

Pre-Existing Condition Insurance Plan Data as of March 31, 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 March 31, 2012.¹

State-run PCIP Expenditures by State

State Name	Enrollment as of March 31, 2012	Claims Paid as of March 31, 2012	Administrative Expenses Paid as of March 31, 2012	Expenditures Net of Premium Revenue as of March 31, 2012 ²
Alaska	42	\$ 5,615,392	\$ 512,109	\$ 5,546,198
Arkansas	554	\$ 5,449,651	\$ 1,095,256	\$ 4,740,226
California	7,634	\$ 128,052,625	\$ 11,775,023	\$ 120,036,215
Colorado	1,171	\$ 37,558,740	\$ 2,013,885	\$ 34,086,941

State Name	Enrollment as of March 31, 2012	Claims Paid as of March 31, 2012	Administrative Expenses Paid as of March 31, 2012	Expenditures Net of Premium Revenue as of March 31, 2012²
Connecticut	265	\$ 2,529,073	\$ 1,877,090	\$ 3,720,649
Illinois	2,231	\$ 37,046,585	\$ 1,117,670	\$ 29,582,199
Iowa	279	\$ 5,427,926	\$ 1,011,826	\$ 5,078,648
Kansas	356	\$ 11,033,727	\$ 789,912	\$ 10,255,079
Maine	36	\$ 1,283,101	\$ 33,850	\$ 1,024,130
Maryland	876	\$ 13,514,059	\$ 1,490,362	\$ 12,715,588
Michigan	1,100	\$ 21,449,285	\$ 1,496,410	\$ 20,363,347
Missouri	1,254	\$ 18,555,860	\$ 1,243,378	\$ 15,722,173
Montana	306	\$ 9,494,145	\$ 719,771	\$ 8,549,688
New Hampshire	424	\$ 20,506,216	\$ 831,778	\$ 19,572,251
New Jersey	892	\$ 25,110,592	\$ 716,121	\$ 20,974,714
New Mexico	963	\$ 21,426,399	\$ 1,109,640	\$ 20,188,340
New York	3,122	\$ 53,057,380	\$ 6,155,275	\$ 47,581,153
North Carolina	3,566	\$ 18,777,877	\$ 3,744,091	\$ 12,222,097
Ohio	2,480	\$ 39,901,988	\$ 1,645,965	\$ 30,309,736
Oklahoma	689	\$ 13,790,841	\$ 1,023,253	\$ 12,404,794
Oregon	1,261	\$ 37,271,138	\$ 905,884	\$ 29,273,995
Pennsylvania	5,111	\$ 53,563,748	\$ 3,309,834	\$ 27,194,215
Rhode Island	160	\$ 4,029,450	\$ 1,062,038	\$ 4,031,487
South Dakota	170	\$ 8,856,066	\$ 275,805	\$ 8,414,363
Utah	860	\$ 17,893,054	\$ 522,387	\$ 15,560,484
Washington	765	\$ 25,405,880	\$ 1,846,284	\$ 22,457,387

State Name	Enrollment as of March 31, 2012	Claims Paid as of March 31, 2012	Administrative Expenses Paid as of March 31, 2012	Expenditures Net of Premium Revenue as of March 31, 2012 ²
Wisconsin	1,256	\$ 7,539,490	\$ 1,820,194	\$ 4,957,222
TOTALS	37,823	\$ 644,140,288	\$ 50,145,090	\$ 546,563,319

Federally-run PCIP Expenditures by State

State name	Enrollment as of March 31, 2012	Claims Paid as of March 31, 2012	Administrative Expenses Paid as of March 31, 2012 ³	Expenditures Net of Premium Revenue as of March 31, 2012 ⁴
Alabama	429	\$ 6,522,899	N/A	N/A
Arizona	2,448	\$ 30,120,880	N/A	N/A
Delaware	200	\$ 1,319,816	N/A	N/A
District of Columbia	48	\$ 654,852	N/A	N/A
Florida	5,232	\$ 72,735,286	N/A	N/A
Georgia	1,883	\$ 34,191,925	N/A	N/A
Hawaii	101	\$ 2,078,613	N/A	N/A
Idaho	514	\$ 12,695,805	N/A	N/A
Indiana	968	\$ 13,531,835	N/A	N/A
Kentucky	641	\$ 5,823,988	N/A	N/A
Louisiana	676	\$ 6,337,582	N/A	N/A
Massachusetts ⁵	14	\$ 9,479	N/A	N/A
Minnesota	370	\$ 4,016,483	N/A	N/A
Mississippi	215	\$ 6,040,689	N/A	N/A
Nebraska	230	\$ 6,723,420	N/A	N/A
Nevada	747	\$ 13,692,435	N/A	N/A

State name	Enrollment as of March 31, 2012	Claims Paid as of March 31, 2012	Administrative Expenses Paid as of March 31, 2012 ³	Expenditures Net of Premium Revenue as of March 31, 2012 ⁴
North Dakota	49	\$ 1,395,174	N/A	N/A
South Carolina	1,209	\$ 20,077,814	N/A	N/A
Tennessee	1,102	\$ 18,285,938	N/A	N/A
Texas	5,092	\$ 145,766,679	N/A	N/A
Vermont	2	\$ 0	N/A	N/A
Virginia	1,343	\$ 16,877,335	N/A	N/A
West Virginia	108	\$ 1,256,575	N/A	N/A
Wyoming	175	\$ 2,601,045	N/A	N/A
TOTALS	23,796	\$ 422,757,975	\$ 58,646,039⁶	\$ 416,050,433

¹ These figures reflect claims and administrative costs paid as of March 31 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 CCIIO administrative costs.