

STATE STRATEGIES TO FINANCE AND DELIVER HEALTH CARE

CoverColorado
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Mission Statement

“The mission of CoverColorado is to provide a health insurance program that expands and preserves access to health care for Coloradoans whose health prohibits or substantially limits access to commercial health insurance.”

Who is uninsurable?

- Policy question-

How do you provide health insurance to individuals who have enough money to pay for health insurance, but no commercial carrier will cover them because they have a pre-existing condition?

- Pre-existing conditions

High Risk Health Insurance Pools

32 States

- 182,000 individuals
- \$1.25 Billion dollars in claims
- \$7,000 average cost of claims

Demographics

- 4, 783 participants
- 80% over the age of 40 but under 65
- 50% have a \$5K deductible or more
- All tax paying, voting citizens of Colorado
- 56% are in the program 2 years or less
- 44% are in the program more than 2 years

Participant Costs

- Participants pay 150% of the standard market rate
- Denver, non smoking female age 40 \$512
- Denver, non smoking female age 50 \$674
- Denver, non smoking female age 60 \$894

Funding

- Participant's premiums +
- \$5M from a premium tax credit +
- \$15-\$16M unclaimed property fund +
- Interest from investments+
- -Medical and pharmacy claims
- Industry assessment

Plan Design & Coverage

- State wide PPO administered by PacifiCare
- Minimum Deductible \$1,000 and 80/20 coinsurance
- Comprehensive coverage including maternity and mental health
- HSA qualified plan offered

New Populations

- HIPPA 1996- 30%
- HCTC eligibles
 - Trade Act
 - Pension Benefit Guaranty Corporation
 - United Airlines retirees

Future Populations?

- Individuals who have moved overseas and return to the US
- Association Health Plans-proposal that people who come out of failed association plans will be HIPAA eligible
- Corporations no longer offering retiree health benefits
- Corporations/schools offering low life time max plans