



Low Income Premium Subsidy Program (LIPS)

The New Hampshire Health Plan is pleased to inform you about a **Low Income Premium Subsidy Program** that will be available to all new and existing members, who qualify, beginning January 1, 2009. For members who qualify, there will be a discount of 10% or 20% of the monthly premium for 2009.

To qualify for this discount, your annual income must be at 250% or less than the 2009 Federal Poverty Level published in the Federal Register by the United States Government.

To determine if you might be eligible please use the following as a guideline:

A family of one person whose annual income is \$26,000 or less may qualify for a 10% discount. For each additional person that is a qualified dependent family member you must add \$9,000 to the annual income limit of \$26,000 to determine qualification for a discount. The additional family members/dependents need not be an insured member of NHHP. Please read the application rules in their entirety.

For Example: If a person earned \$36,000 gross wages in 2008 and had a spouse and one dependent child; to determine if they qualify for the discount, calculate as follows: \$26,000 (for the insured) plus \$9,000 (for the spouse), plus \$9,000 (for the child) equals \$44,000. \$44,000 annual gross income is greater than the above example of a \$36,000 income. An application should be completed for the Low Income Discount. If this person had earned over \$44,000 in the above scenario, an application should not be completed, as he would not qualify.

All applications will be processed on a first come first served basis. If you think you may qualify, do not delay in completing the enclosed application and return all forms as requested in the application. You must continue to pay your monthly premium invoices as billed until you are notified that they have been accepted, at which time a credit will be applied to their account to offset any premiums that may have been overpaid.

PLEASE NOTE – IMPORTANT LIMITATIONS: The NHHP Low Income Premium Subsidy (LIPS) Program is funded entirely by a federal grant recently received by NHHP. NHHP will stop enrollment in the Program when its projections show that all of the grant money will be used, and it is uncertain whether NHHP will receive more grant money in the future. There is no guarantee that every qualified person who applies will be enrolled into the Program, and enrollees may not receive any premium subsidy at the end of the twelve (12) month guarantee period. Enrollment in the LIPS Program does not change any of the benefits, exclusions, or conditions described in their insurance policy, and they will remain subject to all of NHHP's underwriting policies and procedures.

Please call the Enrollment Department at 1-877-888-6447 with any questions you may have.



LOW INCOME PREMIUM SUBSIDY APPLICATION

Please type or print in black ink. Complete the Applicant Information section on this page and the attached Income Statement Worksheet and return them both to NHHP at the address listed below. Incomplete or missing information may delay the processing of this application. If you have questions while completing this application, log onto our **web site** at www.nhhealthplan.org, or call **Customer Service** at **1-877-888-6447**.

Mail forms to: NHHP, Attn: Enrollment, PO Box 1090, Great Bend, KS 67530

APPLICANT INFORMATION

Last Name _____ First Name _____ MI ____

Street Address _____

City _____ State _____ ZIP _____

County of Residence _____ Home Phone (____) _____

Work Phone (____) _____ Cellular Phone (____) _____

Marital Status: Single Married Separated / Divorced

Male Female Birth Date ____/____/____ Age _____

Total Family Size _____ (including children 18 years and younger)

Social Security Number of Applicant _____ - _____ - _____

Name of Spouse _____

Social Security Number of Spouse _____ - _____ - _____

List Dependents (see definitions, page 4) If dependent is over age 18, provide current proof of student status or incapacitation. Use additional sheet of paper if you have more than six dependents.

Name _____ Age _____ Name _____ Age _____

Name _____ Age _____ Name _____ Age _____

Name _____ Age _____ Name _____ Age _____

FOR OFFICE USE ONLY EFFECTIVE DATE ____/____/____

FAMILY INCOME WORKSHEET FOR LOW INCOME PREMIUM DISCOUNT

Has your employer changed in the last 12 months? Yes No

Has your income changed in the last 12 months? Yes No

If yes, please explain: _____

Check here if you want to use the most recent 3 months income so you can income average. Be sure to attach proof of each source of income. **Do not send original documents. They cannot be returned to you.**

