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## **Update on the Pre-existing Condition Insurance Program (PCIP) in Florida, effective August 1, 2010 under the Affordable Care Act (ACA)**

### **Introduction**

In March 2010, Congress passed the Affordable Care Act, the new health insurance law which was the hallmark of President Obama's administration. The law creates a new temporary program, the Pre-Existing Condition Insurance Plan, to make health insurance available immediately to all individuals who have been denied coverage by private insurance companies because of pre-existing condition.

The Pre-Existing Condition Insurance Plan (PCIP) in Florida is currently in effect and is administered by GEHA ([www.GEHA.com](http://www.GEHA.com)). It provides a new health coverage option for you if you have been uninsured for at least the last six months, and you have a pre-existing condition (or have been denied health coverage because of your health condition). It only applies to a U.S. citizen or legal residents.

GEHA is the same insurance company that provides health insurance to members of Congress, the President, the Supreme Court, and all federal employees. Coverage is nationwide.

If you've been locked out of the insurance market, this program may be able to help you through 2014. Under ACA, in 2014, you will have access to affordable health insurance choices through a new competitive marketplace called an Exchange and you will no longer be discriminated against based on a pre-existing condition.

### **Under the Existing PCIP Program in Florida:**

- no pre-existing condition exclusions.
- no waiting period (sign up before the 15<sup>th</sup> of any month and insurance is effective the first of the following month),
- no differences in premiums for women than men,
- no discrimination or reduction in coverage for mental health treatment,
- no life-time maximum or cap on the amount the plan pays for your care, and
- no rescission of insurance if there are substantial claims for a particular individual or family.

### **The Program:**

- Will cover a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs. All covered benefits are available to you, even to treat a pre-existing condition.
- Won't charge you a higher premium just because of your medical condition.
- Doesn't base eligibility on income.
- Copays and deductibles will apply similarly to other private insurance plans.

## Pre-Existing Condition Insurance Plan: Florida

PCIP will cover a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs. All covered benefits are available for you, beginning on your coverage effective date, even if it's to treat a pre-existing condition – there are no waiting periods.

### New as of July 2011

**Premiums: Low, Lower, now Lower still.** In July, the premiums for GEHA were lower by more than 40%.

The new annual premiums as of July 2011 are listed below. This contrasts with Private Health Insurance group policies which went up!

These reductions were based on the non-profit insurance company's experience, as of July 1, 2011. Additionally, the deductibles were also lowered to \$2,000 for the "standard" option and \$1,000 deductible for the "extended" option. PCIP also added a health saving account option (HSA) for people who have prescription drug costs and want superior RX benefits (see Exhibit A).

## Premium rates for Florida

Here are the **2011 monthly** PCIP premium rates for Florida by the age of an enrollee, effective July 1, 2011.

Age	Standard Option	Extended Option	HSA Option
0 to 18	\$118	\$158	\$122
19 to 34	\$176	\$237	\$183
35 to 44	\$211	\$284	\$220
45 to 54	\$270	\$363	\$280
55+	\$376	\$505	\$390

See [https://www.pcip.gov/PCIP\\_%20pamphlet\\_benefits\\_summary.pdf](https://www.pcip.gov/PCIP_%20pamphlet_benefits_summary.pdf) for specifics on benefits for the three options.

To see the list of medical providers in your community, by zip code, go to [http://www.pciplan.com/providersearch/lookup\\_type.asp](http://www.pciplan.com/providersearch/lookup_type.asp).

**Doctor letter instead of insurance company turn-down.** Also announced in May, you no longer need a denial from an insurance company to get PCIP insurance, just a letter from a doctor or a nurse that you have a pre-existing medical condition. Go to <https://www.pcip.gov/Apply.html> for the options of what to submit with the application.

In addition to your monthly premium, you will pay other typical private health insurance costs. Covered in-network services are subject to a \$1,000, \$2,000 or \$2,500 annual deductible (except for preventative services) depending on which of the three plans you select. Each of the three PCIP plan options provides preventive care (paid at 100%, with no deductible), when you see an in-network doctor and the doctor indicates a preventive diagnosis. Included are annual physicals, flu shots, routine mammograms and cancer screenings. For other care, you will pay a deductible before PCIP pays your health care and prescriptions. After you pay the deductible, you will pay 20% of medical costs in-

network. For example, you will pay a \$25 co-payment for in-network primary care office visit and specialty office visits, \$4 to \$40 for most drugs at a retail pharmacy for the first two prescriptions and 50% of the cost of the prescriptions after that. If you use mail order, you will pay \$10 for generic drugs or \$100 for brand drugs on the plan formulary for a 90 day supply. You will pay 20% of the cost of any other covered benefits received from a network provider. **Your out-of-pocket costs cannot be more than \$5,950 per year.** However, your out-of-pocket costs may be higher if you go outside the plan's network.

If you apply for PCIP coverage, you will be billed for the premium once your application is approved. You will need to send in your payment in order for your coverage to be effective. Please do not send in the premium before you are billed. Note that your premium may increase or decrease. Since the program inception, premiums have actually decreased.

