

**CAPITOL ASSOCIATES**

**Moderator: Bill Finerfrock  
February 10, 2011  
1:00 pm CT**

Operator: Good day everyone and welcome to today's Rural Health Clinic technical assistance national teleconference series. Today's topic is "Pre-existing Condition Insurance Plan." Today's conference is being recorded.

At this time, I'd like to turn the conference over to Mr. Bill Finerfrock. Please go ahead, sir.

Bill Finerfrock: Thank you, operator. And I want to welcome everyone to today's teleconference on a new program called the Pre-existing Condition Insurance Plan program that's now available in all 50 states.

Getting people enrolled in this newly-formed high-risk insurance plan can benefit both you and your uninsured patients. As part of the Patient Protection and Affordable Care Act it authorized the Department of Health and Human Services to establish either in conjunction with the states or independently an insurance

program for high-risk individuals and that program is called the Pre-existing Condition Insurance Plan.

My name is Bill Finerfrock and I'm the executive director of the National Association of Rural Health Clinics, and I'll be the moderator for today's call. Our presenter today is Richard Popper. Richard is the Director of Insurance Programs with the HHS' Office of Consumer Information and Insurance Oversight. We're planning on about a 45-minute presentation with the remaining time allotted for your questions to the speaker.

As you know this call is part of a series that's sponsored by the Health Resources and Services Administration's federal Office of Rural Health Policy and is done in conjunction with the National Association of Rural Health Clinics. The purpose of this series is to provide information to RHC staff about valuable technical assistance on various programs.

Today's call is the 39th in the series which began in 2004 and during that time over 10,000 individuals have participated on the bi-monthly national teleconference call series. As you know there's no charge to participate in this project and we encourage you to refer others who might benefit from the series to sign-up to receive the announcements regarding the call dates and topics.

During the question and answer period, we ask that you identify yourself by your name, your city and your state before announcing your question. And if you do have in the future ideas topics, please send them to info – I-N-F-O – @narhc.org, and put RHCTA question in the subject line.

Without further delay, I'd like to turn the meeting over to our speaker today, Richard Popper, the Director of Insurance Programs. Richard, it's all yours.

Richard Popper: Thank you, Bill. And thank you for taking some time out today to hear our presentation about the Pre-existing Condition Insurance Plan. There is a PowerPoint that I'll be talking from that I believe was made available to you. And I'll be going page-by-page go through that with some comments. And I'll try to track it by page. I'll tell you what page I'm on so you can follow along.

Some of you may be aware of the Pre-existing Condition Insurance Plan. It was one of the first new benefits that came from the enactment of the Affordable Care Act. It took effect just over 3 months from the date that President Obama signed the Affordable Care Act in March.

By July 1 we had this new plan available and up and operating. And it is a plan that we think has a lot of potential use and will solve a lot of issues in the individual market particularly in the individual insurance market in rural states. That's because most rural states now have and have had for – in some cases for

decades - a state high risk pool that is available for individuals to purchase coverage when individual insurance carriers turn them down because of a pre-existing condition.

A lot of rural states have had high risk pools for individuals who can't buy coverage because a lot of rural states have self-insured individuals, perhaps, who run family-owned farms or work for themselves and don't have access to coverage through their employer.

And that's where we think this really will have a great application and use in rural states. And because the pre-existing insurance plan that I'm going to describe to you is designed for individuals and is designed for people who want to buy health insurance, have the means to buy health insurance, but no company will sell it to them because they have some kind of pre-existing condition.

So getting right in to the presentation, if you turn to slide 2, Section 1101 of the Affordable Care Act signed by the president last March required that the Department of Health and Human Services establish a temporary high risk health insurance pool program for individuals with pre-existing conditions.

And this is designed to be a program that is a bridge or a temporary solution for individuals with pre-existing conditions who are unable to purchase individual health insurance coverage through 2013 because starting in 2014 under current

law, until health insurance exchanges become available, individuals can be subject to discriminatory premiums – health insurance premiums or discriminatory rating practices or discriminatory health coverage and benefit practices because of their health condition. Because when the health insurance exchanges become available in 2014 no one can be denied health insurance coverage and people of the same age will pay the same premium regardless of their health status.

But until then, we have the current market place which has challenges and flaws. And in order to address these current challenges and flaws in the market place the Pre-existing Condition Insurance Plan was established to get and provide access to people who want to buy health insurance coverage or who are currently locked out of the insurance market.

As I said, we have the plan available starting on July 1. And we'll go into more details as we turn to the next slide. On slide 3 it describes the eligibility criteria for the Pre-existing Condition Insurance Plan. In order to qualify an individual has to be a U.S. citizen or residing in the United States legally, has been uninsured for a minimum of 6 months before applying to PCIP and they have to have a pre-existing condition or have been denied coverage because of their health condition.

Moving on to slide 4; because we had to get the program up and running very quickly, just over 90 days, we had to build it with a lot of flexibility. And soon after the Affordable Care Act was enacted HHS secretary, Kathleen Sebelius, sent a letter out to all the governors and state insurance commissioners asking if their state wanted to operate the Pre-existing Condition Insurance Plan themselves at the state level.

There was no cost that was going to be passed on to the states for this because it's entirely funded through the federal government. But because a lot of the states had existing state high risk pools or other mechanisms in place we wanted to use those existing mechanisms in order to get it open quickly.

