

# The Pre-Existing Condition Insurance Plan (PCIP): A Unique Opportunity

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# Background

- Traditional insurance law: insurers free to decline or surcharge people based on health status
- ACA prohibits both in 2014
- Until then, how do people with pre-existing conditions get insurance?
  - Pre-ACA alternatives: Blue Cross as insurer of last resort, traditional high-risk pools, guarantee-issue laws
  - The ACA alternative: PCIP

# Statutory Authority for PCIP

- Section 1101 of the Affordable Care Act (ACA) requires that HHS establish a “temporary high risk health insurance pool program”
- Provides coverage for individuals with pre-existing conditions until January 1, 2014, when:
  - Health Insurance Exchanges are established
  - Private insurers may not decline or surcharge people based on health status
- Appropriates \$5 billion for life of the program

# The Preexisting Condition Insurance Plan (PCIP)

- Standard premium—no surcharge regardless of type or extent of preexisting condition
- Comprehensive coverage
- No pre-ex or waiting period

# Eligibility Criteria for PCIP

- Must have a pre-existing condition
- Must be a U.S. citizen or be legally in the U.S.
- Must have been uninsured for last 6 months



# Proof of Pre-Existing Condition

- Denial letter from insurer; or
- Letter excluding coverage from insurer; or
- Letter from insurance agent; or
- Note from doctor

# 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

As in commercial coverage, PCIP enrollees pay monthly premiums and deductibles for coverage

Beneficiary Responsibilities	Federal Plans			State Plans
	Standard Option	Extended Option	HSA-eligible Option	
Monthly premium*	\$379	\$511	\$394	\$444
Medical deductible	\$2,000	\$1,000	\$2,500	\$0 - \$5,000
Drug deductible	\$500	\$250	Incl. in medical	\$100 - \$500 or incl.
Out-of-pocket limit	\$5,950	\$5,950	\$5,950	\$5,950

NOTE: Above amounts represent in-network costs. More information on costs and benefits is available at <http://www.pcip.gov>.

\*Premium displayed is median rate for a 50-year old enrollee.

# What Enrollees Pay for Care

Beneficiary Responsibilities	Standard Option	Extended Option	HSA-eligible Option*	State Plans
Inpatient and Outpatient Hospital Services	20%	20%	20%	Varies
Emergency Services	20%	20%	20%	
Lab and Diagnostic Services	20%	20%	20%	
Medical Coinsurance	20%	20%	20%	
Office Visit Copay	\$25**	\$25**	\$25	
Drug Copay	\$4/\$40/25%	\$4/\$30/25%	\$4/\$30/25%	

NOTE: Above amounts represent costs for selected in-network services. More information on costs and benefits is available at <http://www.pcip.gov>.

\*With the exception of preventive care, the full deductible must be met prior to receipt of benefits, including prescription drugs.

\*\*Services in a physician's office are available at fixed copay, even if deductible is not met.

# Other PCIP Program Matters

- Portability of coverage
- Coverage of newborns
- Third-party payers
- Agent compensation

# For More Information

- How to Apply to PCIP
  - Go to [www.pcip.gov](http://www.pcip.gov)
  - Call 1-866-717-5826 (TTY: 1-866-561-1604)
- Where to find additional PCIP information on-line
  - [www.healthcare.gov](http://www.healthcare.gov)
  - [www.hhs.gov/cciio](http://www.hhs.gov/cciio)
  - [www.pciplan.com](http://www.pciplan.com)

# Benefits and Provider Information for Federally-Administered States

- Visit [www.pciplan.com](http://www.pciplan.com) for resources and information about the federally-run PCIP, administered by GEHA:
  - View plan materials
  - Search for your provider
  - Nominate your provider
  - Search your prescriptions
- Call Customer Service at (800) 220-7898, 7 a.m.-5:30 p.m. CT, Monday-Friday (except holidays)

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https://www.pcip.gov/

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## Pre-Existing Condition Insurance Plan

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### 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.

[Apply Now](#)

#### 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.

[More Questions and Answers...](#)

#### 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 Carefull!

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.

