



Would you like to learn how you could have state health insurance for all of your children and pay only \$15 or \$25 a month? State Kids Insurance Program may be for you! Based on your income and other household factors, you could be paying as little as \$180 a year for your children's health insurance.

This presentation will cover the basics of SKIP and how to apply.

You are eligible to apply for SKIP if you are a:

- full or part-time state agency employee,
- full or part-time higher education employee,
- graduate student
- return-to-work retiree that elects active employee coverage,
- Community Supervision and Corrections Department (CSCD) employee
- Texas Municipal Retirement System (TMRS) employee,
- Texas County and District Retirement System (TCDRS) employee,
- Employee on leave and covered by FMLA.

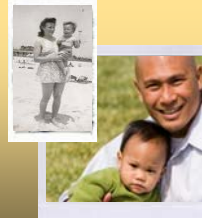
You are not eligible to apply for SKIP if you are:

- an adjunct faculty member
- an employee on leave of absence leave without pay
- a non-salaried Board member
- a retiree

SKIP

1. Basics

2. Reapplication Process
3. Resources



This tutorial has three parts:

- SKIP basics,
- Reapplying for SKIP, and
- Who to call if you have a question about SKIP.

Let's begin with the SKIP basics.

Program Overview

- ✦ Offered by State of Texas
- ✦ Pays most of the health premium rate for children
- ✦ Employees approved for SKIP pay only \$15 or \$25 per month for their children's health coverage premium

What is SKIP?

SKIP is a program offered by the State of Texas that helps you pay the cost of health coverage for your children. This is in addition to the state contribution you already receive for health coverage.

If approved for SKIP, you pay only \$15 or \$25 per month for your children's health coverage premium, and the state pays the remainder of the cost. The amount paid depends on your income, assets, and other factors.

EXAMPLE

Betty is a full-time employee of the Texas Workforce Commission. She has three children and has HealthSelectSM of Texas for herself and her children. She pays \$137.95 a month for health coverage.

Betty applies for SKIP and is approved for the program. Her health coverage premium drops from \$137.95 to \$15 per month.

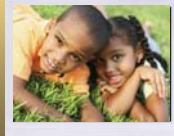
Program Overview

- ✦ SKIP is similar to the Children's Health Insurance Program (CHIP)
- ✦ Employees eligible for health coverage through the state are not eligible for CHIP
- ✦ Employees with health coverage through the state should apply for SKIP

SKIP is like the federal program Children's Health Insurance Program (CHIP). Employees eligible for health coverage through the state are not eligible for CHIP, so SKIP was created for state employees.

Program Overview

- ✦ SKIP pays most of the premium for your children's health coverage
- ✦ You pay only \$15 or \$25 per month



SKIP is a great deal for parents because the program pays most of the health coverage premium for your eligible children. You pay only \$15 or \$25 per month.

Program Overview

- ✦ SKIP is only for your children's health coverage
- ✦ You can apply for SKIP year round
- ✦ You must be eligible for benefits through the state



SKIP only applies to your children's health coverage – not coverage for you or your spouse. Although SKIP does not apply to your health coverage as an employee, you must be eligible for benefits through the state to apply for SKIP.

You may apply for SKIP at anytime of year; you do not have to:

- be in the first 31 days of employment,
- have a Qualifying Life Event (QLE), or
- wait for Summer Enrollment to apply for the program.

Eligibility

Children

- ✦ Eligible for health coverage through the state
- ✦ U.S. citizens/legal permanent residents
- ✦ Under age 19
- ✦ Living with you in Texas



Who is eligible for SKIP?

To apply for SKIP, your children must be:

- a U.S. citizen or legal permanent resident,
- under age 19,
- living with you in Texas, and
- eligible for health coverage through the state, also called Group Benefits Program-eligible.

Your child is GBP-eligible if he or she is your unmarried child under 25 years of age, including:

- natural children,
- legally adopted children,
- children for whom you must provide medical support as required by a valid court order or National Medical Support Notice.

