

IMPORTANT MESSAGE!

Pre-Existing Condition Insurance Plan (PCIP) Program Enrollment Suspension As of March 2, 2013 (No New PCIP Enrollments)

In accordance with federal direction, on February 15, 2013 the Center for Consumer Information & Insurance Oversight at the Centers for Medicare and Medicaid Services, state-administered PCIP programs are directed to suspend new PCIP enrollments for applications received after March 2, 2013. PCIP applications received on or before March 2, 2013 will be processed and enrolled if determined eligible.

The PCIP program is a temporary program for those unable to secure coverage in the current insurance marketplace. The program has a limited amount of funding from Congress. Based on national program experience and trends since the start of the program, PCIP enrollees have serious and expensive illnesses with significant and immediate health care needs. The suspension will help ensure that funds are available through 2013 to continuously cover people currently enrolled in PCIP.

The federal direction indicated one exemption to the enrollment suspension for individuals formerly enrolled in a PCIP program in another state (state or the federally administered) and is newly applying to another PCIP due to a change in state residency shall be allowed to obtain coverage. California has a joint application for PCIP and Major Risk Medical Insurance Program (MRMIP-state high risk pool). California will continue to process applications to see if the individual is from another state's PCIP program and also to determine whether the individual qualifies for MRMIP Coverage.

PCIP Program Ends On December 31, 2013 - *What it means to Existing Subscribers!*

The Pre-Existing Condition Insurance Plan (PCIP) was created as part of the national health care reform law, Patient Protection and Affordable Care Act (ACA) of 2010. PCIP is a federally-funded transitional program that ends on December 31, 2013. In California, PCIP is run by the Managed Risk Medical Insurance Board (MRMIB).

Starting on January 1, 2014, there is no longer a need for PCIP because the ACA does not allow insurers to deny individuals with pre-existing conditions or charge them higher rates than those without such conditions. The ACA also includes provisions for individuals to have access to affordable health insurance choices through a new competitive marketplace called an Exchange. The exchange will provide a transparent insurance marketplace where individuals and small businesses can buy affordable health benefit plans. In California, the new exchange program is called, "Covered California".

For existing PCIP subscribers, we will provide written notice about how your coverage ends and how you can take advantage of the new coverage options available under the Covered California Program starting on January 1, 2014. For more information on the California PCIP it is available online at www.pcip.ca.gov.