#### Get Informed

# PCIP.gov

Links to information on rates, plans, and benefits

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- [Introduction](#)
- [2011 PCIP Program Changes](#)
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- [Benefits](#)
- [Premium Rates](#)

### Introduction

In March of 2010, Congress passed and President Obama signed the Affordable Care Act—the new health insurance law. The law creates a new program – the Pre-Existing Condition Insurance Plan – to make health insurance available to you if you have been denied coverage by private insurance companies because of a pre-existing condition.

The Pre-Existing Condition Insurance Plan (PCIP), which is administered by either your state or the U.S. Department of Health and Human Services, provides a health coverage option if you have been uninsured for at least six months, you have a pre-existing condition or have been denied health coverage because of your health condition, and are a U.S. citizen or are residing here legally.

This program may be able to help you, if you've been locked out of the insurance market, until 2014. In 2014, you will have access to affordable health insurance choices through a new competitive marketplace called an Exchange and you will no longer be discriminated against based on a pre-existing condition.

The Program:

- Covers a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs. All covered benefits are available to you, even to treat a pre-existing condition.
- Doesn't charge you a higher premium just because of your medical condition.
- Doesn't base eligibility on income.

The U.S. Department of Health and Human Services, with the help of the U.S. Office of Personnel Management and the U.S. Department of Agriculture's National Finance Center, will run the Pre-Existing Condition Insurance Plan in some states. The federal government contracts with a national insurance plan to administer benefits in those states. Other states have requested that they run the

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[Apply Now](#)



#### 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.

[More Questions and Answers...](#)

#### 2011 Program Changes

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## Pre-Existing Condition Insurance Plan

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### State Information

The Pre-Existing Condition Insurance Plan may vary depending on what state you live in. The U.S. Department of Health and Human Services will run the Pre-Existing Condition Insurance Plan in some states, and is contracting with a national insurance plan to administer benefits in those states. Other states have requested that they run the program themselves, and each of those states has the flexibility to design the program that best meets their state's needs.

Please select a state from the right to see more information about the Pre-Existing Condition Insurance Plan for that state.

### Select a State

- Select a State - Select

- Pre-Existing Condition Insurance Plan Run by the U.S. Department of Health and Human Services
- Pre-Existing Condition Insurance Plan Run by Your State

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state of  
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### State Information

Pre-Existing Condition Insurance Plan: [Virginia](#)

PCIP will cover a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs. All covered benefits are available for you, beginning on your coverage effective date, even if it's to treat a pre-existing condition - there are no waiting periods.

PCIP offers a choice of plan options to fit your needs and provide more affordable premiums. Please note rates have changed in Virginia as of July 1, 2011. The monthly premiums for your state are:

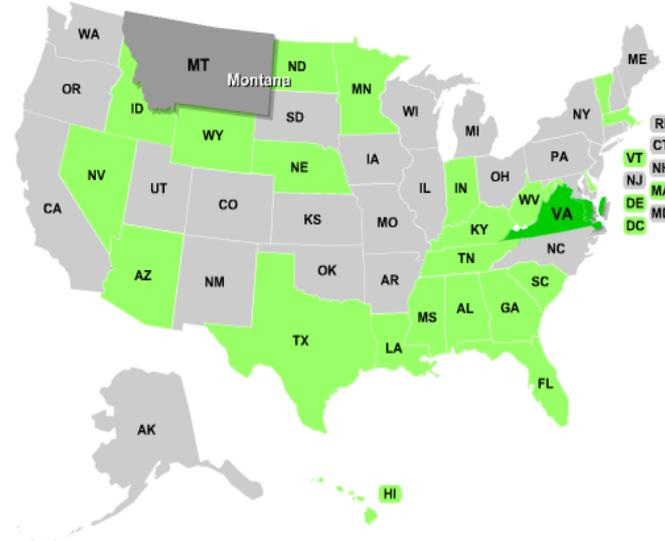
Standard Plan		Extended Plan		HSA Plan	
Age	Rate	Age	Rate	Age	Rate
00-18	\$93	00-18	\$125	00-18	\$97
19-34	\$140	19-34	\$188	19-34	\$145
35-44	\$168	35-44	\$226	35-44	\$174
45-54	\$214	45-54	\$288	45-54	\$222
55+	\$297	55+	\$401	55+	\$309