## How to Apply

### Apply By Mail

1. Click the "Application Form" link below to download a PDF version of the enrolment application. A copy of the form is attached to this memo.

**<https://www.pcip.gov/Eligibility.html>**

2. Fill out the application by following the instructions in the application and make copies of any required documents. **Remember to include a copy of one of the following documents:**

- A letter from a doctor, physician assistant, or nurse practitioner dated with the past 12 months stating that you have or had a pre-existing medical condition, disability, or illness. This letter must include your name and medical condition, disability or illness and the name, license number, state of licensure, and signature of the doctor, physician assistant, or nurse practitioner. Or a copy of a letter dated within the past 12 months of your application from an insurance company or health plan (not health insurance offered through a job) showing that you have been completely denied individual coverage because of a pre-existing condition, or you were offered coverage but were denied certain benefits (for example, by a rider to an insurance policy) because of a pre-existing condition.
- An offer of individual insurance coverage (not health insurance offered through a job) that is dated within the past 12 months. Or, you may provide a letter dated in the past 12 months from an insurance agent or broker licensed in your state that shows you aren't eligible for individual insurance coverage from one or more insurance companies because of your medical condition.
- For children under age 19: A letter that shows you were offered coverage at a premium that is at least twice as much as the Pre-Existing Condition Insurance Plan premium (the monthly payment you make to an insurer to get and keep insurance) for Florida.
- **Note:** Coverage under Medicaid or Medicare within the past 6 months will be considered the same as private insurance and make you ineligible for the PCIP program.

3. Mail to:

**National Finance Center  
Pre-Existing Condition Insurance Plan  
PO Box 60017  
New Orleans, LA 70160-0017**

## Customer Service

You can reach the Pre-Existing Condition Insurance Plan at 1-866-717-5826: (TTY: 1-866-561-1604)

Pre-Existing Condition Insurance Plan regular hours of operation are Monday – Friday, 8 a.m. to 11 p.m., Eastern Time.

## PCIP Frequently Asked Questions

The Pre-Existing Condition Insurance Plan was created to make health insurance available to you if you have had a problem getting insurance due to a pre-existing condition.

### **The Pre-Existing Condition Insurance Plan:**

- Will cover a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs.
- Doesn't charge you a higher premium just because of your medical condition.
- Doesn't base eligibility on income.

### **What is a pre-existing condition?**

A pre-existing condition is a condition, disability or illness (either physical or mental) that you have before you enrolled in a health plan.

### **May I apply for the Pre-Existing Condition Insurance Plan if I have existing health coverage?**

You are not eligible unless you have been without health coverage for at least the last six months. This includes High Risk Pool Coverage and insurance coverage that may only exclude coverage for a pre-existing medical condition. For example, if you have Medicaid, Medicare or TRICARE, you shouldn't apply. If you are uninsured and have been told that you may be eligible for other coverage programs like Medicaid and the Children's Health Insurance Program, you should check out those programs first, as they may better meet your needs. If you have job-based coverage, or individual insurance coverage, you aren't eligible to apply.

### **May I apply for the Pre-Existing Condition Insurance Plan if I have COBRA or other continuation of coverage?**

No, even if your COBRA or other continuation of coverage is about to run out, you won't be eligible until you have been uninsured for at least the last six months, and meet other eligibility criteria.

### **What health care providers are in the network?**

The Pre-Existing Condition Insurance Plan will have provider networks that include a full range of services and specialists.

### **Is there a cost for this coverage?**

If accepted for coverage, you must pay a monthly premium to maintain that coverage.

**What do I do if I can't afford these premiums?**

If you have limited income and resources, you may be eligible for the Medicaid program in your state. If you are seeking insurance coverage for your child, go to Florida Kid Care ([www.doh.state.fl.us/alternatesites/kidcare/](http://www.doh.state.fl.us/alternatesites/kidcare/)) or call 1-888-540-5437.

**To be eligible for this coverage:**

- You must be a citizen or national of the United States or lawfully present in the United States.
- You must have been uninsured for at least the last six months. This includes High Risk Pool Coverage and insurance coverage that may only exclude coverage for a pre-existing medical condition.
- You must have had a problem getting insurance due to a pre-existing condition. For more details, download the Application Form to the right.
  
- For children under 19: You must have been quoted a premium of 200% or more of the Pre-Existing Condition Insurance Plan premium for your state. To find out if the premium you were offered is twice as much as the Pre-Existing Condition Insurance Plan premium go to "[Find Your State](#)".
- If accepted for coverage, you must pay a monthly premium to maintain that coverage.

