

FEDERAL TEMPORARY HIGH RISK POOL

The creation of a high risk pool program was included in the health reform law to help provide health insurance coverage to people who are uninsured because of pre-existing conditions. The temporary high-risk pool will serve as a bridge to when the new health insurance Exchanges are up and running, at which point insurance companies will no longer be able to deny coverage based on pre-existing conditions.

Funding

The law appropriates \$5 billion of federal funds to support the new temporary high risk pool program. It will be available beginning on July 1, the start of many state fiscal years, until the program ends on January 1, 2014. The program is funded entirely by the federal government.

The proposed allocation for Washington for the four year period is **\$102 million**.

Eligibility

In order to receive insurance through the temporary high risk pool program, an individual must meet the criteria established in the law. Eligible individuals must:

- **Be a citizen** – an enrollee must be a citizen or national of the United States or lawfully present in the United States;
- **Be uninsured** - an enrollee must have not been covered under creditable coverage for the previous 6 months before applying for coverage; and
- **Have a pre-existing condition** - as determined in a manner consistent with federal law.

Benefits/Coverage

- The pools share of the cost of benefits cannot be less than 65 percent
- Premiums may not exceed 100 percent of the standard rate for a standard population
- Premiums may not vary by age by more than 4 to 1
- Out of pocket spending may not be greater than the applicable amount for high-deductible health plans link to health savings accounts - \$5,950 for an individual
- No pre-existing condition exclusions or waiting periods

State Role

Washington State has elected to operate the temporary high risk pool. The Office of the Insurance Commissioner is working with the Washington State Health Insurance Pool (WSHIP) to create a separate temporary high risk pool fully funded by federal dollars.

If states choose not to operate a federal pool, HHS will carry out a coverage program in the state.