And of the 50 states plus the District of Columbia, 27 states came back to us and said that they wanted to administer the plan at the state level. And in the PowerPoint those are shown as the gray states. And they are mixture of states from you know Oklahoma and Arkansas, to New York and California and Maryland. It's a broad mix of states geographically as well as from their perspective on health insurance reform and how their insurance markets work.

But the other 23 states plus the District of Columbia said that they were not interested in administering the new high risk pool, the Pre-existing Condition Insurance Plan, at the state level. So in those states, we, the federal

government, had to establish a health plan in those states in order to make sure that this coverage was available for everyone across the United States.

In the green states the way the federal government elected to administer it is that we at HHS entered into a partnership with the federal government's Office of Personnel Management which oversees the health and benefits of millions of federal employees.

And our partners at the Office of Personnel Management did a competitive solicitation to choose one of the FEHB plans which is one of the plans that serve and provide health insurance coverage to federal employees. And the plan that was chosen by OPM, the Office of Personnel Management, was GEHA, the Government Employees Health Association, which is one of the more popular health insurance plans among federal employees.

So people in these green states get the same benefits and the same coverage that federal employees receive. And they get that through the Pre-existing Condition Insurance Plan.

Bill Finerfrock: Hello?

Richard Popper: Yes. I'm actually missing one of the slides.

Bill Finerfrock: I'm sorry.

Richard Popper: I'm just trying to reshuffle it in right order here. The ...

Operator: Please standby.

(Audio Gap)

Operator: Please standby. We are having technical difficulties. You will hear music until we are back underway.

(Audio Gap)

Operator: Mr. Finerfrock, you are live with the audience.

Bill Finerfrock: My apologies. We had some technical difficulties. Technology is great when it works, but sometimes you get the gremlins. We're back live with Richard Popper. And Richard, if you just pick up where you left off, we'll keep going.

Richard Popper: Sure. Yes. I'm on slide 5 where we're going to talk about the way that an individual can be eligible for the Pre-existing Condition Insurance Plan.



In almost all the states the main pathway to be eligible for the Pre-existing Condition Insurance Plan is that an individual will apply for coverage in the commercial individual market which is similar to the way most of us apply for car insurance. They either go to an agent or just apply directly to a health insurance company that sells individual health policies.

And under the current market place before the broader reforms of the Affordable Care Act take effect in 2014, individuals can still be turned down for health insurance because of their pre-existing condition. So if an individual has applied to a commercial carrier in the past 12 months and is turned down by a carrier, then that denial letter that they have is their ticket into the Pre-existing Condition Insurance Plan because it shows that they have a pre-existing condition.

Another way to get into the plan is if an individual applies for health insurance coverage and the carrier provides a counteroffer that says, "Well, we will cover you, but because you indicated that you had anxiety or depression we'll cover you but we will exclude coverage for behavioral health or mental health services and drugs." And so in that situation where an individual is offered coverage but with a permanent exclusionary rider that denies all coverage for a pre-existing condition or ailment that the individual has, that's also a way to get into the Pre-existing Condition Insurance Plan as well.

The third way that's available in about half the states, 25 states, is that the individual has a qualifying condition. And among the 25 state-run pools those states all have qualifying conditions list that can include – in most cases – cancer, and coronary, artery disease, and diabetes, and AIDS and HIV.

Some states have broad listings of conditions that make someone eligible. Some states have 80 qualifying conditions while some only have 25. But if you have one of those qualifying conditions in those states you don't have to spend time applying to a health insurance company, you can simply go to your doctor or health care provider and get a letter from that doctor with their license number indicating that you have been treated or diagnosed with one of those qualifying conditions. And that means you can get right into the Pre-existing Condition Insurance Plan with that as long as you're a U.S. citizen and have been uninsured for six months.

The other documentation that's necessary in 27 states is –is that you may have to provide proof of citizenship which means you have to include a copy of your passport –if you have it – or a copy of your birth certificate just to prove that you're a U.S. citizen or a legal resident.

In the other half of the states, run by the federal government, we just need your social security number and using that we can link to the Social Security Administrations, Homeland Security database interface to verify citizenship in

these cases. So this covers also slide 6 that describes how individual can be eligible.

We also have another category that doesn't come up too much, but in the event a child is applying for coverage because in more than half the states there's guaranteed issue coverage for children, if the premium offered to the child is twice as much as what's available in the Pre-existing Condition Insurance Plan then the child can also come into PCIP as well. That's another important enrollment eligibility pathway for them.

Moving on to slide 7, what consumers need to apply. Application is fairly brief. There isn't 5 pages or 6 pages of information that one has to provide. That's largely because there is no income test for the Pre-existing Condition Insurance Plan. Individuals can qualify regardless of income.

So what we're basically interested in and what's required in the application is just your basic information – your name, address, and phone number – your citizenship status which we obtain through the social security number as well as the documentation that's required in about half the states.

And then how you're eligible. Either through a health insurance company denying you coverage or offering you coverage with an exclusionary rider or in

those states that accept a letter from a health care provider that you have one of their qualifying conditions.

There's also a checklist about whether you have other coverage. And then you have to provide information about any recent health coverage. And that is it in terms of filling up the application. It's roughly two pages with a large font so it is not that complicated in terms of filling up the application and qualifying.