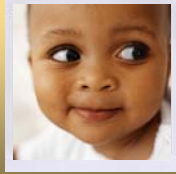
Children who are neither natural children nor legally adopted must meet other eligibility criteria in order to be eligible for health coverage. For more information, please see the Dependent Child Certification Form on the ERS website at

<http://www.ers.state.tx.us/insurance/forms/documents/GI-1081.pdf>

Eligibility

GBP eligibility guidelines for children

- ✦ Under age 25 and not married
 - ✦ Natural child or legally adopted child
 - ✦ Child named in a Medical Support Order (MSO)
 - ✦ Other children may be eligible



Who is a GBP-eligible child?

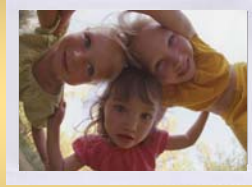
An unmarried child who is under age 25 **and** is one of the following:

- Your natural or legally adopted child, including a child living with you during an adoption probationary period,
- Your stepchild whose primary place of residence is your household,
- Your foster child:
 - whose primary place of residence is your household, and
 - not covered by another governmental health program,
- A child to whom you are the legal guardian and whose primary place of residence is your household,
- A child with whom you have established a parent-child relationship, and:
 - the child's primary place of residence is your household,
 - you provide necessary care and support for the child, and
 - if the natural parent of the child is 21 years of age or older, the natural parent does not live in your household.
- A child who is:
 - a child of your child, and
 - considered your dependent for federal income tax purposes.
- An eligible child for whom you have received a valid court order requiring you to provide medical support for the child.

Eligibility

Based on family:

- ✦ Size
- ✦ Income
- ✦ Expenses
- ✦ Certain assets



The Health and Human Services Commission (HHSC) determines eligibility for SKIP. When HHSC receives your SKIP application, the first thing they do is see if your family is eligible for Medicaid. If your family is not eligible for Medicaid, HHSC reviews your application to see if you are eligible for SKIP.

There are currently two SKIP rates available: \$15, or \$25. Whether you pay \$15 or \$25 depends on:

- family size,
- income,
- expenses, and
- certain assets.

Eligibility

Income and Assets Criteria

- ✦ Jobs, Social Security, child support, alimony, Temporary Assistance for Needy Families (TANF)
- ✦ Cash, checking/savings accounts, stock/bonds/savings certificates
- ✦ Additional vehicles value

HHSC considers the following things as part of your income and assets:

- money received from jobs, Social Security payments, child support, alimony, and Temporary Assistance for Needy Families (TANF)
- the value of any additional vehicles (your first car is not included), and
- cash, checking and savings accounts, stocks, bonds, and savings certificates.

If you have applied and been denied for SKIP in the past, you may want to apply again. In September of 2007, a new state law went into effect that makes it easier to qualify.

Benefit

Phyllis is a Full-time Employee
participating in HealthSelect
Member & Children Coverage

Premium	\$636.44
State Contribution Pays	-\$498.49
SKIP Premium Supplement Pays	-\$112.95
Employee pays	\$25.00

This example is for a full-time employee. Your monthly health coverage premium will be different if you are a part-time employee or if you cover your spouse.

What are the benefits of SKIP? Great savings on your children's health coverage premium.

Example

Phyllis is a **full-time employee** at the Texas State Library. She has HealthSelect coverage for herself and her children for Plan Year 2008, which started September 1, 2007.

- The total cost of coverage for Phyllis and her children is \$636.44.
- Since Phyllis is a full-time employee, the state pays \$498.49 for her family's health coverage. This includes a state contribution of 100% for Phyllis' health coverage premium and 50% for her children's health coverage premium.

Without SKIP, Phyllis would pay \$137.95 for her children's health coverage; however, HHSC approves Phyllis for a \$25 SKIP rate. The SKIP supplement pays \$112.95 toward her children's health coverage.

	\$636.44
This means Phyllis pays only \$25 per month for her	-\$489.49
children's HealthSelect coverage, instead of \$137.95.	<u>\$112.95</u>
Now that's the deal of the century!	\$ 25.00

Remember, the family eligibility guidelines determine whether you pay \$15 or \$25 a month for your children's health coverage.