Income / benefit source	Monthly Amount before taxes		SEND A COPY OF:
	Self	Spouse/ Child	
1. Gross wages, salary, assistantships, commissions, tips, overtime, and bonuses	\$	\$	Pay stubs for the most recent consecutive 30 days (must show pay date/periods, your name, and gross income).
2. Self-employment or rental income from your IRS 1040.			All business forms and schedules filed with the IRS. Schedules K-1 (if applicable). If loss, enter \$0. Do not deduct depreciation, amortization, or home office costs.
3. Unemployment benefits			Most recent 30 days of unemployment stubs (four current/consecutive weeks).
4. Social security retirement, survivor, disability, or supplemental security income benefits SSI, (circle type received)			Most recent benefits and/or award letter received for the current year. Name of person(s) receiving _____ _____
5. Retirement or pensions			Pay stub, award letter, benefit statement showing your current monthly benefit, or pension award letter showing monthly benefit.
6. Child support or alimony received			Statement signed by person paying child support or alimony, copy of checks, court documents, or Division of Child Support statement for the most recent 30 days. Name of child(ren) receiving _____
7. Insurance benefits (other than reimbursement for a loss or medical costs)			Award letter or benefit statement from the insurance company showing your current month's benefit.

INCOME WORKSHEET FOR LOW INCOME PREMIUM DISCOUNT (cont'd)

	Monthly before	Amount taxes	
Income / benefit source	Self	Spouse/ Child	SEND A COPY OF:
8. Interest, dividends, trust, annuity, capital gains, periodic receipts from estates			Current statement for all sources, or may be averaged from IRS Form 1040.
9. Veterans benefits/military allotments			Award letter or benefit statement showing your current monthly benefit.
10. Workers' compensation (L&I payments)			Statement(s) showing current/consecutive 30 days (two current/consecutive 14-day statements).
11. Public assistance (cash grants; do not include food stamps)			Award letter showing your current monthly benefit and dates received.
12. Other (please explain):			
13. Total pages 2 & 3	*	*	

SUBTOTAL LINE 13			
All Income Listed	\$		*Add together all Income for all persons in household
Subtract work-or school-related child care expenses	-		If attending school, send proof of registration from the school. If you have work or school-related child care expense, send receipts.
TOTAL MONTHLY GROSS INCOME	\$		

No income? If you and your spouse are reporting no income, briefly explain below how you supported yourself and sign the statement.

Please continue to Page 4

WHAT HAPPENS AFTER YOUR LOW-INCOME APPLICATION IS RECEIVED?

Your application is reviewed on a first-come, first-served basis. If additional information or documentation is needed, you will receive a letter asking for this information. Please note that request for additional information will delay your enrollment, so it's important to include all information when you send in your application. If you are found eligible for low-income discount, and space is available, you will receive notification of approval. **Please continue to pay your regular monthly premium amount until you have received written confirmation that you are eligible for the Low Income Premium Subsidy.** Once enrolled, you will receive confirmation from NHHP. Your premium will be adjusted and you will be notified of your overpayment (if any), which will be used to offset future premiums or may be refunded to you.

WHAT DO I NEED TO SEND WITH MY APPLICATION?

IRS form 1040 – Complete copy of your most recent federal income tax return (IRS form 1040, all schedules, and your K-1 forms, if applicable); If you were not required to file a tax return for the most recently completed year, or do not have a copy, you must send a transcript of your IRS Form 1040 or verification of your non-filing status (such as a letter), from the IRS. You may get a transcript by calling 1-800-829-1040 or sending IRS Form 4506T to the IRS, requesting a transcript. You also can request verification of non-filing status by sending Form 4506T to the IRS. You can find and print Form 4506T online at www.irs.gov.

Pay stubs – Copies of pay stubs and proof of all income for the last 30 days for you and, if married for your spouse. Pay stubs need to include your name, the pay period, and gross earnings before deductions.

Other income and benefits – Written proof of all other income and benefits your family received in the last 30 days. Income and benefits may include, but are not limited to: Social Services Cash grants, Interest, Dividends, Child Support, Unemployment benefits, Royalties, Alimony, Workers Compensation (L&I), Pensions, Payments in cash, and Social Security.

Zero Income – If you or your spouse received no income or benefits in the last 30 days, please explain at the bottom of page 3 of the application how you, your spouse and your dependents (if any) supported yourself during this period of time.