Moving on the next slide. The benefits that we offer in the Pre-existing Condition Insurance Plan are very comprehensive. It includes coverage for emergency services, coverage in medical offices for treatments of injuries or illness, both in-patient and outpatient hospital services, and mental health services and substance abuse services both on an in-patient and outpatient basis, prescription drugs, home health care, outpatient labs and diagnostic services, durable medical equipment. And these are all provided both on in-network basis if you go to see a participating provider in GEHA or whatever the third-party administrator the plan uses in the state-run pools.

And there's also an out-of-network benefit as well which is important for folks in rural areas because often providers don't participate with all insurance companies. So the availability of getting coverage even if you go out of network is very valuable in this program.

Moving on the next slide. The benefit plans all offer first dollar coverage for preventive care. That means if you go to get your annual checkup or well-child visit or a mammogram or a PAP smear or prostate exam, those costs are not subject to the plans deductible so you don't have to pay for those out-of-pocket.

If you receive those preventive services the plan will pay for them with a limited copayment or cost-share on the part of the member. So there's no concern about the cost of getting those preventive services. There's no lifetime maximum on the amount of the plan. The Pre-existing Condition Insurance Plan will pay for the enrollees care and benefits are available immediately once coverage begins.

So one of the big benefits and advantages of the Pre-existing Condition Insurance Plan compared with other state-funded high risk pool programs that have been around for a while is that there is no pre-ex period. You're not having to face a penalty because you didn't previously have coverage.

As soon as the effective date begins you can get coverage right away and there's no 6-month or 12-month period where the plan won't cover pre-existing conditions even while you're paying for the premiums to keep the coverage going. So it offers coverage right away. And as I said earlier you can receive benefits from any qualified provider regardless of whether they participate in the network.

Moving on to slide 10. This just gives you a flavor of the cost of plan in the 23 states plus the District of Columbia where the federal government runs the plan. The premiums vary by age and by plan option. So in our standard option which has a \$2000 annual deductible, the premium is \$116 for someone under age 19 all the way up to \$626 for an individual who is over age 55.

The Extended Option has a lower deductible. The extended option has a slightly higher premium at the younger ages and a higher premium with the older ages. Well, that reflects the fact that you have a lower deductible to pay. And then we have an option that's compatible with a health savings account that allows the individual to have some tax advantages in paying their deductible cost and that has a premium of \$121 to \$650.

The premiums do vary by state because the premiums are based on the rates that are charged in the state in the current commercial individual market which are charged to people who pass medical underwriting or are healthier. So the other benefit of this program compared to the existing state-funded high risk pools is there's no surcharging individuals because they have a pre-existing condition.

In this Pre-existing Condition Insurance Plan people with pre-ex conditions pay the same premium or a comparable premium to what healthy people pay. Unlike

in the individual insurance market there's no surcharging based on their condition.

And then our state plans, the premium varies from \$69 to as much as \$1,800 in one state that tends to have a very expensive individual insurance market. And in the state plans there is no deductible in some plans and some states have a catastrophic deductible option but lower deductible options as well in the states.

And most of the state plans also vary premium by age except for one state, Pennsylvania. And they have an out-of – all the plans have an out-of-pocket limit of \$5,950 which means that's the most you'll pay in co-sharing and copayments and drug co-pays as long as you stay within the network. And there's more information about these costs in states if you go to our Web site which is [www.pcip.gov](http://www.pcip.gov).

Slide 11 gives you a sense of the co-pays and cost-sharing in the plan for different types of services. The most common co-pay is that if you go to – in a network provider the member pay is for 20% of the cost and the plan pays for 80% of the cost. Of course, the member does have the benefit of an out-of-pocket limit so they won't be paying that 20% on significantly high medical bills or if their bills accumulate to large amounts so the members exposure of cost-sharing is capped.

And, again, you have co-pays for your primary care provider of \$25 each. And you see the drug co-pay is there as well for generic drugs being \$4 and brand-name drugs being anywhere from \$30 to \$40. In the state plans, the cost-sharing varies so much it'd difficult to put it on one slide.

Moving to slide 12. There are a number of ways that individuals can apply for the Pre-existing Condition Insurance Plan. They can do it by mailing a paper application which they can download from our Web site or request to be mailed to them on phone. They can also fax in a paper application or they can fill up the application on line and then mail in their supporting documentation. And they can get information on what's best for them by calling the National Health line that is on the next slide.

Slide 13, again, gives you the Web site, PCIP.gov. You can also access information about PCIP on the health care – [www.healthcare.gov](http://www.healthcare.gov) Web site which is the Department of Health and Human Services useful tool in navigating the health insurance market place. So I suggest you look at that Web site as well.

And this have the select your state and it'll take you to what the premiums are and summarize the benefits available. We also have a national toll-free number, 866-717-5826, where individuals can call-in to request materials we sent to them or to ask questions. And that call center is open from 8 pm to 11 pm, Mondays through Fridays Eastern Standard Time.



We would ask your organization, if you do interact with a lot of uninsured individuals or individuals who are having problems getting health insurance, that they – you please pass on the Web site and the contact information to anybody who answers the phone or who takes a lot of calls from uninsured individuals. Because that's the best way we have to getting the word out -by educating those people who interact frequently with uninsured individuals about this new option that's available to them.