PCIP applicants who are approved to participate in PCIP can choose from three plan options, with different levels of premiums, calendar year deductibles, prescription deductibles and prescription copays. The HSA Option provides an opportunity to open a Health Savings Account, a tax-exempt account where you can deposit funds for eligible medical expenses. Each of the three PCIP plan options provides preventive care (paid at 100%, with no deductible) when you see an in-network doctor and the doctor indicates preventive diagnosis. Included are annual physicals, flu shots, routine mammograms and cancer screenings. For other care, you will pay a deductible before PCIP pays for your health care and prescriptions. After you pay the deductible, you will pay 20% of medical costs in-network. The maximum you will pay out-of-pocket for covered services in a calendar year is \$5,950 in-network/\$7,000 out-of-network. There is no lifetime maximum or cap on the amount the plan pays for your care.

### Select a State

Virginia

- Pre-Existing Condition Insurance Plan Run by the U.S. Department of Health and Human Services
- Pre-Existing Condition Insurance Plan Run by Your State



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### Apply Now Online

People who live in a state that is served by the Pre-Existing Condition Insurance Plan can now apply through this website!

[Apply Now](#)

### By Phone

You can reach the Pre-Existing Condition Insurance Plan at 1-866-717-5826: (TTY: 1-866-561-1604)

Pre-Existing Condition Insurance Plan regular hours of operation are Monday - Friday, 8 a.m. to 11 p.m., Eastern Time.

**Be Careful!**

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

### Apply By Mail

1. Click the "Application Form" link below to download a PDF version of the enrollment application.
  -  [ENGLISH Application Form \[120KB\]](#)
  -  [SPANISH Application Form \[120KB\]](#)
2. Fill out the application by following the instructions in the application and make copies of any required documents. Remember to include a copy of one of the following documents:
  - A letter from a doctor, physician assistant, or nurse practitioner dated within the past 12 months stating that you have or had a medical condition, disability, or illness. This letter must include your name and medical condition, disability, or illness and the name, license number, state of licensure, and signature of the doctor, physician assistant, or nurse practitioner.
  - A denial letter from an insurance company licensed in your state for individual insurance coverage (not health insurance offered through a job) that is dated within the past 12 months. Or, you may provide a letter dated in the past 12 months from an insurance agent or broker licensed in your state that shows you aren't eligible for individual insurance coverage from one or more insurance companies because of your medical condition.
  - An offer of individual insurance coverage (not health insurance offered through a job) that you did not accept from an insurance company licensed in your state that is dated within the past 12 months. This offer of coverage has a rider that says your medical condition won't be covered if you accept the offer.
  - If you are under age 19 OR if you live in Massachusetts or Vermont, an offer of individual insurance coverage (not health insurance offered through a job) that you did not accept from an insurance company licensed in your state that is dated within the past 12 months. This offer of coverage must show a premium that is at least twice as much as the Pre-Existing Condition Plan premium (the monthly payment you make to an insurer to get and keep insurance) for the Standard Option in your state. To find out if the premium you were offered but did not accept is twice as much as the premium in the Pre-Existing Condition Insurance Plan for the Standard Option in your state, check out the [State Plans](#) page.



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**NEW** Understanding the Affordable Care Act:  
**Provisions**

- \$250 "Donut Hole" Rebate
- Affordable Insurance Exchanges
- Appealing Health Plan Decisions
- Children's Pre-Existing Conditions
- Consumer Assistance Program
- Curbing Insurance Cancellations
- Doctor Choice & ER Access
- Early Retiree Reinsurance
- FSA/HRA Changes
- Getting Value for Your Premium Dollar
- Grandfathered Health Plans
- Lifetime and Annual Limits
- Medicare 50% Drug Discounts
- Medicare Preventive Services

## Pre-Existing Condition Insurance Plan: New York

Eligible residents of New York can apply for coverage through the state's Pre-Existing Condition Insurance Plan program run by Group Health Incorporated.

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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 the last 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 for you, even if it's to treat a pre-existing condition.

<b>Premium:</b>	\$362 to \$421 per month
<b>Deductible:</b>	None
<b>Out of Pocket Limit:</b>	\$5,950

## Apply for Coverage in Your State

To learn more about this program, please call 1-866-693-9277 or visit <http://www.ghi.com/nybridgeplan/index.html>.