Self Employment – If you or your spouse are self-employed or have rental income, send a copy of forms 1040, Schedule E (for reporting personal income from partnerships or corporations), Schedule C (self-employment) and Schedule D for capital gains. If you received Schedule(s) K-1 from corporations or partnerships, include copies. If you have started a new business within the last year, you must submit a Self-Employment or Rental Income Worksheet (see Page 8 of this application).

Dependents – Who should I list as my dependents?

- Your unmarried children who are:
- Under age 19, including your stepchildren, legally adopted children or other children for whom you have legal guardianship (you must provide documentation of legal guardianship); **or**
- Under age 19, and in your custody under an informal guardianship agreement that is signed by the child's parent(s) (you must provide a copy of the guardianship agreement and proof that you are providing at least 50 percent of the child's support); **or**
- Under age 26, including your stepchildren, legally adopted children, or other children for whom you have legal guardianship (you must provide documentation of legal guardianship), and is a full-time student in an accredited school (you must provide proof of current full-time student status); **or**
- Your dependent of any age who is incapable of self-support due to disability (you must provide proof of disability and, if the disabled dependent is not your birth or adopted child, you must provide proof of legal guardianship).

INCOME TABLES

TYPE OF INCOME – EARNED	EXAMPLES OF DOCUMENTATION
Wages, Salaries, Tips	<ul style="list-style-type: none"> • Copy of pay stub(s) • Signed and dated letter from the employer
Net Self-employment Income (Non-farm and Farm)	<ul style="list-style-type: none"> • IRS 1040 and all applicable schedules for the most recent tax year • K-1(s) if applicable • Self-employment/Rental Income Worksheet • Proof of income and expenses
Net Rental Income	<ul style="list-style-type: none"> • IRS 1040 and all applicable schedules for the most recent tax year • K-1(s) if applicable • Self-employment/Rental Income Worksheet • Proof of income and expenses
Stipend, Work Study, Assistantship	<ul style="list-style-type: none"> • Copy of pay stub(s) • Award letter • Signed and dated statement from an institution of higher education
TYPE OF INCOME – UNEARNED	EXAMPLES OF DOCUMENTATION
Periodic payments from Social Security, Railroad Retirement, Military Pension or Retirement, Military Disability Payment, Government Employee Pension, Private Company Pension, Unemployment Compensation, Strike Benefits from Union Funds	<ul style="list-style-type: none"> • Pay stub(s) • Award letter/Benefits statement or Benefit Verification letter • Cost of living allotment statement • Signed and dated statement from payer • Copy of check or bank statement ONLY when current award letter, benefit statement or benefit verification letter is on file • Computer print-out from agency/payer (ESD, SSA, etc.)
One-time Insurance Payments for punitive damages, only; Periodic Insurance or Annuity payments (annual, quarterly, monthly, etc); Compensation for Injury including Worker's excluding permanent Partial Disability Payments from Workman's Compensation (PDP)	<ul style="list-style-type: none"> • Statement from institution • Award letter • Court document(s) • Copy of check or bank statement ONLY when current award letter or benefit statement is on file • State Labor & Industries Payment Order (for either worker's compensation or crime victim's compensation) • Letter from attorney if it shows gross

INCOME TABLES (cont'd)

TYPE OF INCOME – UNEARNED	EXAMPLES OF DOCUMENTATION
Public Assistance, Military Family Allotments, Alimony/Spousal Maintenance & Child Support* *Alimony/Spousal maintenance & child support are the only types of “family support” included as income	<ul style="list-style-type: none"> • Award letter or computer print-out from Social Services • Leave & Earnings Statement • Court document(s) or DCS (Div of Child Support) statement; include pages that shows which portion of the payment was for current support and which portion was to pay for arrears or “back support” • Copy of check or bank statement ONLY when current award letter or benefit statement is on file • Signed & dated statement from parent paying child support
Dividends & Interest accessible without a penalty for early withdrawal	<ul style="list-style-type: none"> • Statement from investment firm, bank or financial institution • IRS 1040 and all applicable schedules for the most recent tax year
Net Royalties, Net Gambling or Net Lottery Winnings, Sweepstakes – will not be counted as unearned income if received by applicant more than 30 days before applying	<ul style="list-style-type: none"> • Copy of contract • Copy of check • IRS 1040 and all applicable schedules for the most recent tax year
Lump Sum Inheritances, Estates, Trusts	<ul style="list-style-type: none"> • Court document(s) • Statement from trustee, bank or financial institution • Copy of check • IRS 1040 and all applicable schedules for the most recent tax year • K-1(s) if applicable
Net Capital Gain(s)	<ul style="list-style-type: none"> • IRS 1040 and all applicable schedules for the most recent tax year •
OTHER INCOME	EXAMPLES OF DOCUMENTATION
Income for which documentation is unattainable	<ul style="list-style-type: none"> • Income Worksheet, signed and dated • Signed & dated statement from applicant/member or payer • Copy of check(s) with signed & dated statement
Zero Income Statement	<ul style="list-style-type: none"> • Income Worksheet, signed & dated • Signed & dated statement from applicant/member
Boarders or renters	<ul style="list-style-type: none"> • Signed and dated statement from payer • Self-Employment/Rental Income Worksheet • IRS 1040 and all applicable schedules for the most recent tax year