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**THIS MEMO IS AVAILABLE ON MY FIRM WEBSITE LOCATED AT [WWW.BACHJACOBS.COM](http://WWW.BACHJACOBS.COM)**

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What you pay for care	Standard Option		Extended Option		HSA Option	
	In-network	Out-of-network	In-network	Out-of-network	In-network	Out-of-network
Deductible type	Separate medical & prescription deductibles		Separate medical & prescription deductibles		A combined medical & prescription deductible	
Deductible (medical)	\$2,000	\$3,000	\$1,000	\$1,500	\$2,500	\$3,000
Coinsurance (medical)	20%	40%	20%	40%	20%	40%
Catastrophic (or Out-of-Pocket) Maximum*	\$5,950	\$7,000	\$5,950	\$7,000	\$5,950	\$7,000
Inpatient Hospital Services*	20%	40%	20%	40%	20%	40%
Outpatient Surgery	20%	40%	20%	40%	20%	40%
Primary Care Office Visit	\$25 copay	40%	\$25 copay	40%	\$25 copay	40%
Specialty Office Visit	\$25 copay	40%	\$25 copay	40%	\$25 copay	40%
Annual Preventive Care Office Visit	Nothing	40%	Nothing	40%	Nothing	40%
Preventive Care - Other	Nothing	40%	Nothing	40%	Nothing	40%
Emergency Room	20%	40%	20%	40%	20%	40%
Lab - Outpatient	20%	40%	20%	40%	20%	40%
X-Ray** & Other Diagnostic Tests	20%	40%	20%	40%	20%	40%
Maternity & Newborn Care*	20%	40%	20%	40%	20%	40%
Therapy Services**	20%	40%	20%	40%	20%	40%
Durable Medical Equipment (DME)**	20%	All charges	20%	All charges	20%	All charges
Skilled Nursing Facility**	Benefits limited to \$700 day		Benefits limited to \$700 day		Benefits limited to \$700 day	
Home Health Care - skilled nursing, IV therapy* (limited to 25 in-home visits per calendar year)	20%	All charges	20%	All charges	20%	All charges
Hospice (combination inpatient & outpatient)	Benefits limited to \$15,000		Benefits limited to \$15,000		Benefits limited to \$15,000	
Mental Health/Substance Abuse	Same as medical conditions.		Same as medical conditions.		Same as medical conditions.	
<b>Prescription Drugs:</b>	<b>Formulary</b>	<b>Non-formulary</b>	<b>Formulary</b>	<b>Non-formulary</b>	<b>Formulary</b>	<b>Non-formulary</b>
Rx Deductible	\$500	\$750	\$250	\$375	NA	NA
Retail - up to a 30-day supply each fill						
Generic - First Two Fills	\$4	\$4	\$4	\$4	\$4	\$4
Generic - 3rd Fill & After	Greater of \$4 or 50%	Greater of \$4 or 50%	Greater of \$4 or 50%	Greater of \$4 or 50%	Greater of \$4 or 50%	Greater of \$4 or 50%
Brand - First Two Fills	\$40	\$80	\$30	\$60	\$30	\$60
Brand - 3rd Fill & After	Greater of \$40 or 50%	All charges	Greater of \$30 or 50%	All charges	Greater of \$30 or 50%	All charges
Specialty	25%, \$150 max	50%, \$300 max	25%, \$150 max	50%, \$300 max	25%, \$150 max	50%, \$300 max
Mail Order - 90-day supply						
Generic	\$10	\$10	\$10	\$10	\$10	\$10
Brand	\$100	\$200	\$75	\$150	\$75	\$150
Specialty	25%, \$350 max	50%, \$500 max	25%, \$350 max	50%, \$500 max	25%, \$350 max	50%, \$500 max

**Additional information on prescription coverage:**  
Under the Standard and Extended Options, you receive prescription benefits after just meeting the prescription deductible. Preferred Step Therapy and Prior Authorization rules apply to some medications. For a list of drugs on the formulary, go to [www.pcipplan.com](http://www.pcipplan.com). Non-preferred step therapy drugs are not a covered benefit. If you choose a brand-name drug for which a generic drug exists, you will pay the generic drug and the difference between the cost of the brand-name drug and the cost of the generic drug, unless your physician has provided clinical necessity for the brand-name drug which will require preauthorization. Only the generic copay will apply to your deductible and out-of-pocket maximum. The difference between the cost of the brand-name drug and the generic will not be applied to the deductible or annual out-of-pocket maximum. Specialty medications are those used to treat some severe, chronic medical conditions and are usually administered by injection or infusion.

\* In-network deductibles, copays and coinsurance apply to the in-network out-of-pocket maximum, but do not satisfy the out-of-network catastrophic (out-of-pocket) maximum.  
\* Pre-certification for these services is required. Therapy services include Physical & Occupational (up to 60 visits/calendar year), Speech (up to 30 visits/calendar year) and Cardiac or Pulmonary Rehab.  
\* Only certain radiology procedures require pre-certification.  
\* Care of a newborn during the covered portion of the mother's maternity stay.  
\*\* Inpatient stay at a skilled nursing facility is covered for the first 14 days following transfer from acute inpatient stay, when skilled care is still required.

For complete details on benefits, please see the 2011 PCIP brochure.