Although SKIP is a program that helps pay for your children's health coverage premium; it is not a health plan itself. Your children's health coverage is still through the state with **HealthSelect or an HMO.**

Example

Phyllis has five children. With SKIP, she pays \$25 per month for HealthSelect coverage for her five children. That's a total of **\$25 for all five children.** In one year, she pays only \$300 in monthly premiums.

Phyllis and her children have the same HealthSelect coverage as they would without SKIP, so she pays the standard HealthSelect copayments, such as \$20 for a visit to her child's primary care physician.

This example is for a full-time employee. Your monthly health coverage premium will be different if you are a part-time employee or if you cover your spouse.

Application Process

The image displays the 'ERS State Kids Insurance Program (SKIP) Program Application' form. On the left, there is a small photograph of a young girl with dark hair, smiling. The form itself is a detailed document with various sections and a table. A large, bold, red 'SKIP' watermark is superimposed over the right side of the form. The form includes fields for 'Name of your employer', 'Name of your family member', 'Date of birth', 'Social Security Number', and 'Address'. It also has a section for 'List of children to be covered' with columns for 'Child 1', 'Child 2', and 'Child 3'. The form is numbered '3' at the bottom.

So how do you apply for this great program? You fill out the SKIP application and mail it in to the address at the bottom of the application. The application comes with detailed instructions.

You can print the application and instructions from the ERS website at http://www.ers.state.tx.us/htdocs/insurance/skip/documents/skip_app.pdf

The application includes questions about:

- the name of your employer,
- you and your family, and
- children you want to cover with SKIP.

You must provide proof of your family's current income in the form of:

- Paycheck stubs from the two months before your application date,
- Copies of your most recent federal tax form, or
- Letter from your employer verifying your income.

Application

- ✦ No application fee
- ✦ Can apply at any time of year
- ✦ As a new employee, you may apply for SKIP during your health coverage waiting period



There is no cost to apply for SKIP and you can apply for the program at anytime of the year.

If you have a health coverage waiting period, you can apply for SKIP during the waiting period. If approved, SKIP will begin in the same month as your health coverage. This means that you and your SKIP-approved children start your health insurance coverage at the same time.

Example

The Railroad Commission of Texas hires John on October 8, 2007. He has three children who live at home with him. John's health coverage waiting period ends on February 1. During the waiting period, John applies for SKIP and is approved in December 2007 for a \$25 rate. On February 1, 2008, health coverage begins for John and his children at the rate of \$25 a month.

Application Process

ERS State Kids Insurance Program (SKIP) Program Application

1 Please check one: First-time applicant. Send to HHSC • P.O. Box 14200 • Midland, TX 79711-4200
 Renewal applicant. Send to HHSC • P.O. Box 14300 • Midland, TX 79711-4300.

Use black or blue ink only.

Name of State Employee Eligible for State's Insurance _____
First _____ Middle Initial (M.I.) _____ Last _____

State Employee Social Security number* _____ Employee Date of Birth _____

Full Name of State Agency or Institution _____

Home Address _____ Apt/Lot # _____

City _____ State _____ Zip Code _____ County _____

Mailing Address _____ Apt/Lot # _____
(If different from above)

When filling out the SKIP application, the question in Section 1 'Name of State Employee Eligible for State's Insurance' is often left blank. Your name should be entered here as the state employee eligible for health coverage. Do not fill in the name of your spouse or other dependents.

Filling out the form with the wrong name or no name in this section will delay the application process.

Application Process

ERS State Kids Insurance Program (SKIP) Program Application

1 Please check one: First-time applicant: Send to HHSC • P.O. Box 14200 • Midland, TX 79711-4200
 Renewal applicant: Send to HHSC • P.O. Box 14300 • Midland, TX 79711-4300

Use black or blue ink only.

