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Missouri takes additional steps to insure those with pre-existing conditions: Premiums in Missouri's federal high risk pool reduced by 23 percent as of August 1

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Beginning in 2014, the Affordable Care Act (ACA) will prohibit insurance companies from charging higher premiums or denying coverage to individuals with a pre-existing condition. This will be possible because they will be part of larger pools of insured persons, and will be able to purchase insurance in a market called the "exchange."

Until that time, those with pre-existing conditions continue to struggle to purchase affordable insurance. To address this challenge, Missouri and other states have attempted to implement market solutions for those individuals. Since 1991, Missouri has offered insurance through the **Missouri Health Insurance Pool (MHIP)**. MHIP is a nonprofit organization that enrolls about 4,100 individuals who are unable to get insurance because of a pre-existing condition, lack of employer-sponsored insurance or because they have exhausted their COBRA benefits. Many more Missourians with pre-existing conditions remain uninsured because the cost of the MHIP state risk pool is prohibitively expensive.

Beginning in 2010, MHIP offered a more affordable federally funded high risk pool in addition to the state high risk pool. The \$81 million that funds the federal high risk pool came as a result of the ACA. The take-up rate for this new, temporary high risk pool in Missouri continues to be low. Department of Insurance Director John Huff stated at a legislative hearing that only 550 individuals were enrolled as of August 16.

To boost enrollment in the federal high risk pool, MHIP had already lowered premiums in February 2010, offered a choice of deductibles, and on-line applications. In spite of these efforts, the combined costs of premiums, deductibles, and other out-of-pocket expenses were still problematic for many individuals. Premiums were lowered again on August 1, 2011.

Premium rates in the federal high risk pool were reduced by 23 percent as of August 1. Premiums now range from \$137 to \$601/month, depending on age.

Key Facts about the federal and state high risk pools

While the federal high risk pool and the state high risk pool are designed to insure similar populations, there are differences in eligibility. These are outlined at <http://www.mhip.org/eligibility>. Generally, eligibility for the federal high risk pool is more

straightforward and its costs are lower than those in state high risk pool. The federal high risk pool requires individuals to have been uninsured for 6 months. If an individual is currently insured by the state high risk pool, they cannot switch to the federal pool because they do not meet the “uninsured for 6 months” criteria. Individuals who think they may be eligible for one of the high risk pools should contact MHIP to clarify their eligibility.

Who is eligible for the federal risk pool?

- Individuals must be uninsured for 6 months (if an individual has insurance that does not cover the pre-existing condition, the individual is NOT eligible for the federal risk pool)
- Individuals must be citizens or legal residents of the United States and a resident of Missouri
- Individuals must have proof of denial of coverage by an insurance company OR a doctor’s statement that they have a pre-existing condition

If individuals are NOT eligible for federal risk pool, they may be eligible for the state high risk pool.

How much do federal risk pool premiums cost? Premiums vary by age and the amount of chosen deductible, and range from \$137/month for an individual birth through 17 years of age to \$601/month for an individual 60 years or older.

Are there other costs in the federal risk pool in addition to premiums? Three plans offer deductibles of \$1,000, \$2,500 or \$5,000.

Are there other out-of-pocket costs? Other costs include co-insurance, pharmacy deductibles and pharmacy co-payments. Out-of-pocket expenses are capped at \$5,950/year.

Who is the insurer in Missouri’s two high risk pools? MHIP (the Missouri Health Insurance Pool) offers these two high risk pools. Insurance benefits are provided and administered through Anthem Blue Cross & Blue Shield and Blue Cross & Blue Shield of Kansas City.

How can I make an application? Rate information and applications are available at <http://www.mhip.org>. Or by calling 1-800-821-2231.

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