Pre-existing Condition Insurance Plan
WASHINGTON STATE

Frequently Asked Questions

Q. How is the Pre-existing Condition Insurance Plan- Washington State (PCIP-WA) different from Washington's current high risk pool, the Washington State Health Insurance Pool (WSHIP)?

A. There are five key differences:

- You must be uninsured for at least six months to be eligible for the new plan and WSHIP has no such requirement.
- The new plan has no waiting period before coverage for pre-existing conditions begins and WSHIP has a six month pre-existing waiting period, which will be waived if you have had prior continuous coverage.
- The new plan includes a list of pre-existing conditions that automatically qualify you for the new plan. To qualify for WSHIP, you must be rejected for individual coverage.
- The new plan has no lifetime maximum and WSHIP's is $2 million.
- The new plan is funded by premiums and federal dollars. WSHIP is funded by premiums and an assessment on the health insurers in Washington State.

Q. *Who is eligible for the new plan?*

A. To be eligible, you must have been uninsured for at least the last six months. You also need to meet the criteria for having a pre-existing condition and be a U.S. citizen or individual residing here legally and a Washington State resident.

Q*. Can I apply for coverage if I have COBRA and it's about to run out?*

A. No. Even if your COBRA or other continuation of coverage is about to run out, you won't meet the requirement to be uninsured for at least the last six months.

Q. *Why did Washington State decide to run its own program instead of letting the federal government run the plan?*

A. The key benefit to running our own program along with our current high risk pool, the Washington State Health Insurance Pool, is that we maintain local control and can modify the plan to meet the specific needs of Washington residents.

Q. *How many other states are running their own programs?*

A. 29 states and the District of Columbia are running their own programs.

Q. When will my coverage be effective?

A. If your completed application is faxed or postmarked on or before the 15th of the month, your coverage will be effective the 1st of the next month.

Q. Is there a waiting period for coverage of pre-existing conditions?

A. No. There is no waiting period for coverage of pre-existing conditions.

Q. Can I be turned down for coverage?

A. No, as long as you meet all of the eligibility requirements and there are no enrollment limits in place. If it becomes necessary to limit enrollment, you will be notified and placed on a waiting list in order of receipt of your application.

Q. What will happen if I move?

A. If you move to another location within Washington, you are still eligible for coverage. You need to send us a change of address to ensure that you receive important notices about your policy including our required yearly Eligibility Verification Form. If you move out of the state of Washington, you must notify us immediately; you will no longer be eligible for the PCIP-WA and your coverage will terminate.

Q. When does the policy end?

A. The policy terminates:

- When you send us written notice requesting termination
- For nonpayment of your premium within the 15-day grace period
- When you are no longer a resident of Washington State or a U.S. citizen or national, or person lawfully present in the United States
- When you enroll in other creditable coverage
- When you commit a fraudulent action upon or against the plan
- When PCIP-WA determines that federal funds will no longer cover the projected liability of the plan or when the contract with HHS terminated.

Q. How are premiums determined?

A. Federal law requires that premiums be no more than 100% of the average of what the largest carriers in your state charge for their individual plans with similar benefits. This means that you will not be charged a higher premium because of your medical condition.

Q. It is my understanding that the new federal high risk pool plans are supposed to have lower rates than the existing state high risk pools. Why is the PCIP-WA premium for its $2,500 deductible plan more than the premium for WSHIP's $2,500 deductible plan?

A. That is because the two benefit plans are not identical – the federal plans benefits are richer. The difference with the largest impact on rates is that the PCIP-WA plan has a lower out-of-pocket expense limit (the maximum amount you pay yearly including deductible and coinsurance). It has a limit of $5,950, the maximum allowed by the federal health reform law. The out-of-pocket expense limit for WSHIP's $2,500 plan is $10,000.

Q. What are my payment options?

A. You may choose to be billed quarterly, semi-annually or annually and submit payment to us, or you can choose to have automatic bank withdrawals made monthly. You will indicate your payment option on the application. Please be sure to enclose the amount of premium that is applicable to the payment frequency you selected.

Q. How do I change my payment option selection?

A. Request it in writing. If received by the 15th of the month, it will become effective the 1st of the following month. If you are changing to automatic withdrawal from your bank account, you will need to send us a Bank Service Plan Authorization Form and a voided check or bank MICR form.

Q. What if I am currently paying a smoker/tobacco-user premium and I quit using tobacco products?

A. You must be tobacco-free for 12 months to be eligible for the non-smoker rate. If your tobacco use status changes, please notify us and we will send you a tobacco use affidavit form to fill out and return. The premium will be reduced on the 1st of the following month after the affidavit for being tobacco-free for 12 months is received. If you begin using tobacco products, you must notify us immediately. There are no retroactive premium adjustments based on tobacco use status.

Q. What will happen if I do not return my yearly Eligibility Verification Form?

A. We must verify your eligibility for coverage on an ongoing basis. An Eligibility Verification Form will be sent to you at least yearly and must be returned to us by the date requested or your policy may be terminated. Please keep an eye out for this important form and return it promptly. (Please also notify us of address and phone number changes.)

Q. Can I re-enroll in the plan after termination?

A. If you fail to pay the premium or you voluntarily leave the plan, you will not be eligible to reapply until six months after termination date.

Q. ***How much is the federal government giving Washington State for this program?***

A. Washington State will receive $102 million from the federal government to fund the program.

Q. ***Why is the program temporary? What happens when it ends in 2014?***

A. The Pre-existing Condition Insurance Plan was designed to provide temporary coverage to people struggling to obtain health insurance. In 2014, the full benefits of federal health reform will take effect and insurance companies can no longer deny people coverage because of a pre-existing condition.

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