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## **HHS AWARDS \$690,000 TO MARYLAND TO PROMOTE HIGH-RISK POOLS TO COVER UNINSURED RESIDENTS**

HHS Secretary Tommy G. Thompson today announced a \$690,000 grant to the State of Maryland to expand health coverage to residents who generally are too sick to obtain affordable conventional health insurance. Maryland is the first state to receive such a grant under a new program to help states establish high-risk insurance pools.

“This grant will help Maryland create a new coverage option for many of its sickest residents, who otherwise would be unable to afford private health insurance,” Secretary Thompson said. “Governor Ehrlich deserves credit for moving quickly to take advantage of this new program, which is part of our broader strategy for helping Americans without health insurance.”

High-risk pools are typically state-created non-profit associations that offer health coverage to individuals with serious medical conditions. Enrollment in these pools is growing nationally, with more than 153,000 individuals already enrolled in state pools.

Maryland will use today’s grant to establish a new high-risk pool, called the Maryland Health Insurance Plan. The state hopes to begin enrolling eligible residents as early as July of this year. The state also will transfer 8,000 enrollees from a separate state program into the new MHIP.

The grant is part of a \$100 million federal initiative to create and support high-risk pools nationwide authorized in the Trade Adjustment Assistance Reform Act of 2002.

In November, HHS made \$20 million available as seed money for states such as Maryland that agree to establish high-risk pools. Earlier this week, HHS announced an additional \$80 million that will be available over the next two years to help offset the losses states with existing high-risk pools incur as a result of providing this coverage. HHS’ Center for Medicare & Medicaid Services (CMS) will administer the program.

“This is the first time federal funds have been used to support high risk pools for the uninsured,” CMS Administrator Tom Scully said. “Individuals who benefit from these pools usually have a history of health problems and are either self-employed or work for small employers that do not provide health insurance coverage.”

The grants to support state high-risks pools are one piece in the Bush Administration’s broad strategy for expanding access to health care for the more than 40 million Americans without health insurance. The President’s fiscal year 2004 budget plan would expand community health centers that

care for the uninsured, strengthen and modernize the Medicaid program, offer health tax credits to help individuals obtain insurance, and extend Medicaid and State Children's Health Insurance Program (SCHIP) coverage to more Americans who otherwise would go without coverage.

More information about risk pools is available at [www.cms.hhs.gov/riskpool](http://www.cms.hhs.gov/riskpool). More information about the President's initiatives to help the uninsured is available at <http://www.hhs.gov/news/press/2003pres/20030211.html>.

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*Note: All HHS press releases, fact sheets and other press materials are available at [www.hhs.gov/news](http://www.hhs.gov/news)*