Slide 14. Just a snapshot of our Web site where you would click on “learn more” to see other features on the Web site. And then, slide 16 shows you would click on the eligibility link to take you to information about eligibility.

And slide 18 shows you would click on find your state. And then the map that you saw on an earlier slide pops out on the Web site and all you need to do is click on the – your state or the icon of your state. It will take you to the information and eligibility and premium and way to get in-touch with your state program. So it's a one-stop place to go to get information about what is available for Pre-existing Condition Insurance Plan in all 50 states.

Moving forward on slide 22, our efforts now that we have the plan up and running. And as enrollment continues to grow it's focusing on outreach and working with folks like you on the phone to educate those who interact with

people who are uninsured about this new option that's available for them regardless of income to give them access to comprehensive health insurance coverage.

So we're doing events like this conference call. We're doing other conference calls with health care providers. We've been meeting with health insurance companies to ask them that on their denial letters that they issue to applicants who've been denied individual health coverage that they include a mention of PCIP on those denial letters with our Web site and our phone number so people know that once they're denied where they have to go to get coverage since they can't get it in the commercial market.

We're also working with chronic disease organizations, any – just general disease organizations who have call centers and take calls from people already diagnosed with diabetes or cancer or heart conditions since they refer people on to the program. We're also presenting next week and working with health insurance agents or brokers.

And then starting in 2 weeks the Social Security Administration will send out about 3 million acknowledgement letters a year to individuals who apply for social security disability benefits. This is individuals who want to – who feel they're eligible for social security who are under age 65 because they have a disability.

All these acknowledgement letters from the Social Security Administration will include notices about the availability of the Pre-existing Condition Insurance Plan and our Web site and our toll-free number. Because even once people are approved for social security disability they have a 2 year waiting period before Medicare coverage begins for them. So the Pre-existing Condition Insurance Plan is a great bridge coverage option for those individuals who are unable to work because of a disability and may not have access to health insurance coverage.

So that's a summary of the Pre-existing Condition Insurance Plan. I will just mention to everyone on the phone, if you have an upcoming statewide conference or meeting for your group or organization or you know of a very good conference that takes place in your state or region, I would ask you to please let us know about it and please e-mail me at [richard.popper@hhs.gov](mailto:richard.popper@hhs.gov) because we would love to come out and do a presentation like this whether it's for 10 minutes or an hour to educate people and walk them through the application process so that we can get – better get the word out about the availability of this program.

Also, my colleague who is head of our outreach effort, Laurie Oseran – L-A-U-R-I-E – dot O-S-E-R-A-N – [@hhs.gov](mailto:@hhs.gov) which is on slide 24, she can also get back to you and we'll try to schedule us to come out to your state and do an event whether it's in-person or on the phone.

So that's the presentation. I'd be really happy to take any questions that you might have. Thank you, Bill.

Bill Finerfrock: Thanks, Richard. That was great.

Two things first. We will be sending out – we have some flyers about the program. They will be distributed through the listserv. We were experiencing some technical difficulties getting these loaded up, but we have one that is in English and one that is in Spanish that you can put out into your reception area for your patients who may be interested. They can pick it up and it will give them the toll-free number as well as the Web site to go and get more information.

So look for an e-mail with the – with those two flyers attached that you can download and print out and make available for your waiting room.

Operator, you want to go and give the instructions for questions?

Operator: Yes, Mr. Finerfrock. Today's question and answer session will be conducted electronically. If you would like to ask a question today, you may do so by pressing the star key followed by the digit 1 on your touchtone telephone. If you're using a speakerphone, we do ask that you deactivate the mute function before signaling to allow your signal to reach our equipment. Again, that is star 1 to ask your questions.

A voice prompt on your phone line will indicate when your line is open today. And we do ask that you please state your name and city and state location before posting your question. Again, that is star 1 for any questions at this time.

And we're going to pause for just a moment to give everyone an opportunity to signal.

Bill Finerfrock: And while we are waiting we had put out a call previously for – if people had some questions they wanted to send in. One of the questions that came in was kind of based on the timing of this where we are right now.

As you know not too long ago, the last couple of weeks, a judge down in Florida ruling on the Affordable Care Act ruled that the individual mandate and the entire law was unconstitutional. And obviously that's got to work its way through the courts, but will that have any impact on this program in terms of availability or information? Is there anything relative to any of the court cases that people need to be aware of?

Richard?

Richard Popper: Yes. The court case had – could have an effect in some states. In some states we're still evaluating the impact that that would have. It could impact

some of the states where the state is running the Pre-existing Condition Insurance Plan. It depends on what kind of decision comes from our request to stay the decision until it's appealed, but if there was any possibility of it impacting services what we would do here at HHS would be that they – we would work with the state. The federal government will take over the administration of the state-run pool if service came into question.

Bill Finerfrock: Okay.

Richard Popper: So that would not – there might be a slight issue of transferring individuals from one plan to another plan, but we would work to make that as seamless as possible. But I'm not sure if that would even take effect, so ...

Bill Finerfrock: But overall, there should be no effect?

Richard Popper: Yes.

Bill Finerfrock: It's one of these elephants in the room that everybody has got a lot of questions about and we figured we – it was a good question we should probably try and get it on the table right up front.

