



High Risk Pools (HRP)

2010

OMIP
Insurance Pool

Agenda

Background

- ▶ Oregon Medical Insurance Pool (OMIP)
- ▶ Federal High Risk Pool (FHRP)

Eligibility

Administration

Funding & Rates

Benefit Plans & Pre-existing Conditions

Timeline

Civil Background

Enacted in 1987 by Oregon Legislature

First policy issued in July 1990

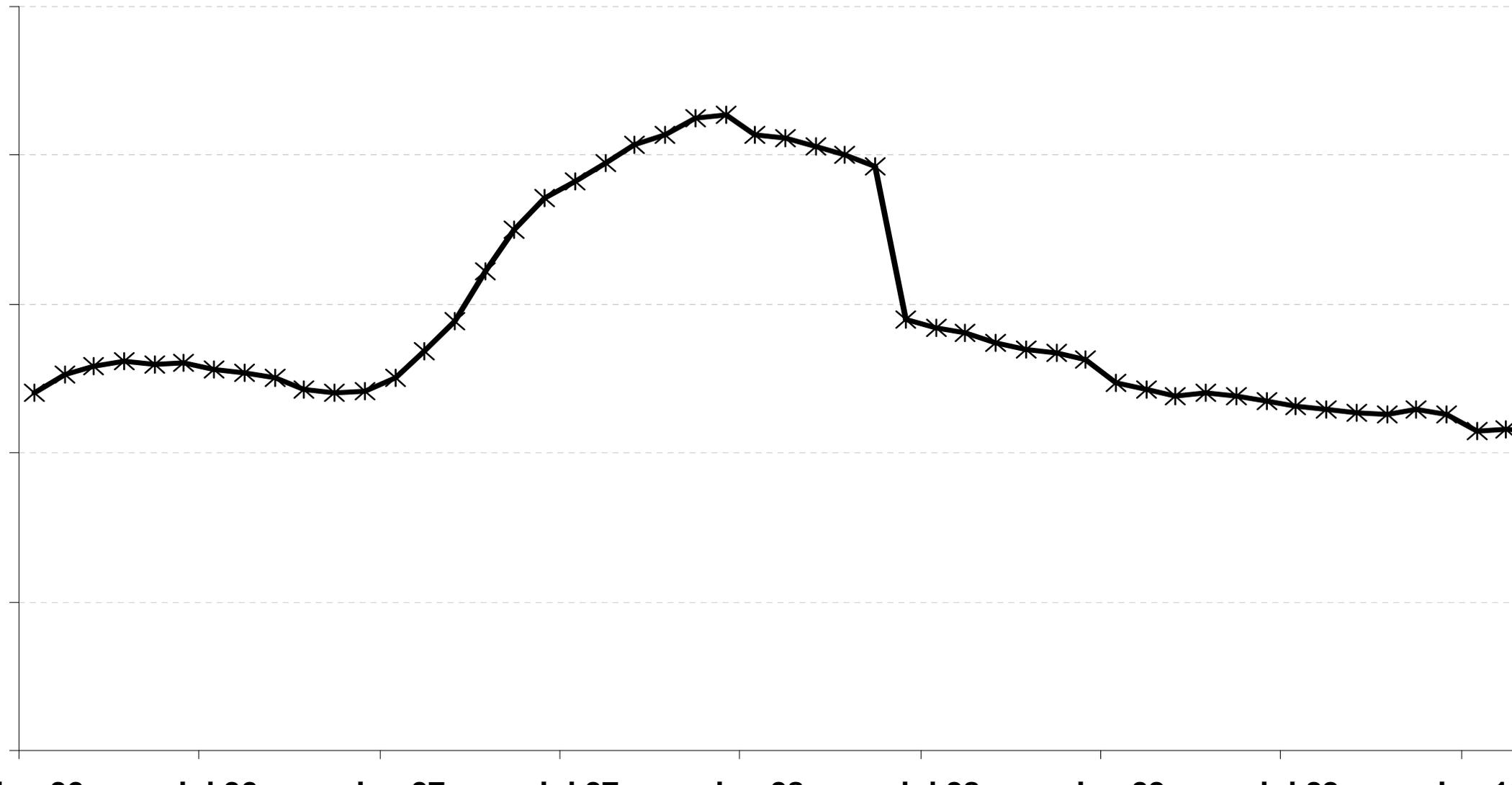
Enrollment as of March 2010

- ▶ 14,227 people insured
 - ⊙ 85% medical eligibles
 - ⊙ 15% portability eligibles