Name of State Employee Eligible for State's Insurance _____
First _____ Middle Initial (M.I.) _____ Last _____

~~Home Address~~ _____
~~City~~ _____ ~~State~~ _____ ~~Zip Code~~ _____ ~~County~~ _____

Full Name of State Agency or Institution _____
Home Address _____ Apt/Lot # _____

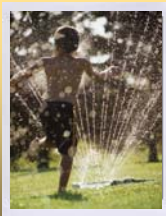
City _____ State _____ Zip Code _____ County _____

Mailing Address _____ Apt/Lot # _____
(If different from above)

Another common mistake is leaving the 'Full Name of State Agency or Institution' question blank. If you do not answer all of the questions, then your application is incomplete and it must be returned to you for completion. Be sure to answer this question.

Approval

The SKIP rate begins on first of the month after approval date.



When do you begin paying the SKIP rate?

Once HHSC finishes reviewing your application, you will receive an approval or denial letter for SKIP.

If you are approved, the SKIP rate begins the first of the month after your approval.

Example

Pat applies for SKIP for her two children in March of 2007. On May 15, she receives an approval letter for the SKIP rate of \$15. The SKIP rate begins on June 1, 2007.

Approval

SKIP approval is a QLE that allows health coverage changes

- ✦ You may add other eligible children to health coverage within 31 days of the date SKIP begins without EOI
- ✦ Coverage for added children begins on first day of month following SKIP begin date

SKIP approval is a Qualifying Life Event (QLE) that allows you to make health coverage changes in addition to SKIP. This includes adding other children who are eligible for health coverage through the state, even if they older than 19.

Once your SKIP rate begins, you have 31 days to add other children to health coverage. The children do **not** have to submit proof of good health, or evidence of insurability (EOI). Health coverage begins for the other children on the first of the month following the date your SKIP rate began. The SKIP rate of \$15 or \$25 still applies to all children, even the non-SKIP approved children.

Example

Bill is a full-time employee at Texas Tech University. He has three children,

- Sarah, age 12
- Bob, age 15
- Mary, age 20

All of the children live at home with Bill.

Bill has HealthSelect coverage for himself only. Bill's children **are not** enrolled in HealthSelect or an HMO through the state.

He applies for SKIP for Sarah and Bob. These children are approved for SKIP during November for a rate of \$25. Their health coverage begins December 1, 2007.

He adds Mary to coverage on December 15 because she is eligible for HealthSelect. Mary's health coverage begins on January 1, 2008.

The monthly \$25 SKIP rate covers all three children, Sarah, Bob, **and** Mary, because with health coverage through the state one rate pays for all enrolled **children**. A health coverage premium **is not** charged for each child.

Overview

Supplement continues through plan year if you:

- ✦ Continue to be eligible for active employee state contribution
- ✦ Continue enrollment for at least one SKIP child

Applies even if your child turns age 19 during plan year

If your family is approved for SKIP, the SKIP rate continues throughout the entire plan year as long as:

- you continue to be eligible for the **employee** state contribution toward your health coverage premium, and
- you continue enrollment for at least one SKIP child.

This statement is true even if the child turns age 19 during the plan year.

Example

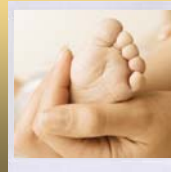
Sarah applies for SKIP in 2006 for her 18-year-old son Bobby. She is approved at the \$15 SKIP rate with an effective date of December 1, 2006. SKIP continues through August 31, 2007, the end of the plan year.

Bobby turns 19 years old on March 8, 2007. Sarah continues to pay the \$15 SKIP rate through August 2007 as long as she continues to be eligible for the employee state contribution and continues enrollment for Bobby.

Overview

Supplement continues through the plan year unless you:

- ✦ Take a leave of absence without pay (not FMLA)
- ✦ Leave employment
- ✦ Retire



SKIP ends if you lose your state contribution due to:

1. Leave of absence/leave without pay. This occurs when you:
 - do not work or receive pay for an entire calendar month, and
 - you are on a leave of absence that **is not** protected by the Family and Medical Leave Act of 1993 (FMLA).
2. Leaving employment. Your coverage ends on the first day of the month following the date you left. If you quit working on September 15, your health coverage ends on September 30.
3. Retirement. You are no longer eligible for active employee benefits once you retire. A retiree may be eligible for a **retiree** state contribution; however, this is different from an employee state contribution.

