

Pre-Existing Condition Insurance Plan Data as of September 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: Until June 30, 2013, 27 states ran their own programs, while 23 states and the District of Columbia elected to have their PCIP program administered by the federal government. In 2013, 17 of the state run programs transferred administration to the federal program. There are currently 40 states and the District of Columbia in the federal program.

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 September 30, 2013.¹

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

State-run PCIP Expenditures by State				
State Name	Enrollment as of September 30, 2013	Claims Paid as of September 30, 2013	Administrative Expenses Paid as of September 30, 2013	Expenditures Net of Premium Revenue as of September 30, 2013²
Alaska	36	\$15,281,246	\$989,888	\$14,772,386
Connecticut	582	\$16,995,267	\$2,561,703	\$15,066,286
Maine	56	\$4,238,164	\$108,300	\$3,411,103
Maryland	1376	\$47,185,657	\$4,036,112	\$42,193,691
Montana	280	\$21,201,174	\$1,396,917	\$18,107,690
New Jersey	1158	\$92,598,866	\$1,764,285	\$78,043,272
New Mexico	1309	\$65,400,926	\$2,812,349	\$53,283,917
Oklahoma	906	\$50,025,124	\$2,764,985	\$44,290,291
Rhode Island	139	\$8,874,996	\$1,682,528	\$8,426,698
Wisconsin	2137	\$35,260,138	\$3,970,562	\$25,434,967
TOTALS	7,979	\$357,061,559	\$22,087,629	\$303,030,300

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.

Transition State PCIP Expenditures³				
State Name	Enrollment as of September 30, 2013	Claims Paid as of September 30, 2013	Administrative Expenses Paid as of September 30, 2013	Expenditures Net of Premium Revenue as of September 30, 2013
Arkansas	750	\$17,879,894	\$2,591,501	\$15,097,489
California	13428	\$777,359,511	\$33,803,409	\$722,604,838
Colorado	925	\$98,251,286	\$3,995,928	\$87,803,221
Illinois	2752	\$122,081,701	\$3,074,503	\$100,431,360
Iowa	323	\$18,083,190	\$1,845,273	\$16,150,946
Kansas	384	\$35,513,048	\$1,686,488	\$32,428,341
Michigan	1798	\$109,717,056	\$2,607,422	\$101,009,950
Missouri	1803	\$90,326,576	\$3,639,142	\$79,251,471
New Hampshire	441	\$63,132,058	\$1,734,466	\$58,762,668
New York	3820	\$234,131,928	\$15,080,567	\$210,907,220
North Carolina	3340	\$70,506,921	\$8,863,149	\$46,706,362
Ohio	3001	\$122,252,145	\$3,475,420	\$97,841,538
Oregon	974	\$108,692,552	\$1,991,158	\$88,094,424
Pennsylvania	5915	\$146,313,781	\$8,072,232	\$107,525,318
South Dakota	141	\$22,731,698	\$596,587	\$20,925,562
Utah	736	\$68,722,089	\$1,323,242	\$61,011,033
Washington	443	\$88,222,913	\$4,032,483	\$76,965,699
TOTALS	40,974	\$2,193,918,346	\$98,412,972	\$1,923,517,438

³ These states transferred program administration to the federal government effective July 1, 2013. These updated figures include pre-transition expenses and administrative and claims run out expenses realized after the July 1, 2013 transition.

Federal PCIP Expenditures⁴				
State Name	Enrollment as of September 30, 2013	Claims Paid as of September 30, 2013	Administrative Expenses Paid as of September 30, 2013⁵	Expenditures Net of Premium Revenue as of September 30, 2013⁶
Alabama	711	\$38,065,498	N/A	N/A
Arizona	4293	\$173,993,946	N/A	N/A
Arkansas	750	\$695,050	N/A	N/A
California	13428	\$16,421,656	N/A	N/A
Colorado	925	\$1,963,187	N/A	N/A
Delaware	272	\$8,378,747	N/A	N/A
District of Columbia	79	\$2,725,071	N/A	N/A
Florida	9551	\$351,873,942	N/A	N/A
Georgia	3076	\$130,566,087	N/A	N/A
Hawaii	148	\$6,417,619	N/A	N/A
Idaho	494	\$74,857,492	N/A	N/A
Illinois	2752	\$4,097,326	N/A	N/A
Indiana	1727	\$62,925,493	N/A	N/A
Iowa	323	\$317,707	N/A	N/A
Kansas	384	\$514,534	N/A	N/A
Kentucky	1284	\$35,620,601	N/A	N/A
Louisiana	1421	\$40,256,968	N/A	N/A
Massachusetts ⁷	18	\$1,477,596	N/A	N/A
Michigan	1798	\$4,041,937	N/A	N/A
Minnesota	762	\$21,889,629	N/A	N/A
Mississippi	290	\$19,132,074	N/A	N/A
Missouri	1803	\$4,588,589	N/A	N/A
Nebraska	377	\$20,973,791	N/A	N/A
Nevada	1165	\$59,704,488	N/A	N/A

⁴ Included in this table are the states that transitioned from state PCIP administration to the federal PCIP program. These expenditures represent federal program costs incurred by these states after their July 1, 2013 transition.

⁵ Administrative expenses and expenditures net of premium revenue were not available for the federally-run states.

⁶ Administrative expenses and expenditures net of premium revenue were not available for the federally-run states.

⁷ 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.

New Hampshire	441	\$675,567	N/A	N/A
New York	3820	\$7,857,760	N/A	N/A
North Carolina	3340	\$3,538,577	N/A	N/A
North Dakota	85	\$5,453,658	N/A	N/A
Ohio	3001	\$4,194,548	N/A	N/A
Oregon	974	\$2,641,690	N/A	N/A
Pennsylvania	5915	\$4,429,308	N/A	N/A
South Carolina	1868	\$69,209,331	N/A	N/A
South Dakota	141	\$240,332	N/A	N/A
Tennessee	1710	\$66,101,291	N/A	N/A
Texas	8044	\$594,057,833	N/A	N/A
Utah	736	\$1,180,286	N/A	N/A
Vermont	2	\$191,841	N/A	N/A
Virginia	2678	\$83,770,188	N/A	N/A
Washington	443	\$870,489	N/A	N/A
West Virginia	175	\$6,033,842	N/A	N/A
Wyoming	255	\$9,198,868	N/A	N/A
TOTALS	81,459	\$1,941,144,437	\$125,735,012⁸	\$1,729,250,376

⁸ Figure does not reflect CCIIO administrative costs.