Over 60,000 people served since inception

Civil Enrollment

Monthly Enrollment
January 2006 - March 2010



PHRI Background

Enacted in 2010 by Federal Government

Targeted to Start in July 2010

Ends on January 1, 2014

- ▶ Projecting 4,000 peak enrollment
 - ⦿ 100% medical eligibles

Projecting 6,700 people served

FHRI Background

Secretary of Health & Human Services (HHS) will contract with state or alternative source

32 states expressed interest; 19 opted out

Governor sent letter of intent on April 30, 2010

- ▶ Administer FHRP through OMIP
 - ◉ Authority established in 2010 special session (HB 3659)
- ▶ Assurance of no state financial liability
- ▶ Agreement that OMIP will not be required to maintain expenditure levels realized in 2009 (MOU)

Other Eligibility

Medical

- ▶ Individuals denied individual insurance due to pre-existing medical conditions
- ▶ Medical condition checklist

Portability

- ▶ Individuals who exhaust COBRA benefits and/or have no portability options

Federal Health Coverage Tax Credit (HCTC)

FHRI Eligibility

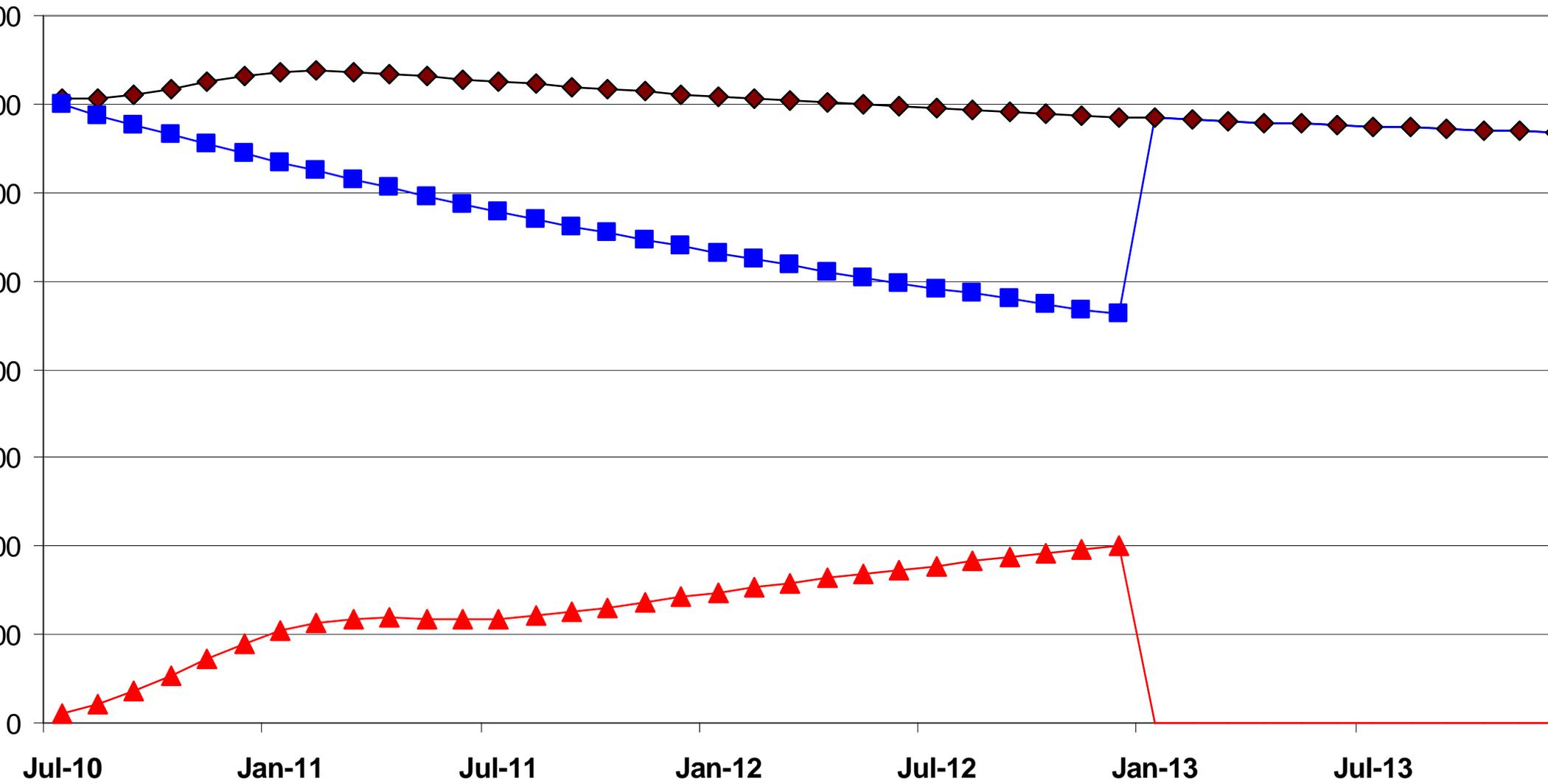
Medical

- ▶ Individual with a pre-existing medical condition
- ▶ Uninsured for six months
- ▶ US citizen or lawfully present

Potentially, more than 50 percent of enrollees that would normally enroll with OMIP will be eligible for FHRP

Impact: Enrollment

July 2010 - December 2013: Projected Risk Pool Enrollment



Legend: ◆ OMIP without FHRP ■ OMIP with FHRP ▲ Federal Risk Pool

The addition of the FHRP:

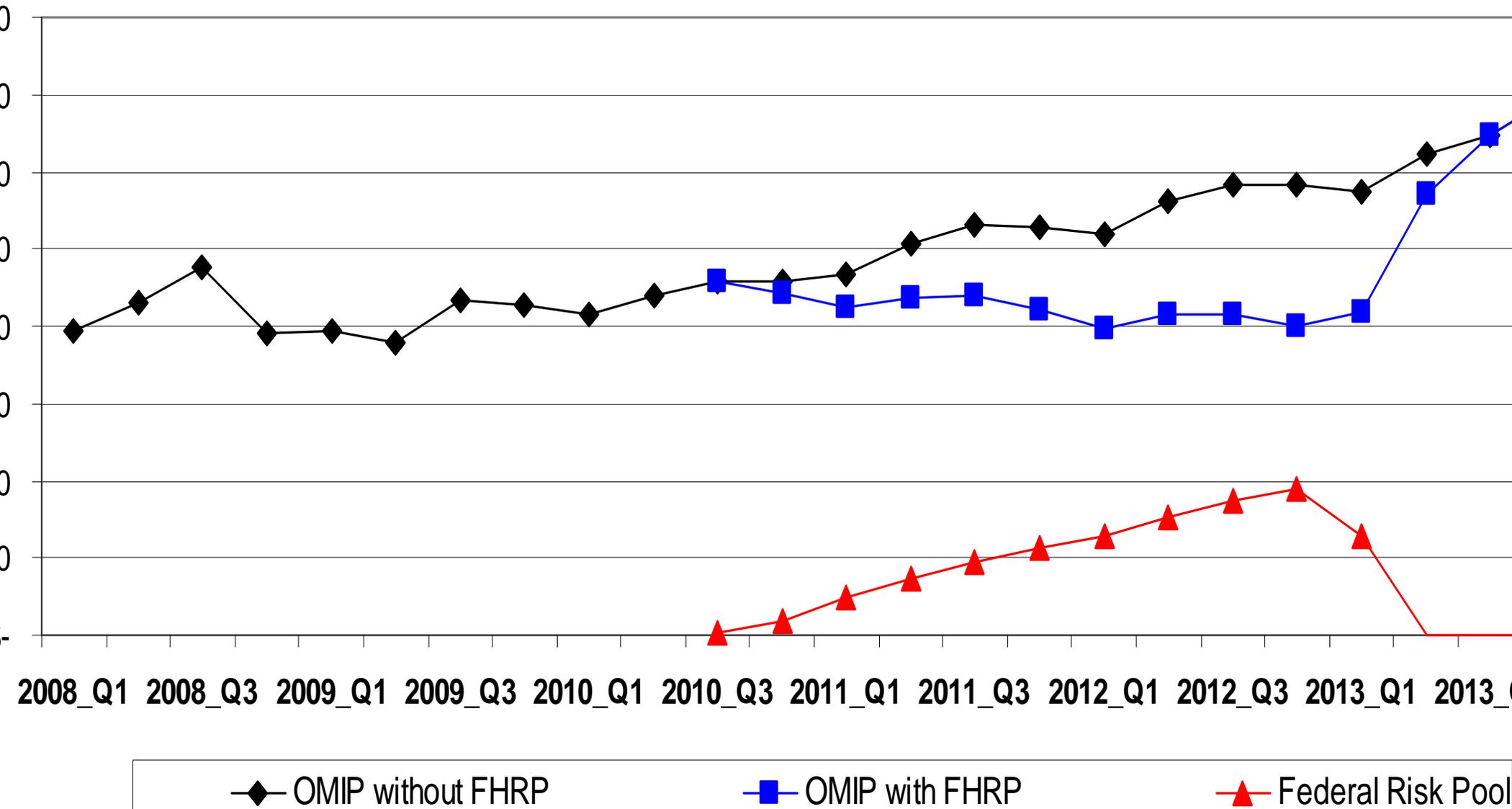
- ▶ Not expected to increase overall enrollment of high risk Oregonians
- ▶ Will create new federal funding source for new enrollment of high risk Oregonians
- ▶ Will reduce OMIP operating cost

OMIP contracts with Regence BlueCross BlueShield of Oregon to administer

- ▶ Eligibility, enrollment, benefits, claims, case/disease management, provider panel, and customer service

Impact: Operating Cost

July 2010 - December 2013: Projected Risk Pool Quarterly Expenses



Civil Funding

ources

o state/federal funds)