SKIP automatically restarts if an employee returns to work **within the same plan year** and is eligible for the employee state contribution, such as a return-to-work retiree who elects active benefits.

Unless you retire, leave employment, or take a leave of absence/leave without pay, SKIP continues through the entire plan year. SKIP usually ends on August 31 of each year.

SKIP Annual Reapplication

<u>Must Reapply</u> SKIP starts <u>before June 1</u>	<u>Do Not Reapply</u> SKIP begins after June 1
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You are required to reapply for SKIP each year to verify that your family is still eligible for the program for the next plan year.

Annual reapplication takes place during Summer Enrollment since SKIP ends on August 31. **If the date your SKIP began is before June 1**, you must reapply in order to keep SKIP for the next plan year. Otherwise, SKIP ends August 31.

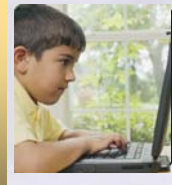
If the date your SKIP began is **June 1 or later**, you do not need to reapply. SKIP will continue on September 1 and through the next plan year. You do not have to reapply because your recent SKIP application provided proof that your family is eligible for the SKIP program.

Important: The requirement to reapply is based on the date your SKIP begins, not the SKIP approval date.

ERS sends reminders

ERS sends you a reminder to reapply for SKIP

- ✦ sent to address on file in ERS OnLine
- ✦ Includes the SKIP application and instructions



Reminders mailed in June

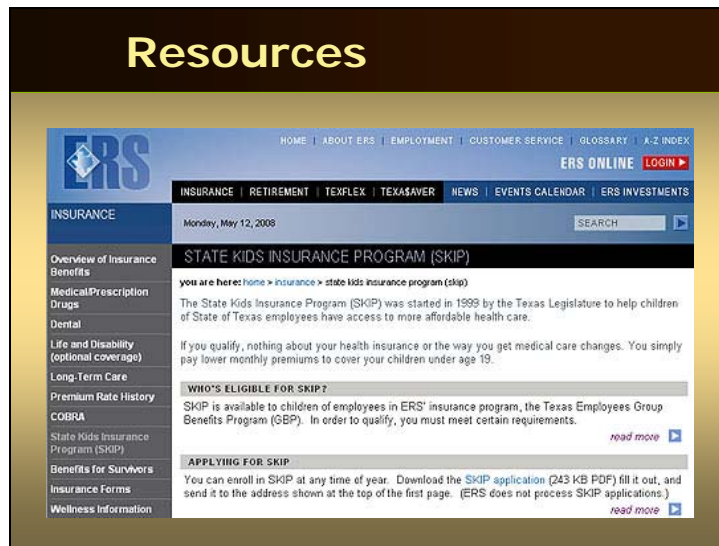
If you are required to reapply for SKIP, ERS sends a reminder to you at the address you have on file in ERS OnLine. The reminder also includes the SKIP application and instructions. ERS usually mails the reminder during the month of June.

Your reapplication must be postmarked by August 1 to avoid a break in SKIP on September 1. If your reapplication is not postmarked by August 1, you may not have SKIP on September 1. In this case, if you are approved for SKIP, the SKIP rate would begin on the first of the month after HHSC's approval date, and you would pay the regular rate until SKIP begins.

Example

Kelly has health coverage through HealthSelect for herself and her daughter Alexis. She was approved for SKIP in February of 2007 and pays \$25 a month for Alexis' health coverage premium.

She completes her reapplication for SKIP, but does not mail it until August 10. She pays \$137.95 for Alexis' health coverage in September; the rate an employee would pay without SKIP. Her SKIP application is approved during September, so in October she resumes paying \$25 for Alexis' health coverage.