Richard Popper: And you know I just want, if any of you deal with individuals who have those concerns - we've had a couple of individuals that we've actually spoken to

who are worried about getting a surgery because of the court decisions or because of legislation or they were approved for the plan and were worried about paying the premium to enroll in the plan. So you know please assure them that this plan is here today and tomorrow it may be somewhat configured differently, but it will continue to be around.

Bill Finerfrock: Okay. Great. Operator, do we have questions from the audience.

Operator: We do. We will take our first question today from ...

Bill Finerfrock: Go ahead, caller.

(Terry Ellsworth): Yes. Can you tell me where to locate the slides that you were using?

Bill Finerfrock: Yes. Can you first – who are you and where you're calling from?

(Terry Ellsworth): I'm sorry. (Terry Ellsworth), Kansas.

Bill Finerfrock: Okay. We did send it out through the RHCTA listserv. The link is on the Office of Rural Health Policy's Web site. If you go to [www.hrsa.gov](http://www.hrsa.gov) you'll see a link there for the Office of Rural Health Policy and then when you get to their homepage you'll see the RHCTA series. You'll click on that link and it should be

the first piece of information there. It goes over the call time, the information. It has the link to the slides.

But if you still didn't – if you can't do that, anybody who needs the slide, send me an e-mail at info – I-N-F-O – @narhc.org and I will provide you with the link if you can't find it on your own.

(Terry Ellsworth): Okay. And Richard Popper's e-mail address?

Richard Popper: Sure. It's Richard – R-I-C-H-A-R-D – dot popper – P-O-P-P-E-R – @hhs.gov.

(Terry Ellsworth): Thank you very much.

Richard Popper: Thank you, (Terry). Next question?

Operator: We'll take our next question today from ...

(Leanne Ama): Yes. This is (Leanne Ama) in Georgetown Pediatric Center. And are we allowed to help people sign up for this? I may have missed the beginning of your speech.



Richard Popper: Yes. There is no limitation on entities that can assist people with the application process. The only statutory concern is that there is a prohibition on existing insurance carriers and employers from what's called dumping their current insured covered individuals into the plan. But there is no prohibition on other entities be they providers or community organizations from assisting individuals in filling out the applications.

(Leanne Ama): Okay and ...

Bill Finerfrock: (Leanne), Georgetown is where?

(Leanne Ama): South Carolina. I'm sorry.

Bill Finerfrock: Okay.

(Leanne Ama): We're a large rural health clinic and we have a lot of – I mean, we have mainly Medicaid but we do have some uninsured children. But what about adults that are uninsured because they can't afford premiums? Is that only children that have that?

Richard Popper: Well that is not a criterion that gets you into the plan (because you can't afford premiums) for adults. It's only if you've been denied health insurance

coverage or you have a – one of the qualifying conditions which would in a place  
– you said you're in South Carolina?

(Leanne Ama): Yes.

Richard Popper: Yes, and that's – so you have to be denied, have applied to a  
commercial insurance company and been denied. There is no eligibility pathway  
for individuals who just can't afford health insurance coverage.

(Leanne Ama): Okay.

Richard Popper: You know really, the solution to that problem comes in 2014 where the  
health insurance exchanges become available. And at that point in 2014  
premiums will be subsidized based on income. But right now in the Pre-existing  
Condition Insurance Plan people in this plan pay the same commercial premiums  
that healthy people pay. So there's no surcharge because of their health  
condition but they also don't get a subsidy based on their income.

(Leanne Ama): Okay. Excellent. Thank you.

Bill Finerfrock: Thanks, (Leanne). Appreciate the question.

(Leanne Ama): Okay.

Bill Finerfrock: Next question?

Operator: We'll take our next question today from ...

(Leandra Sylvan): Yes, hello. This is (Leandra Sylvan) in Fresno, California with Clinic  
(inaudible).

Bill Finerfrock: Great. Go ahead.

(Leandra Sylvan): I just wanted to follow up to the last question about being able to assist our patients that may qualify for this program to complete the application. Now, is there any way that certified application assistants – I'm not sure if you're ever familiar with what they do, but they do go through – training through the healthy family program here in California to become certified application assistants where they are able to complete the application for the applicant and include the required document and basically follow through until that application is either approved or denied and also help with renewals or any changes.

Is there any way that these certified application assistants can also submit the insurance agent or broker payment information or is that specifically for those that are licensed as insurance brokers or agents?

Richard Popper: Yes, this is Richard. I'm not sure whether the California pool is offering agent assistance or payment to insurance agents or brokers for their version of the California state-run version of the Pre-existing Condition Insurance Plan. I know their Web site which I believe is – either you can get through the MRMIB Web site – [www.mrmib.com](http://www.mrmib.com) – as in boy– dot ca.gov would have information about that.

But I'm not sure – I don't think they give the same types of application assistance in healthy families that they do in – that they do with – than they will with the Pre-existing Condition Insurance Plan in that state.

(Leandra Sylvan): Okay.

Richard Popper: I would suggest you go to their Web site and they would have information for it there.

(Leandra Sylvan): No, they are offering the \$50 payment for each person they assist with who is successfully enrolled. I guess my question is, is there any limitations federally or if you knew that the states – that to the states as far as who they provide with the payment for the assistance into with the enrollment?

