The program pays a portion of the premium for a commercial, comprehensive health insurance plan for eligible children from birth to twelve years of age.

### 2. Goals of PAK

- ▶ Reduce New Mexico's high rate of uninsured.
- ▶ Offer affordable insurance options for children who do not qualify for traditional Medicaid (Salud! and Children's Health Insurance Program (CHIP)).

### 3. Funding for Premium Assistance Programs (Both PAK and Premium Assistance for Maternity)

- ▶ FY 2010: State-only funding - \$2.6 million

### 4. PAK Eligibility:

- ▶ Children 0-12 (and up to age 18 if have an eligible sibling) who meet the following requirements:
  - Uninsured and ineligible for Medicaid and CHIP based on income.
  - Must not have dropped health insurance in the past six months.
  - A New Mexico resident.
  - U.S. Citizen or Legal Permanent Resident (LPR).
- ▶ Children must be determined to be eligible for PAK every 12 months. Financial eligibility for this program is determined by *Insure New Mexico!* but all potential enrollees are also subject to the insurance carrier's medical underwriting criteria.
- ▶ *Insure New Mexico!* processes all PAK eligibility applications and re-certifications.

### 5. PAK Enrollment:

- ▶ Parents may call the *Insure New Mexico!* Solutions Center at **1-888-997-2583** to request a PAK eligibility application.
- ▶ If eligible, child(ren) will receive an Approval Letter from *Insure New Mexico!* that includes information about how to contact the health plan of choice to enroll in PAK.
- ▶ Once the PAK enrollment application is approved by the selected health plan, parents pay their portion of the premium to begin the enrollment process. Health plan approval is dependent on the outcome of the medical underwriting process.
- ▶ Children who do not qualify for the PAK program because of health issues will be referred back to *Insure New Mexico!* for other coverage options that may be available, including the New Mexico Medical Insurance Pool (a comprehensive plan for individuals with certain chronic conditions who do not qualify for commercial plans).

### 6. PAK Premiums:

- ▶ The monthly premium amounts vary depending on enrollee's age, gender and geographic location. (The total monthly premium for PAK ranges from \$60 to \$177 per month).



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- ▶ The PAK program pays a portion of the child's full monthly premium.
  - Beginning January 1, 2010 PAK will pay 25 percent of the premium amount. For instance, if your child's monthly PAK premium is \$100 per month; the PAK program pays \$25 and you pay \$75.
- ▶ The enrollee's portion of the premiums and all deductible, co-payments and coinsurance amounts must be paid on time by the enrollee.

**7. PAK Benefit Package:**

- ▶ Health benefits include preventive, primary and specialty care, inpatient and outpatient hospitalization, pharmacy, lab, x-ray, physical, occupational, and speech therapy.

**8. PAK Provider Network**

- ▶ The approved health plans offering the PAK program are Blue Cross/Blue Shield of New Mexico, Lovelace Insurance Company and Presbyterian Insurance Company; other health plans may be added as the program expands.