

Pre-Existing Condition Insurance Plan Data as of September 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 September 30, 2012.¹

State-run PCIP Expenditures by State

State Name	Enrollment as of September 30, 2012	Claims Paid as of September 30, 2012	Administrative Expenses Paid as of September 30, 2012	Expenditures Net of Premium Revenue as of September 30, 2012 ²
Alaska	45	\$8,077,600	\$721,344	\$7,927,680

State Name	Enrollment as of September 30, 2012	Claims Paid as of September 30, 2012	Administrative Expenses Paid as of September 30, 2012	Expenditures Net of Premium Revenue as of September 30, 2012²
Arkansas	767	\$9,708,983	\$1,636,149	\$8,425,891
California	12821	\$316,623,178	\$20,781,788	\$296,228,242
Colorado	1335	\$59,044,539	\$2,697,850	\$52,386,099
Connecticut	508	\$5,878,489	\$1,669,592	\$5,882,701
Illinois	2973	\$63,091,397	\$1,777,962	\$50,073,251
Iowa	344	\$9,573,673	\$1,277,822	\$8,665,865
Kansas	487	\$19,379,110	\$1,071,677	\$17,729,890
Maine	43	\$2,218,431	\$54,304	\$1,798,070
Maryland	1180	\$22,432,777	\$2,642,851	\$21,002,923
Michigan	1878	\$45,551,212	\$1,896,517	\$42,453,940
Missouri	1804	\$42,456,992	\$2,123,908	\$37,359,302
Montana	346	\$13,829,037	\$934,535	\$12,248,367
New Hampshire	593	\$34,682,122	\$1,125,193	\$32,509,220
New Jersey	1199	\$42,827,822	\$1,036,701	\$35,881,092
New Mexico	1310	\$33,333,020	\$1,647,656	\$27,906,106
New York*	4334	\$110,124,923	\$11,427,729	\$100,876,787
North Carolina	4810	\$31,773,799	\$5,787,527	\$20,824,964
Ohio	3110	\$65,476,599	\$2,199,267	\$51,101,426
Oklahoma	859	\$25,578,856	\$1,533,356	\$22,819,042
Oregon	1833	\$60,820,592	\$1,322,933	\$48,167,248
Pennsylvania	6249	\$80,633,312	\$5,142,095	\$59,908,955

State Name	Enrollment as of September 30, 2012	Claims Paid as of September 30, 2012	Administrative Expenses Paid as of September 30, 2012	Expenditures Net of Premium Revenue as of September 30, 2012²
Rhode Island	155	\$5,853,261	\$1,359,456	\$5,926,482
South Dakota	188	\$14,338,291	\$399,233	\$13,101,203
Utah	1158	\$40,773,344	\$1,085,741	\$35,485,831
Washington	926	\$45,877,460	\$2,468,633	\$39,037,057
Wisconsin	1806	\$16,227,178	\$2,130,279	\$11,055,806
TOTALS	53,061	\$1,226,185,997	\$77,952,098	\$1,066,783,440

Federally-run PCIP Expenditures by State

State name	Enrollment as of September 30, 2012	Claims Paid as of September 30, 2012	Administrative Expenses Paid as of September 30, 2012³	Expenditures Net of Premium Revenue as of September 30, 2012⁴
Alabama	679	\$16,325,538	N/A	N/A
Arizona	3898	\$68,302,954	N/A	N/A
Delaware	257	\$3,079,098	N/A	N/A
District of Columbia	68	\$1,289,137	N/A	N/A
Florida	8617	\$152,565,835	N/A	N/A
Georgia	3081	\$60,216,974	N/A	N/A
Hawaii	130	\$3,578,294	N/A	N/A
Idaho	691	\$31,804,095	N/A	N/A
Indiana	1552	\$27,652,537	N/A	N/A
Kentucky	1054	\$13,825,944	N/A	N/A
Louisiana	1217	\$15,540,682	N/A	N/A

State Name	Enrollment as of September 30, 2012	Claims Paid as of September 30, 2012	Administrative Expenses Paid as of September 30, 2012	Expenditures Net of Premium Revenue as of September 30, 2012²
Massachusetts⁵	14	\$358,133	N/A	N/A
Minnesota	672	\$9,244,342	N/A	N/A
Mississippi	320	\$10,368,908	N/A	N/A
Nebraska	342	\$11,580,424	N/A	N/A
Nevada	1137	\$25,142,880	N/A	N/A
North Dakota	73	\$2,424,698	N/A	N/A
South Carolina	1671	\$36,433,241	N/A	N/A
Tennessee	1583	\$32,912,525	N/A	N/A
Texas	7675	\$278,721,996	N/A	N/A
Vermont	1	\$0	N/A	N/A
Virginia	2158	\$34,407,060	N/A	N/A
West Virginia	146	\$2,887,099	N/A	N/A
Wyoming	250	\$3,967,248	N/A	N/A
TOTALS	37,286	\$842,629,642	\$ 77,663,567⁶	\$ 794,690,010

¹ These figures reflect claims and administrative costs paid as of September 30, 2012 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 CClO administrative costs

*Due to the effects of Hurricane Sandy, September 2012 enrollment has not yet been officially verified by the New York PCIP and is subject to change.