INCOME TABLES (cont'd)

INCOME DOES NOT INCLUDE THE FOLLOWING TYPES OF MONEY RECEIVED
Any assets drawn down as withdrawals from a bank, the sale of property, a house or a car.
Withdrawals from an IRA or savings account.
Income EARNED by a dependent child with the exception of distributions from a corporation, partnership, or business.
Tax refunds, gifts (defined as money given by a friend or a family member other than a spouse, whether received monthly, quarterly or annually, EXCEPT alimony or child support), and loans.
Noncash receipts, such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits, food or housing received in lieu of wages, the value of food or fuel produced and consumed on farms, the imputed value of rent from owner-occupied nonfarm or farm housing, goods or services received due to payments a trust makes to a third party, and such noncash benefit programs as Medicare, Medicaid, food stamps, school lunches, state supplementary payment income that is specifically dedicated to reimburse for services received, and housing assistance.
Income of a family member who resides in another household when such income is not available to the subscriber or dependents seeking enrollment.
College or university scholarships, grants and fellowships; VA school benefits.
Early withdrawals from pensions, annuities, 401K plans, Keogh plans (self employed pension), or 457 plans (deferred compensation) are considered as withdrawals from a savings account.*
Payments from the Adoption Support Program.

***Background** - Withdrawals are made prior to the member's eligibility to receive the monies as a periodic/monthly payment.

****Background** – Any retroactive settlement (**back pay**) is not used to calculate income. A continuing benefit/payment is considered to be income.

Self-employment Instructions

If you or your spouse are self-employed or have rental income, send a copy of all business forms and schedules filed with the IRS, including your Schedule(s) K-1 (if applicable).

You must complete and send the *Self-Employment or Rental Income Worksheet* portion of the application if you:

- Did not file a federal tax return; or
- Have been in business for less than 12 months;

If you have been in business for more than 12 months, but did not file a tax return, you must complete 12 months' worth of income on the worksheet.

SELF-EMPLOYMENT or RENTAL INCOME WORKSHEET

Applicant's Name _____ Social Security No. _____

If you filed an income tax return for your business, provide a copy of all forms, schedules, and K-1s, if applicable. If you have more than one business, copy this form. Complete a separate form for each business. **If you have owned the business(es) or rental property less than 12 months, fill in the income and expenses for the number of months you have been in business or owned the property.**

Do not mail originals to NHHP; they will not be returned to you.

Name of business:			
Name(s) of business owner(s):			
Federal Tax ID #:			
Date business began / /	Months you are reporting	Total number of months in business	
Type of business	Rental(s) Sole proprietor	C-Corporation S-Corporation	LLC Partnership
Percent of business owned by you and your spouse, if married:			%
Income			Total for this period
Gross Receipts, sales, or rental income			
Expenses: Business-related only			Total for this period
Merchandise and materials			
Gross wages paid to employees (less employment credits)			
Employer's payroll-related taxes			
Advertising/other promotional			
Car and truck			
Commissions/management fees			
Insurance (not NHHP)			
Interest—Mortgage			
Interest—Other			
Legal and professional fees			
Rent or lease of vehicles, machinery, equipment			
Rent or lease of other business property			
Repairs and maintenance			
Supplies			
Taxes and licenses			
Travel, meals, and entertainment			
Utilities			
Business use of the home (If you can prove more than half of your home is used for business most of the year, or you have a separate building on your residential property that is used only for business)			
Total business expenses			
Total net profit (or loss)			