

Pre-Existing Condition Insurance Plan Data as of June 30, 2012

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, 2012.¹

Table - State-run PCIP Expenditures by State

State Name	Enrollment as of June 30, 2012	Claims Paid as of June 30, 2012	Administrative Expenses Paid as of June 30, 2012	Expenditures Net of Premium Revenue as of June 30, 2012²
Alaska	45	\$ 7,078,887	\$ 646,276	\$ 6,994,667
Arkansas	648	\$ 7,523,995	\$ 1,351,273	\$ 6,548,607
California	10,402	\$ 217,763,694	\$ 17,802,437	\$ 206,485,836
Colorado	1,333	\$ 47,685,614	\$ 2,352,449	\$ 42,521,068
Connecticut	440	\$ 3,589,698	\$ 1,455,722	\$ 3,935,063
Illinois	2,717	\$ 48,532,188	\$ 1,516,326	\$ 38,263,916
Iowa	310	\$ 7,321,058	\$ 1,144,212	\$ 6,734,295
Kansas	430	\$ 14,966,245	\$ 930,048	\$ 13,740,540
Maine	43	\$ 1,874,833	\$ 44,001	\$ 1,543,480
Maryland	999	\$ 18,563,790	\$ 2,122,944	\$ 17,580,532
Michigan	1,567	\$ 33,233,473	\$ 1,709,890	\$ 31,369,539
Missouri	1,563	\$ 30,316,880	\$ 1,686,013	\$ 26,505,213
Montana	331	\$ 11,373,876	\$ 806,503	\$ 10,111,727
New Hampshire	510	\$ 27,086,859	\$ 981,127	\$ 25,512,615
New Jersey	1,055	\$ 33,794,268	\$ 917,160	\$ 28,452,767
New Mexico	1,155	\$ 27,280,507	\$ 1,378,430	\$ 23,145,496
New York	3,764	\$ 80,482,374	\$ 9,518,639	\$ 75,450,373
North Carolina	4,383	\$ 25,428,185	\$ 4,954,188	\$ 16,619,175
Ohio	2,819	\$ 51,011,033	\$ 1,907,678	\$ 39,629,763
Oklahoma	788	\$ 19,828,826	\$ 1,265,639	\$ 17,653,725
Oregon	1,556	\$ 48,919,813	\$ 1,031,168	\$ 38,810,921

State Name	Enrollment as of June 30, 2012	Claims Paid as of June 30, 2012	Administrative Expenses Paid as of June 30, 2012	Expenditures Net of Premium Revenue as of June 30, 2012 ²
Pennsylvania	5,839	\$ 69,976,972	\$ 4,349,267	\$ 51,942,023
Rhode Island	161	\$ 4,895,467	\$ 1,196,610	\$ 5,009,521
South Dakota	190	\$ 11,901,640	\$ 331,651	\$ 10,892,216
Utah	1,005	\$ 26,353,264	\$ 715,288	\$ 23,362,375
Washington	842	\$ 35,709,803	\$ 2,153,760	\$ 30,356,403
Wisconsin	1,546	\$ 11,660,468	\$ 1,851,231	\$ 7,810,760
TOTALS	46,441	\$ 924,153,712	\$ 66,119,928	\$ 806,982,617

Table - Federally-run PCIP Expenditures by State

State Name	Enrollment as of June 30, 2012	Claims Paid as of June 30, 2012	Administrative Expenses Paid as of June 30, 2012 ³	Expenditures Net of Premium Revenue as of June 30, 2012 ⁴
Alabama	559	\$ 11,753,502	N/A	N/A
Arizona	3282	\$ 46,738,195	N/A	N/A
Delaware	231	\$ 2,254,174	N/A	N/A
District of Columbia	57	\$ 843,636	N/A	N/A
Florida	7114	\$ 107,841,608	N/A	N/A
Georgia	2386	\$ 45,920,230	N/A	N/A
Hawaii	122	\$ 3,019,864	N/A	N/A
Idaho	707	\$ 21,484,934	N/A	N/A
Indiana	1316	\$ 19,339,250	N/A	N/A
Kentucky	867	\$ 9,086,287	N/A	N/A

State Name	Enrollment as of June 30, 2012	Claims Paid as of June 30, 2012	Administrative Expenses Paid as of June 30, 2012 ³	Expenditures Net of Premium Revenue as of June 30, 2012 ⁴
Louisiana	979	\$ 9,970,128	N/A	N/A
Massachusetts ⁵	19	\$ 239,508	N/A	N/A
Minnesota	522	\$ 6,013,844	N/A	N/A
Mississippi	289	\$ 7,948,918	N/A	N/A
Nebraska	314	\$ 8,864,612	N/A	N/A
Nevada	976	\$ 19,179,959	N/A	N/A
North Dakota	72	\$ 1,767,220	N/A	N/A
South Carolina	1457	\$ 27,825,533	N/A	N/A
Tennessee	1385	\$ 25,221,594	N/A	N/A
Texas	6623	\$ 203,097,019	N/A	N/A
Vermont	1	\$ 32,211	N/A	N/A
Virginia	1796	\$ 24,776,432	N/A	N/A
West Virginia	132	\$ 1,966,466	N/A	N/A
Wyoming	230	\$ 3,362,772	N/A	N/A
TOTALS	31,436	\$ 608,547,895	\$ 67,720,245⁶	\$ 594,298,235

¹ These figures reflect claims and administrative costs paid as of March 31 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