Richard Popper: There is no limitation on the state– however we at the federal level require to keep our administrative cost below – at or below 10% of total plan cost.

So how gets – how that plays out in their implementation that the State of California has done I'm not sure. You would have to ask MRMIB that question.

(Leandra Sylvan): Okay. Thank you.

Richard Popper: Sure.

Bill Finerfrock: Operator, before we go to the next question, I have another one that was sent in ahead of time.

You mentioned in your presentation, Richard, that the individual beneficiary can receive benefits from any qualified provider. Is the term qualified provider defined on either the GEHA Web site or somewhere. As you may know rural health clinics rely extensively on Physician Assistants and Nurse Practitioners to deliver a significant amount of care. Would specifically do you know whether PAs and NPs would be classified as a qualified provider for purposes of delivering care under this program?

Richard Popper: That I don't know at the top of my head, but we're going to try to research it before the call is over and get back to you.

Bill Finerfrock: That would be great. That would be – I think it's important for all of the RHCs given their heavy reliance on PAs and NPs.

Richard Popper: And, again, forgive my ignorance. PAs and NPs is?

Bill Finerfrock: Physician Assistants and Nurse Practitioners.

Richard Popper: Okay. All right. We'll try to find that out before this is over.

Bill Finerfrock: Okay. All right, operator, next question?

Operator: We'll take our next question today from ...

(Robin): Hi, this is (Robin) from Reno. Nevada.

Bill Finerfrock: Go ahead, (Robin).

(Robin): One of my questions is an example. If somebody does have a pre-existing condition and they currently have insurance but they have a writer and so their condition – that part of their condition are not covered to their insurance plan they could apply for this program and then would they have to maintain their existing insurance and then pay the premium on this as well to have just that portion of it covered?

Richard Popper: This is Richard. Unfortunately the requirement under the federal law is that the individual has to be uninsured for six months.

(Robin): Okay.

Richard Popper: So if they purchased that coverage that has an exclusionary rider that prevents them from getting benefits to cover the condition that they suffer from, that's still considered creditable coverage and makes them ineligible for this plan. So what we've been advising organizations like yours is that if an individual applies for a health insurance coverage and gets offered coverage with an inclusionary rider make sure to tell them not to purchase it.

(Robin): Okay.

Richard Popper: That they need to come over to PCIP. But not activate that other policy.

Bill Finerfrock: But that means they would have to go effectively naked for health insurance for six months?

Richard Popper: Yes. If they currently have the policy that has an inclusionary rider or isn't adequate for them, yes, they would have to be uninsured for six months.

Bill Finerfrock: Okay.

(Robin): And what if they – what if somebody you know couldn't pay it anymore, maybe because it was so high and ridiculous and so they dropped their insurance and now they have nothing and six months down the road they really want to get coverage. Can they apply as long as there's a six-month period, right?

Richard Popper: Yes, that's correct.

(Robin): Okay and then, where do you find the qualifying conditions (piece at)? I'm not seeing it when I...

Richard Popper: Well, you're from Nevada?

(Robin): Yes.

Richard Popper: Okay. Nevada is one of the federally-run high risk pools and so they're – in Nevada there's no qualifying conditions list. What would have to happen is that the individual has to apply for coverage with a commercial carrier in Nevada and be turned down.

Bill Finerfrock: Okay.



(Robin): Okay.

Bill Finerfrock: All right. Thanks, (Robin).

(Robin): Thank you.

Richard Popper: Or offered coverage with exclusionary writer.

Bill Finerfrock: Okay. Next question?

Operator: And we'll take our next question from...

(Brooke): (Brooke) from Louisiana.

Bill Finerfrock: Okay.

(Brooke): And when does this go into effect here? We were unable to get to the HRSA  
((inaudible))?

Bill Finerfrock: When does this go into effect?

(Brooke): Yes, sir.

Bill Finerfrock: Okay, Richard?

Richard Popper: Applications have been available in Louisiana since July 1 and people have been covered in Louisiana starting in August 1 of 2010 so it's been up and running for just over 7 months.

Bill Finerfrock: If you go to – in the slides or in the brochures we're going to send you, the flyers we're going to send you, you can go to the Web site [www.pcip.gov](http://www.pcip.gov) and – then what you'll want to do is go to the find the state section. A map will come up and you can click on your state and it will give you the details of the program as it applies to your state. So in your case, obviously Louisiana, how it applies in Louisiana.

(Brooke): Thank you.

Bill Finerfrock: Thanks.

Richard Popper: Bill, I have an answer to your question about Physician's Assistants and Nurse Practitioners.

Bill Finerfrock: Okay.

Richard Popper: Okay. In the 23 states plus the District of Columbia where the federal government runs the pool the following are considered to be covered providers when they perform services within the scope of their license or certifications. It includes both nurse practitioners, clinical nurse specialists, as well as Physician's Assistants and registered nurses and a whole bunch of other practitioners.

Bill Finerfrock: Great.

Richard Popper: So it is a very broad definition. That includes nurse, midwives – what have you.

Bill Finerfrock: And then I assume on the state programs you would have to look at the individual state to determine who they would classify as a qualified provider.

Richard Popper: Yes, unfortunately we don't have that handy.

