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## **Missouri Takes Steps to Insure Those with Pre-existing Conditions: Stop-Gap Measure Seeks to Address Barriers to High Risk Pools**

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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 individuals will be required to purchase affordable insurance before they get sick, and they will be part of larger pools of insured persons, called “exchanges.”

Until that time, those with pre-existing conditions will continue to struggle to access affordable insurance. To address this issue, Missouri and other states have attempted to implement market solutions for those individuals. Since 1991, the Department of Insurance has run a high-risk pool called the **Missouri Health Insurance Pool (MHIP)**. The MHIP enrolls about 4,000 individuals, but many more Missourians with pre-existing conditions remain uninsured because the cost of the MHIP is prohibitively expensive.

The ACA is trying to provide affordable choices for these individuals by providing funds to states to set up temporary high risk pools. Missouri received \$81 million in federal funds to establish its temporary high risk pool, the ***Pre-existing Condition Insurance Plan (PCIP)***. The take-up rate for this new, temporary high risk pool in Missouri is low, with only 250 individuals currently enrolled.

While MHIP and PCIP are designed to insure similar populations, there are differences in eligibility, which are outlined at <http://www.mhip.org/eligibility>. Generally, PCIP eligibility is more straightforward and its costs are lower than those in MHIP. PCIP requires individuals to have been uninsured for 6 months. If an individual is currently insured by MHIP, they cannot switch to PCIP 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 the Department of Insurance to clarify their eligibility.

The Department of Insurance has run the temporary high risk pool, PCIP, since last summer. To boost enrollment, as of February 1, 2011, the Department of Insurance is making changes to remove barriers to enrolling eligible Missourians in PCIP. The premiums have been lowered, a choice of deductibles is now being offered, and plans are in the works to allow for online applications. Currently the application forms must be mailed into the Department of Insurance.

While the Department of Insurance is making changes that it hopes will enhance its efforts to enroll eligible Missourians in the PCIP, the combined cost of premiums, deductibles, and other out-of-pocket expenses is still likely to be problematic for many individuals.

The premium rates for both the MHIP and the PCIP are tied to “standard” insurance rates in the state. Missouri has no requirement for insurance companies to submit rate increases for approval by the Department of Insurance, and, as a result, the costs of premiums in PCIP (shown below) are considerably higher in Missouri than in states that have some oversight over premium rates.

## **Frequently asked questions about the Pre-existing Condition Insurance Plan**

### **Who is eligible for PCIP?**

- 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 PCIP)
- 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 PCIP, they may be eligible for the “regular” high risk pool, MHIP.

**How much do PCIP premiums cost?** Premiums vary by age and sex, and range from \$178 - \$780/month. Detailed information is available on the Department of Insurance’s web site. See *How can I make an application?*

**Are there other costs in addition to premiums?** PCIP offers plans with 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?** The Department of Insurance 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/new-federal-pool> or by calling 1-800-821-2231.

**If I am not eligible for PCIP, where can I get information about the regular high risk pool, MHIP?** Information is available at <http://www.mhip.org/home> or by calling 1-800-821-2231.

*Information about the Pre-existing Condition Insurance Program is also available at [www.pcip.gov](http://www.pcip.gov) or by calling a toll-free number from 7 AM to 10 PM Central Time. 1.866.717.5826 (TTY 1-866-561-1604)*

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