

**NOTICE OF PROPOSED SETTLEMENT OF CLASS ACTION
CONCERNING TERMINATION FROM MO HEALTHNET FOR KIDS
(formerly known as MC+ FOR CHILDREN) BECAUSE OF MISSED PREMIUM PAYMENTS**

This notice gives you information about the settlement of a lawsuit challenging how Missouri terminated coverage of children receiving MC+ benefits because of missed or late premium payments.

BACKGROUND

In February 2007, a lawsuit, *J.W.M. v. Scott*, No. 07-4036, was brought claiming that the Missouri Department of Social Services, the Missouri Family Support Division, and the Missouri Division of Medical Services (now known as the MO HealthNet Division) ("DSS") were not giving children who received health coverage through MC+ for Children notice of their right to an appeal and notice of the opportunity to receive continued benefits before terminating their health coverage because of missed premium payments. The lawsuit also claims that, before terminating health coverage because of missed payments, DSS did not review whether children were eligible for health coverage under another Medicaid category. The Court certified a class of "All children residing in Missouri and who are receiving or who will receive health coverage [from MO HealthNet for Kids, formerly known as MC+ for Children] and are required to pay a premium under Mo.Rev. Stat. § 208.640." The parties have agreed to a settlement in the case, which must be approved by the Court.

PROPOSED SETTLEMENT

You can see the entire proposed settlement at the websites for the plaintiffs' counsel: National Center for Law and Economic Justice, www.nclej.org, and the National Health Law Program, www.healthlaw.org.

The plaintiff class consists of "All children residing in Missouri and who are receiving or who will receive health coverage [from MO HealthNet for Kids, formerly known as MC+ for Children] and are required to pay a premium under Mo.Rev. Stat. §208.640." Plaintiffs' counsel will be receiving reports from DSS, and will review available information to examine DSS' compliance with the settlement agreement.

The basic terms of the settlement are:

1. DSS will send the specific notices approved by plaintiffs' counsel by regular mail to MO HealthNet for Kids participants when terminating MO HealthNet coverage because of missed premium payments.
2. Defendants will reinstate coverage for participants who lost MO HealthNet coverage because of a missed premium payment while moving from a non-premium payment group into a premium payment group between July 9, 2007, and January 16, 2008, send them a reinstatement notice, and provide reimbursement in accordance with the MO HealthNet fee schedule and MO HealthNet coverage policies.
3. Under the Settlement, the defendants will provide certain class members an opportunity to request a review of whether they were eligible for coverage under another Medicaid program at the time that their MO HealthNet coverage was terminated. If these class members were eligible for another Medicaid program, defendants will provide reimbursement in accordance with the MO HealthNet fee schedule and MO HealthNet coverage policies.
4. The Premium Collection Unit telephone helpline will be tested and one full-time equivalent staff member will be reassigned to answer the helpline if the test criteria are not met.

RIGHT TO OBJECT

Any class member has the right to let the Court, the attorneys, and the parties know if he or she objects to the proposed settlement. The Court has set a hearing for this purpose on April 18, 2008, at 9:00 a.m. at the following address:

**Honorable Nanette Laughrey, United States District Judge
United States District Court for the Western District of Missouri
United States Courthouse
131 W. High Street, Jefferson City, Missouri 65101**

Class members may also object to the settlement by sending a letter marked "J.W.M. v. Scott Settlement" before April 11, 2008 to the Court at the address listed above. Class members may also call the National Center for Law and Economic Justice, which represents the plaintiffs in this lawsuit, with any questions, at: 1-800-520-7856.