If you have questions about SKIP, you can go to the SKIP page of the ERS website. To find the SKIP page:

1. Go to www.ers.state.tx.us
2. Click on Insurance at the top of the page.
3. Scroll down to the State Kids Insurance Program section.

Resources

Overview of Insurance Benefits

- Medical/Prescription Drugs
- Dental
- Life and Disability (optional coverage)
- Long-Term Care
- Premium Rate History
- COBRA
- State Kids Insurance Program (SKIP)
- Benefits for Survivors
- Insurance Forms
- Wellness Information

FAMILY SIZE AND INCOME GUIDELINES

you are here: [home](#) > [insurance](#) > [family size and income guidelines](#)

SKIP income guidelines Effective April 1, 2008		
Family size*	Maximum annual family income	Maximum monthly family income
2	\$28,000	\$2,334
3	35,200	2,934
4	42,400	3,534
5	49,600	4,134
6	56,800	4,734
7	64,000	5,334
8	71,200	5,934

* Add \$7,200 to the Annual Family Income for each additional family member. "Family size" includes the employee, spouse and all eligible dependents under the age of 19. The total number does not include children over the age of 19, grandparents or other relatives who may be living in the household.

Included in the State Kids Insurance Program section are the current SKIP income guidelines. These income guidelines are available through the Who's Eligible for SKIP? section of the SKIP page. Click on [family size and income guidelines](#).

Resources



SKIP Health Premium Rates for Plan Year 2008
Full-Time Employees
(Basic Term Life)

PLAN CODE	PLAN NAME	PREMIUM	STATE PAYS	SKIP PAYS	EMPLOYEE PAYS
18	HealthSelect of Texas				
	Member 100% of FPL	\$131.44	\$401.46	\$172.05	\$1,151.01
	Member & Children	\$1,341.51	3,754.31	3,124.05	\$7,219.87
	Member & Family				
	Member 100% of FPL	\$131.44	\$401.46	\$172.05	\$1,151.01
	Member & Children	\$1,341.51	3,754.31	3,124.05	\$7,219.87
	Member & Family				
19	Community Care				
	Member 100% of FPL	\$384.21	\$411.01	\$221.24	\$1,016.46
	Member & Children	\$252.71	\$524.53	\$311.24	\$1,077.98
	Member & Family				
	Member 100% of FPL	\$384.21	\$411.01	\$221.24	\$1,016.46
	Member & Children	\$252.71	\$524.53	\$311.24	\$1,077.98
	Member & Family				
20	FA - FFAACA (Allstate)				
	Member 100% of FPL	\$181.91	\$107.21	\$133.94	\$1,151.01
	Member & Children	\$1,131.51	\$762.34	\$1,133.05	\$2,927.91
	Member & Family				
	Member 100% of FPL	\$181.91	\$107.21	\$133.94	\$1,151.01
	Member & Children	\$1,131.51	\$762.34	\$1,133.05	\$2,927.91
	Member & Family				
21	FA - FFAACA (Allstate)				
	Member 100% of FPL	\$181.91	\$107.21	\$133.94	\$1,151.01
	Member & Children	\$1,131.51	\$762.34	\$1,133.05	\$2,927.91
	Member & Family				
	Member 100% of FPL	\$181.91	\$107.21	\$133.94	\$1,151.01
	Member & Children	\$1,131.51	\$762.34	\$1,133.05	\$2,927.91
	Member & Family				

To view rates for your family's health coverage with SKIP:

1. Click Who's Eligible for SKIP?
2. Scroll down and click [Health Premium Rates for PY 2008](#).
3. Click either SKIP (Full-Time Employees) or SKIP (Part-Time Employees)

Notice that the Member & Family SKIP rate for a full-time employee **is not** \$15 or \$25, because SKIP does not pay for a spouse's coverage.

For questions about your SKIP application, call HHSC at (877) KIDS-NOW.

You may also call ERS Customer Service for assistance toll-free at (877) 275-4377 or in the Austin area at (512) 867-7711. Customer Service normal operating hours are Monday – Friday, 7:30 a.m. to 5:30 p.m. CT.