The Pre-Existing Condition Insurance Plan

Richard Popper
Director, Office of Insurance Programs
Overview of the Pre-Existing Condition Insurance Plan (PCIP)

- Section 1101 of The Affordable Care Act (ACA) requires that HHS establish a “temporary high risk health insurance pool program”
- Provides immediate coverage for individuals with pre-existing conditions until the Health Insurance Exchanges are available in 2014
  - Law required establishment within 90 days of enactment
ACA Established Basic Eligibility Requirements

• In order to qualify for PCIP, an individual must:
  – Be a U.S. citizen or residing in the U.S. legally;
  – Have been uninsured for a minimum of 6 months before applying to PCIP; and
  – Have a pre-existing condition or have been denied coverage because of a health condition.
Administration of PCIP Varies by State

[Map showing the United States with states colored in green for Federally administered PCIP and gray for State administered PCIP.]
Documenting a Pre-Existing Condition

• Requirements vary by state
  – In states where PCIP is federally administered, applicants may provide a denial of coverage, offer of coverage with a rider, or in some cases, offer of coverage at a substantially higher rate*
  – Some states that administer PCIP use condition lists to establish eligibility; these vary by state

*Rate must equal at least 200% of corresponding PCIP rate. Applicable only for a child under age 19 or for a person who lives in Massachusetts or Vermont.
What Consumers Need to Apply

- Basic personal information (name, address, state of residence)
- *Citizenship status* – indicate on application or provide documentation
- *Eligibility* (denial letter, offer of coverage with a rider, provider letter*)
- Other health coverage – checklist
- Information about any recent health coverage

*Select states only.*
PCIP Offers Comprehensive Benefits…

- Care in medical offices for treatment of illness or injury
- Emergency services
- Inpatient and outpatient hospital services
- Inpatient and outpatient mental health and substance abuse services
- Prescription drugs
- Home health care and hospice services
- Outpatient laboratory and diagnostic services
- In- and out-of-network benefits
…and Important Features for Consumers

- First-dollar coverage for preventive care
- No lifetime maximum on the amount the plan pays for enrollee’s care
- Benefits are available immediately when coverage begins, even for pre-existing conditions
- The ability to receive benefits at any qualified provider
## 2011 Plan Options and Out-of-Pocket Costs

<table>
<thead>
<tr>
<th>Beneficiary Responsibilities</th>
<th>Federal Plans</th>
<th>State Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Standard Option</td>
<td>Extended Option</td>
</tr>
<tr>
<td>Monthly premium</td>
<td>$116 - $626</td>
<td>$156 - $842</td>
</tr>
<tr>
<td>Medical deductible</td>
<td>$2,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Drug deductible</td>
<td>$500</td>
<td>$250</td>
</tr>
<tr>
<td>Out-of-pocket limit</td>
<td>$5,950</td>
<td>$5,950</td>
</tr>
</tbody>
</table>

NOTE: Above amounts represent costs for selected in-network services. More information on costs and benefits is available at [http://www.pcip.gov](http://www.pcip.gov).
## What Enrollees Pay for Care

<table>
<thead>
<tr>
<th>Beneficiary Responsibilities</th>
<th>Federal Plans</th>
<th>State Plans</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Standard Option</td>
<td>Extended Option</td>
</tr>
<tr>
<td>Inpatient and Outpatient Hospital Services</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Lab and Diagnostic Services</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Medical Coinsurance</td>
<td>20%</td>
<td>20%</td>
</tr>
<tr>
<td>Office Visit Copay</td>
<td>$25</td>
<td>$25</td>
</tr>
<tr>
<td>Drug Copay</td>
<td>$4/$40/25%</td>
<td>$4/$30/25%</td>
</tr>
</tbody>
</table>

NOTE: Above amounts represent costs for selected in-network services. More information on costs and benefits is available at [http://www.pcip.gov](http://www.pcip.gov). *With the exception of preventive care, the full deductible must be met prior to receipt of benefits, including prescription drugs.
Consumers May Apply to PCIP in Several Ways

- Mailing a paper application (can request by phone)
- Faxing a paper application
- Submitting an online application
- Calling the national help line
Where Consumers Can Find More Information

• Consumers interested in applying to PCIP may visit [http://www.pcip.gov](http://www.pcip.gov)
  – Under “Select Your State,” consumers should click their state of residence on the interactive map
  – Each state page includes state-specific information

• Consumers may also request information by calling 1-866-717-5826 (TTY: 1-866-561-1604)
  – The Call Center is open from Monday – Friday from 8 am – 11 pm EST
Where Consumers Can Find More Information

HealthCare.gov

Pre-Existing Condition Insurance Plan

Health Reform and People with Pre-existing Conditions

The Pre-Existing Condition Insurance Plan makes health insurance available to people who have had a problem getting insurance due to a pre-existing condition.

The Pre-Existing Condition Insurance Plan:
- Covers a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs.
- Doesn’t charge you a higher premium just because of your medical condition.
- Doesn’t base eligibility on income.

Your Questions Answered

Q: Who is eligible for Pre-Existing Condition Insurance Plan?
A: To be eligible for the Pre-Existing Condition Insurance Plan,
- You must be a citizen or national of the United States or residing in the U.S. legally.
- You must have been uninsured for at least the last six months. Please note that if you currently have insurance coverage that doesn’t cover your medical condition or are enrolled in a state high risk pool, you are not eligible for the Pre-Existing Condition Insurance Plan.
- You must have a pre-existing condition or have been denied coverage because of your health condition.

2011 Program Changes

The Pre-Existing Condition Insurance Plan is being updated for 2011, including new rates and benefits. Click here for info on the upcoming changes or go to the Learn More page for more details on the changes.

Be Careful!

You can only enroll in the Pre-Existing Condition Insurance Plan by applying for coverage using the methods described on the Apply page. Do not respond to phony calls or letters asking you to enroll for a fee.

Apply Now

Department of Health and Human Services

Center for Consumer Information and Insurance Oversight
Where Consumers Can Find More Information

Links to information on rates, plans, and benefits
How Consumers Can Apply to PCIP
How Consumers Can Apply to PCIP

Select state of residence
PCIP Moving Forward

• Focus on Outreach
  – Pursuing a targeted outreach and enrollment strategy
  – Forging relationships with other federal agencies to identify potentially eligible consumers
  – Partnering with external groups to educate consumers
Questions and Answers
For more information on the Pre-existing Condition Insurance Plan, please visit http://www.pcip.gov

Richard Popper
richard.popper@hhs.gov

Laurie Oseran
laurie.oseran@hhs.gov
Appendix
How Consumers Can Apply: State Administered

Link to state page
How Consumers Can Apply: State Administered

- Link to state website
- Display of state premiums

Pre-Existing Condition Insurance Plan: Montana

Eligible residents of Montana can apply for coverage through the state’s Pre-Existing Condition Insurance Plan program run by the Montana Comprehensive Health Association.

To qualify for coverage:
- You must be a citizen or national of the United States or residing in the United States legally.
- You must have been uninsured for at least six months before you apply.
- You must have a pre-existing condition or have been denied coverage because of your health condition.

The Pre-Existing Condition Insurance Plan will cover a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs. All covered benefits are available to you, even if you have a pre-existing condition.

Premiums:
- Initial: $219 to $581 per month
- Out-of-Pocket Limit: $5,500

To learn more about this program, please call 1-800-447-6129 or visit http://www.mthealth.org.
How Consumers Can Apply: State Administered
How Consumers Can Apply: Federally Administered