

Pre-Existing Condition Insurance Plan Data as of June 30, 2013

The Affordable Care Act created the new Pre-Existing Condition Insurance Plan (PCIP) program to make health insurance available to Americans denied coverage by private insurance companies because of a pre-existing condition. People living with conditions like diabetes, asthma, cancer, and HIV/AIDS have often been priced out of affordable health insurance options, and this has left millions without insurance.

PCIP is a temporary program that covers a broad range of health benefits and is designed as a bridge for people with pre-existing conditions who cannot obtain health insurance coverage in today's private insurance market. A range of professional, inpatient and drug treatments were provided to these individuals.

In 2014, all Americans – regardless of their health status – will have access to affordable coverage either through their employer or through new competitive marketplaces called Exchanges, and insurers will be prohibited from charging more or denying coverage to anyone based on the state of their health.

The PCIP program is administered by either the state or the federal government: 27 states have chosen to run their own programs, while 23 states and the District of Columbia elected to have their PCIP program administered by the federal government.

The PCIP program began accepting applications for enrollment in July 2010. Like private insurance plans, PCIP programs may incur expenses daily, but often do not submit claims for reimbursement until several weeks later. Accordingly, CCIIO will be posting data on a quarterly basis.

It is important to note that the PCIP interim final rule places a limit of 10 percent on administrative costs over the life of the program. HHS anticipates that our overall administrative costs will be at 10 percent or less over the life of the program, especially after one-time startup investments have been made. We continue to monitor these costs closely.

The chart below details reported expenditures paid as of June 30, 2013.¹

¹ These figures reflect claims and administrative costs paid as of June 30, 2013 and do not reflect costs that are incurred but not reported.

State-run PCIP Expenditures by State				
State Name	Enrollment as of June 30, 2013	Claims Paid as of June 30, 2013	Administrative Expenses Paid as of June 30, 2013	Expenditures Net of Premium Revenue as of June 30, 2013 ²
Alaska	43	\$14,006,074	\$907,842	\$13,554,157
Arkansas	871	\$17,003,367	\$2,369,490	\$13,999,753
California	16,060	\$709,268,156	\$30,888,338	\$651,600,405
Colorado	1,227	\$93,162,970	\$3,716,691	\$82,434,213
Connecticut	662	\$14,122,893	\$2,356,740	\$12,673,672
Illinois	3,544	\$113,468,663	\$2,915,480	\$92,137,276
Iowa	374	\$17,532,373	\$1,727,845	\$15,490,669
Kansas	470	\$34,062,545	\$1,554,723	\$30,855,726
Maine	61	\$3,761,237	\$94,364	\$3,056,506
Maryland	1,321	\$41,473,558	\$3,722,617	\$37,304,077
Michigan	2,124	\$98,521,809	\$2,502,693	\$90,394,560
Missouri	2,138	\$83,602,321	\$3,589,743	\$72,480,221
Montana	325	\$19,627,374	\$1,296,342	\$16,896,219
New Hampshire	630	\$60,798,770	\$1,615,006	\$56,321,165
New Jersey	1,385	\$81,615,622	\$1,589,364	\$68,850,240
New Mexico	1,431	\$58,793,082	\$2,551,166	\$48,329,270
New York	5,077	\$221,855,899	\$14,571,701	\$198,143,223
North Carolina	5,883	\$66,189,334	\$8,237,053	\$41,762,679
Ohio	3,340	\$116,688,969	\$3,261,621	\$91,989,374
Oklahoma	1,003	\$44,323,907	\$2,460,007	\$39,291,418
Oregon	1,456	\$103,891,842	\$1,871,317	\$83,323,631
Pennsylvania	6,663	\$142,435,388	\$8,062,657	\$105,709,543
Rhode Island	159	\$8,871,296	\$1,554,698	\$8,484,550
South Dakota	195	\$22,289,017	\$576,348	\$20,462,642
Utah	981	\$65,680,718	\$1,249,101	\$57,873,982
Washington	1,044	\$84,968,240	\$3,750,707	\$73,436,708
Wisconsin	2,297	\$31,585,452	\$2,943,177	\$22,128,449
TOTALS	60,764	\$2,369,600,875	\$111,936,830	\$2,048,984,330

² PCIP members pay premiums. This premium revenue pays for some of the cost of the PCIP program. However, as a high risk pool, PCIP members incur expenses that exceed premiums paid. The \$5 billion for the PCIP program covers the expenses in excess of premiums paid. The “expenditures net of premium revenue” equal the total expenses, claims and administrative, minus the total premium revenue.

Federally-run PCIP Expenditures by State				
State name	Enrollment as of June 30, 2013	Claims Paid as of June 30, 2013	Administrative Expenses Paid as of June 30, 2013 ³	Expenditures Net of Premium Revenue as of June 30, 2013 ⁴
Alabama	795	\$33,144,510	N/A	N/A
Arizona	4,653	\$153,354,563	N/A	N/A
Delaware	297	\$6,989,364	N/A	N/A
District of Columbia	91	\$2,299,958	N/A	N/A
Florida	10,402	\$312,213,399	N/A	N/A
Georgia	3,364	\$116,220,823	N/A	N/A
Hawaii	158	\$5,722,178	N/A	N/A
Idaho	672	\$68,506,861	N/A	N/A
Indiana	1,847	\$57,088,458	N/A	N/A
Kentucky	1,396	\$31,641,352	N/A	N/A
Louisiana	1,527	\$34,315,076	N/A	N/A
Massachusetts ⁵	21	\$1,143,694	N/A	N/A
Minnesota	830	\$19,895,281	N/A	N/A
Mississippi	340	\$17,305,209	N/A	N/A
Nebraska	411	\$19,630,140	N/A	N/A
Nevada	1,269	\$53,594,654	N/A	N/A
North Dakota	95	\$4,619,303	N/A	N/A
South Carolina	1,999	\$63,368,060	N/A	N/A
Tennessee	1,836	\$59,676,206	N/A	N/A
Texas	8,829	\$535,411,934	N/A	N/A
Vermont	0	\$177,988	N/A	N/A
Virginia	2,915	\$74,889,023	N/A	N/A
West Virginia	183	\$5,494,906	N/A	N/A
Wyoming	272	\$8,160,324	N/A	N/A
TOTALS	44,202	\$1,684,863,264	\$119,714,763.1⁶	\$1,553,200,308

³ Administrative expenses net of premium revenue were not available for the federally-run states.

⁴ Expenditures net of premium revenue were not available for the federally-run states.

⁵ Massachusetts and Vermont are guarantee issue states that have already implemented many of the broader market reforms included in the Affordable Care Act that take effect in 2014. Existing commercial plans offering guaranteed coverage at premiums comparable to PCIP are already available in both states.

⁶ Figure does not reflect CCIIO administrative costs.