Bill Finerfrock: Fine. I would – I assume it's going to have to be state by state. But at least for the federally operated programs there is that definition and so all the providers, it sounds like, who work in a rural health clinic would be classified as a qualified provider for purposes of delivering services.

Richard Popper: And I would urge – if any of the folks in the phone look this up and they see there are some barriers with their state-run Pre-existing Condition

Insurance Plan at the state level you really should lobby the plan or their board of directors to get the definition expanded for this population. And they do have the authority to do that.

Bill Finerfrock: Okay. Excellent. All right. Operator, next question.

Operator: And we'll take our next question today from...

(Paul Barker): (Paul Barker) from San Juan Island, Washington. I'm trying to find out – talking about information that we will get at the point of service. Are there identification cards or will it also be Web sites where und staff can verify the eligibility of folks receiving this coverage?

Richard Popper: This is a – this is run like a commercial health insurance plan so individuals are – once they enroll they are sent ID cards that they can use both at the doctor's office as well as in the pharmacy. And most of the – as I said, the 23 states, the federal government run, it's done through the Government Employees Health Association health plan where you can pull up, I believe, samples of their ID cards at their Web site which is [www dot G-E-H-A dot com](http://www.G-E-H-A.com), I believe or [dot org](http://www.G-E-H-A.org). And they also have a Web site just for our plan, [www dot P-C-I-P-L-A-N dot O-R-G](http://www.P-C-I-P-L-A-N.O-R-G) that has sample ID cards.

In the 27 state-run pools, most of those states are contracting either with the Blue Cross or Blue Shield carrier or some other non-profit health carrier – commercial health carrier in the state. So I can't – but they all provide some kind of ID cards and maybe separate PBM cards or prescription drugs if necessary.

(Paul Barker): A follow up question then is that people travelling from other jurisdictions from one state to another sometimes the medical assistance would that also be covered through this program?

Richard Popper: Yes because the states all have an out-of-network benefit so they may have to pay a little bit more in co-pays and cost-sharing for an elective visit. If it's emergency visit they typically won't be penalized with the hard co-pay and cost-sharing, but they will have coverage. It just follows them where they go.

(Paul Barker): Thank you very much, both of you.

Richard Popper: Sure.

Bill Finerfrock: I have a follow up question to what he was just asking. If you – will you be able to determine the individual's status in terms of meeting their deductible? It's really Web connection? In other words given the high deductible when a patient shows up in this situation that (Paul) was describing, an individual who is from out of the area comes in under this program, presents with a card, would

there be an ability for the provider to go and determine not only eligibility but status of co-pay or deductible in terms of how much should they be collecting from the patient at the time of service?

Richard Popper: The best situation for a provider to prevent that would be for the provider to – when the patient shows up for the provider to call the plan whether it's GHA or one of the state-run plans to obtain that information over the phone.

Bill Finerfrock: Okay. All right. Okay. Next question, operator?

Operator: Well take our next question today from ...

(Heather): This is (Heather) from Fort Bragg, California.

Bill Finerfrock: Go ahead, (Heather).

(Heather): Our question is how do we find out if we're in network or out of network as a clinic?

Richard Popper: I'm sorry. The state you are from was?

(Heather): California.

Bill Finerfrock: California? It appears that California is a state-run program.

(Heather): Yes.

Bill Finerfrock: Richard?

Richard Popper: I'm still – I'm pulling out the Web site now.

Bill Finerfrock: Okay. They're checking.

You know I think for the federal part of the program the GEHA, Government Employee Health Association, you would just check with them to see whether or not there would be an opportunity to get in network and what the out-of-network benefits are. And then as soon as Richard pulls up we're going to know for California.

Richard Popper: Yes. In California you would go to [www.PCIP.ca.gov](http://www.PCIP.ca.gov). And there I a provider look up tool.

(Heather): And is it administered by Blue Cross or Blue Shield? Or ...

Richard Popper: It is administered by – I believe they use the Blue Shield network through another TPA entity. The name of which escapes me at the moment.

(Heather): So in general, if we're a blue shield provider and all our providers are credentialed through Blue Shield, would we most likely be in network?

Richard Popper: Yes.

(Heather): Okay. Thank you.

Richard Popper: Sure, (Heather).

Bill Finerfrock: Next question, operator?

Operator: And we'll take our next question today from ...

(Kelly Harris): Yes. This is (Kelly Harris) calling from Ocarber, Washington.

Bill Finerfrock: Hi, (Kelly).

(Kelly Harris): And we have a large rural health clinic that is primarily focused on Medicare/Medicaid patients so I'm not real clear on how this affects rural health clinic at all since we're mainly indigent care and people that could afford this kind of insurance is basically just like commercial insurance so they would be going to a regular provider versus a rural health clinic I would think.



Bill Finerfrock: Well, let me – Richard let me add to that one.

Often – it depends on where you are and what your community is like. But you know rural health clinics – so in many commercially-insured patients all around the country I do say that you know every rural health clinic I've encountered sees commercially-insured patients. They don't see exclusively Medicare and Medicaid patients. And many RHCs have a significant percentage of patients who are uninsured and many of those patients who are uninsured maybe uninsured because they are unable to get an insurance because of a pre-existing condition.

