

Pre-Existing Condition Insurance Plan Data as of December 31, 2011

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 December 31, 2011.¹

State-run PCIP Expenditures by State				
State Name	Enrollment as of December 31, 2011	Claims Paid as of December 31, 2011	Administrative Expenses Paid as of December 31, 2011	Expenditures Net of Premium Revenue as of December 30, 2011 ²
Alaska	44	\$ 4,389,287	\$ 469,031	\$ 4,395,460
Arkansas	404	\$ 3,682,439	\$ 925,546	\$ 3,295,869
California	5599	\$ 74,835,059	\$ 9,493,758	\$ 71,437,226
Colorado	1054	\$ 28,713,033	\$ 1,740,239	\$ 26,318,849

Connecticut	163	\$ 1,427,056	\$ 1,258,077	\$ 2,277,749
Illinois	1962	\$ 29,009,851	\$ 939,382	\$ 23,427,323
Iowa	238	\$ 3,987,525	\$ 893,951	\$ 3,858,416
Kansas	301	\$ 8,737,488	\$ 642,681	\$ 8,230,630
Maine	30	\$ 863,481	\$ 25,705	\$ 667,462
Maryland	741	\$ 9,956,559	\$ 1,194,609	\$ 9,572,720
Michigan	789	\$ 13,536,703	\$ 1,313,615	\$ 13,135,671
Missouri	1031	\$ 12,915,643	\$ 968,753	\$ 11,205,000
Montana	280	\$ 8,165,976	\$ 619,136	\$ 7,501,990
New Hampshire	306	\$ 15,237,740	\$ 689,201	\$ 14,734,397
New Jersey	794	\$ 19,045,885	\$ 598,964	\$ 16,100,487
New Mexico	805	\$ 13,396,607	\$ 998,737	\$ 13,062,617
New York	2632	\$ 34,838,848	\$ 5,918,597	\$ 31,815,599
North Carolina	2889	\$ 13,801,260	\$ 2,715,907	\$ 9,245,366
Ohio	2137	\$ 29,262,560	\$ 1,392,239	\$ 22,206,880
Oklahoma	576	\$ 9,765,330	\$ 831,931	\$ 8,880,569
Oregon	1187	\$ 27,898,402	\$ 739,273	\$ 21,814,823
Pennsylvania	4567	\$ 39,827,586	\$ 2,576,771	\$ 16,769,104
Rhode Island	136	\$ 2,775,012	\$ 932,264	\$ 2,860,072
South Dakota	153	\$ 5,052,215	\$ 228,060	\$ 4,725,577
Utah	696	\$ 12,238,802	\$ 416,319	\$ 10,636,802
Washington	708	\$ 19,083,406	\$ 1,497,376	\$ 17,294,452
Wisconsin	1000	\$ 5,219,221	\$ 1,621,941	\$ 3,589,326
TOTALS	31,222	\$447,662,974	\$ 41,642,060	\$ 379,060,435

Federally-run PCIP Expenditures by State				
State name	Enrollment as of December 31, 2011	Claims Paid as of December 31, 2011	Administrative Expenses Paid as of December 31, 2011 ³	Expenditures Net of Premium Revenue as of December 31, 2011 ⁴
Alabama	340	\$3,951,385	N/A	N/A
Arizona	1783	\$17,046,561	N/A	N/A
Delaware	153	\$893,337	N/A	N/A
District of Columbia	38	\$496,835	N/A	N/A
Florida	3736	\$47,527,711	N/A	N/A
Georgia	1476	\$23,210,255	N/A	N/A
Hawaii	78	\$1,355,017	N/A	N/A
Idaho	316	\$7,098,995	N/A	N/A
Indiana	678	\$8,812,034	N/A	N/A
Kentucky	435	\$4,058,788	N/A	N/A
Louisiana	377	\$4,355,407	N/A	N/A
Massachusetts ⁵	5	\$5,676	N/A	N/A
Minnesota	244	\$2,892,220	N/A	N/A
Mississippi	163	\$4,584,373	N/A	N/A
Nebraska	174	\$5,034,839	N/A	N/A
Nevada	579	\$8,692,443	N/A	N/A
North Dakota	32	\$943,451	N/A	N/A
South Carolina	948	\$14,052,962	N/A	N/A
Tennessee	878	\$11,580,109	N/A	N/A
Texas	4029	\$95,062,377	N/A	N/A
Vermont	0	\$0	N/A	N/A

Virginia	982	\$11,871,688	N/A	N/A
West Virginia	76	\$925,356	N/A	N/A
Wyoming	137	\$2,095,737	N/A	N/A
TOTALS	17,657	\$276,547,557	\$46,903,341⁶	\$239,267,235

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

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.

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

⁴ Administrative expenses and 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