# NY Website



## NY Bridge Plan

NY's Pre-Existing Condition Insurance Plan  
Administered by **GHI**, an EmblemHealth Company

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### New York State's health insurance plan for people with pre-existing medical conditions

In March 2010, Congress passed the health care reform law, the Patient Protection and Affordable Care Act. The law created a temporary program until January 2014 that makes coverage available for individuals who have a pre-existing medical condition, have not had insurance for six months, and who are legal US residents.

This new program is called the Pre-Existing Condition Insurance Plan (PCIP) and will be available throughout the country. In New York State, the PCIP plan is the NY Bridge Plan, administered by GHI, an EmblemHealth company.

PCIP plans will operate until the year 2014. At that time other provisions of health care reform will go into effect and state health benefit exchanges will be available for individuals to purchase coverage.

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### Highlights of the NY Bridge Plan Covered Services

- No Deductibles
- Preventive Care
- \$20 Office Visit Copay
- \$500 Inpatient Per Occurrence Copay
- \$100 Emergency Room Copay
- Pharmacy Benefits
- Vision Care

*The NY Bridge Plan provides "a bridge" of health insurance from October 1, 2010 until January 1, 2014 for New Yorkers with pre-existing medical conditions.*

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# July 1, 2011 PCIP Premium Rates in Fed-Administered States

*Rates Standard Option*

<u>State</u>	<u>0-18</u>	<u>19-34</u>	<u>35-44</u>	<u>45-54</u>	<u>55+</u>
AL	\$110	\$164	\$197	\$251	\$350
AZ	\$104	\$157	\$188	\$240	\$334
DC	\$141	\$212	\$253	\$324	\$450
DE	\$109	\$163	\$195	\$250	\$347
FL	\$118	\$176	\$211	\$270	\$376
GA	\$147	\$220	\$264	\$338	\$470
HI	\$116	\$174	\$209	\$267	\$371
ID	\$133	\$199	\$239	\$305	\$424
IN	\$124	\$185	\$222	\$284	\$395
KY	\$98	\$148	\$177	\$226	\$315
LA	\$129	\$193	\$231	\$296	\$411
MA	\$181	\$271	\$325	\$416	\$578
MN	\$96	\$144	\$174	\$221	\$307
MS	\$146	\$219	\$263	\$336	\$467
ND	\$133	\$199	\$239	\$305	\$424
NE	\$132	\$198	\$237	\$303	\$421
NV	\$113	\$169	\$203	\$260	\$362
SC	\$139	\$208	\$250	\$319	\$443
TN	\$133	\$199	\$239	\$305	\$425
TX	\$133	\$199	\$239	\$306	\$426
VA	\$93	\$140	\$168	\$214	\$297
VT	\$148	\$222	\$266	\$339	\$472
WV	\$119	\$178	\$214	\$273	\$380
WY	\$126	\$189	\$227	\$290	\$403

# July 1, 2011 PCIP Premium Rates in State-Administered States

<u>State</u>	<u>Minimum Premium*</u>	<u>Maximum Premium*</u>
AK	\$452.00	\$1,806.00
AR	\$140.47	\$624.32
CA	\$107.00	\$557.00
CO	\$116.16	\$594.05
CT	\$242.66	\$893.00
IL	\$99.00	\$607.00
IA	\$155.62	\$622.45
KS	\$132.88	\$645.96
ME	\$438.30	\$657.82
MD	\$127.00	\$685.00
MI	\$103.85	\$686.61
MO	\$137.00	\$601.00
MT	\$171.00	\$681.00
NH	\$152.00	\$1,023.00
NJ	\$230.34	\$919.92
NM	\$112.00	\$596.00
NY	\$362.00	\$421.00
NC	\$69.00	\$548.00
OH	\$92.00	\$475.00
OK	\$121.00	\$524.00
OR	\$247.00	\$783.00
PA	\$283.00	\$283.00
RI	\$199.71	\$896.69
SD	\$156.00	\$623.00
UT	\$127.00	\$744.00
WA	\$183.00	\$1,412.00
WI	\$100.00	\$802.00

\* Non-Tobacco Rate