And so, this program as those patients may present to a rural health clinic, the clinic is familiar with the individual, it can inquire as to you know we noticed that you're uninsured you know why, and to the extent that they're able to determine if the individual's un-insurance status is due to a pre-existing condition they can provide them with this information to go and learn how to apply and potentially a patient who's been uninsured would now be an insured patient that's coming in to that rural health clinic.

If for some reason you don't have uninsured patients in your clinic, then obviously this would not be a direct benefit to you, but maybe you know others. Maybe you have friends or you know people in your community. You have the health

department in your county and you can pass the information along to those organizations who may have contact with individuals who are uninsured because of a pre-existing condition.

(Kelly Harris): Okay.

Richard Popper: And this is Richard. I would just also add on to keep the plan in mind in case you know with a rural health clinic or a non-rural health clinic, if you interact with a patient that has a certain type of condition that's going to require certain type of special care that perhaps your clinic can't address or even needs to be referred to a center of excellence or to a specialty hospital for a procedure you know I know the premiums are significant, they're not insignificant.

But you know it's an option for them to say, "Well look I can enroll in this plan for a couple of months and find a way to come up with \$300, \$400, \$500 and maybe \$1000 in order to get the surgery or the procedure that I need that otherwise could be charged you know \$10,000, \$20,000 for – or have to go to a charity care kind of alternative."

You know I've been in rural areas where I'm amazed to see the number of charity events they have for the individual who needs to go to a center of excellence or a major urban area to get a special procedure done and you know this may be

another option than having to have a charity fundraiser or just not having the procedure done at all.

Bill Finerfrock: Okay. Thank you, (Kelly). Operator, how many more questions do we have?

Operator: We have three more questions in queue.

Bill Finerfrock: Richard, do you think we have time to be able to take those three?

Richard Popper: Yes.

Bill Finerfrock: Okay. Go ahead, operator, and let's go through those three. And then I think that I'll have to shut it down for today when we get to those three.

Operator: We'll take our next question today from ...

Bill Finerfrock: Go ahead, caller. Their question may have been answered unless your line is on mute. Check to see if your line is on mute.

Female: My question was already answered. Thank you.

Bill Finerfrock: Great. Thank you. Then we'll go on to, operator, the next one.

Operator: We'll take our next question today from ...

(Shirley): This is (Shirley) from Hutchinson, Kansas.

Bill Finerfrock: Go ahead, (Shirley).

(Shirley): If a patient has a state entitlement coverage like they have Medicaid, is that considered to be insurance or if when they – if they lose that coverage would they be eligible?

Richard Popper: Yes. Medicaid is treated as creditable coverage so that does mean that the individual is treated as having coverage and so that does mean that if an individual loses their Medicaid in order to qualify in this program they would have to be uninsured for six months before they could qualify for the plan.

Bill Finerfrock: And I assume SCHIP, State Children's Health Insurance Program, would be the same thing.

Richard Popper: Yes. And also Medicare because there are some people who've gone to disability temporarily and have Medicare and then lose it. Yes, that's the same situation.

Bill Finerfrock: Okay. All right? Thank you, (Shirley). And what I think will probably then be our last question, operator?

Operator: Our last question today comes from ...

(Tina Bakers): Yes. This is (Tina Bakers) from Physicians' Health Group in Louisville, Georgia.

Bill Finerfrock: Go ahead.

(Tina Bakers): Thank you. I just wanted to find out regarding insurance in network and out-of-network for the state of Georgia and who will administer it?

Richard Popper: Sure. That is administered by G-E-H-A, GEHA, and the Web site for – to go to for that would be – if you go to [www dot P-C-I-P-L-A-N dot com](http://www.pcip.gov) – at [pciplan.com](http://pciplan.com) – and that gives you all the information about the benefits and the rates and the provider network. You can also access that through our enrollment Web site which is just [www.pcip.gov](http://www.pcip.gov).

(Tina Bakers): Okay. And this program goes through 2013?

Richard Popper: Yes. Through December 31, 2013.

(Tina Bakers): Okay. Thank you very much.

Richard Popper: Thank you.

Bill Finerfrock: And then, in – just to kind of complete that so people understand it, beginning in 2014 under the Affordable Care Act it is – it would be illegal – all health insurance plans would be prohibited from having a pre-existing condition clause. And as you mentioned, rating bans would go into effect for all plans so this program effectively would become unnecessary at that point because individuals would have the opportunity to get insurance through any plan that's available in their state because they do not – they would not be allowed to have a pre-existing conditions at that time. Okay?

Well thank you very much, Richard, and thank you to all of our participants. And special thank you to the Office of Rural Health Policy for hosting this and helping us to arrange for this presentation.

A transcript and a recording of today's call will be available in the near future. We have to have the transcript edited to make sure that it's an accurate reflection of what was said. When that's completed I will get it posted up and you'll be sent notifications that the transcript and recording are available.

I want to remind you to encourage others to consider participating in this series and signing up. If they want to do that they can go to [www.ruralhealth](http://www.ruralhealth.gov) – that's one word, R-U-R-A-L-H-E-A-L-T-H – dot HRSA dot G-O-V forward slash R-H-C. Again, thank you, Richard. Thank you to your colleagues there in your Office of Insurance Information and we greatly appreciate this. This is great and very helpful and we wish everyone a great day.

Richard Popper: Super questions. Thank you.

Operator: And that does conclude today's conference. Thank you for your participation.

END