Member Premiums

o Currently 50 percent

nsurance company
assessments

o Currently 50 percent



FINANCING

Sources

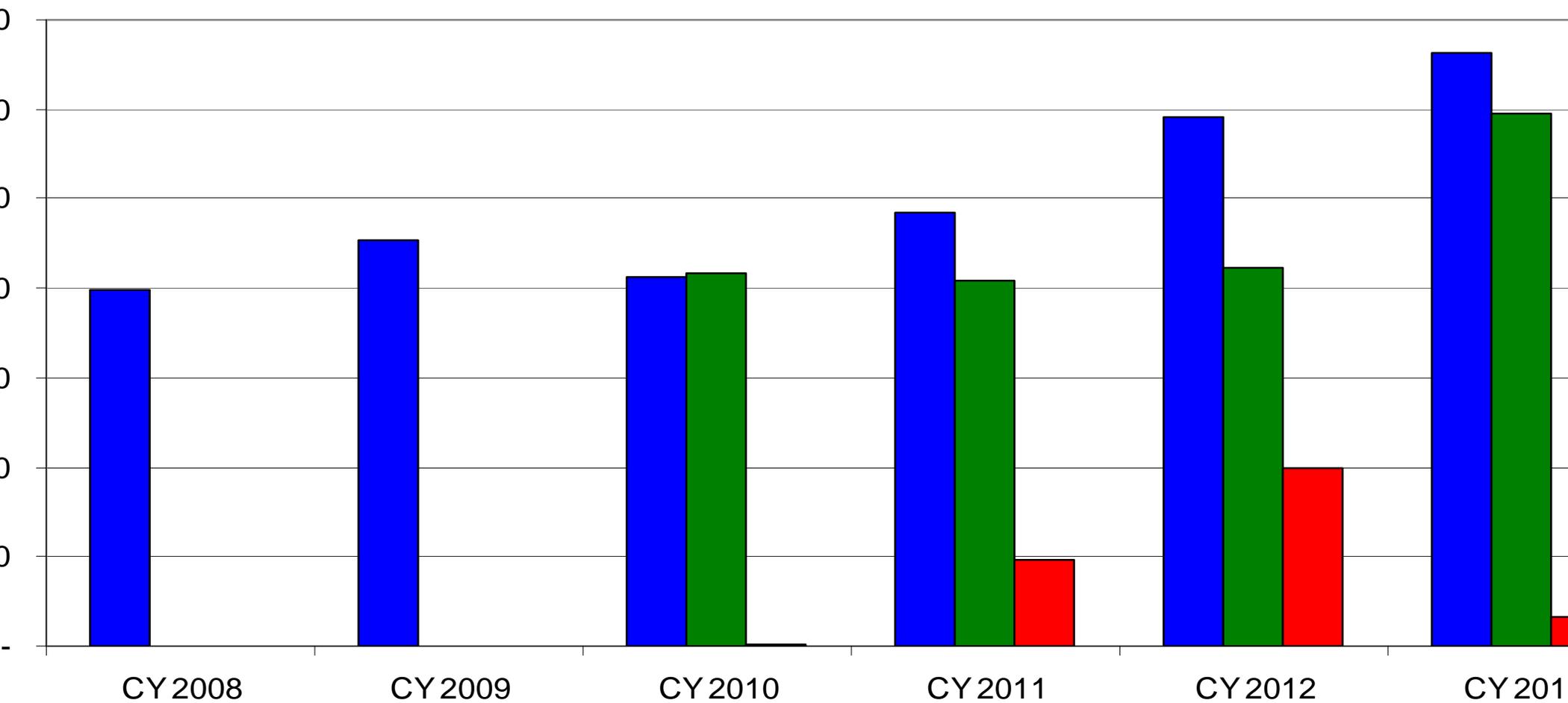
Member Premiums

Federal Funding

Estimated \$66 million for Oregon



2008-2013 High Risk Pools: Non-Premium Funding



- Funds from Oregon Insurers - (without Federal Risk Pool)
- Funds from Oregon Insurers - (with Federal Risk Pool)

Community Premium Rates

Medical eligibles - can be as much as 25 percent higher than individual market rates

Portability eligibles - same as portability market rates



Market Premium Rates

equal to average market
rate for comparable
benefit plan

subject to final program
requirements prescribed
by HHS



Four PPO benefit plans

- ▶ Plan 500: 20/40 PPO \$1,000 out-of-pocket maximum
- ▶ Plan 750: 20/40 PPO \$3,000 out-of-pocket maximum
- ▶ Plan 1000: 20/40 PPO \$4,000 out-of-pocket maximum
- ▶ Plan 1500: 30/50 PPO \$6,000 out-of-pocket maximum

Proposing same plans for FHRP

- ▶ Subject to HHS approval and contracting

Pre-existing conditions

- A medical condition that care or treatment was recommended or received during 6-month period before insurance contract enrollment date, including
 - ▶ Medical advice and/or
 - ▶ Diagnosis
- Includes pregnancy

Pre-existing Conditions

- FHRP not subject to six month pre-existing condition waiting period
- OMIP Portability not subject to six month pre-existing condition waiting period
- OMIP Medical is subject to six month pre-existing condition waiting period
 - ▶ Creditable coverage may reduce the pre-existing condition waiting period

Expected Timeline

Next steps

1. HHS delivers contract application and program requirements second week of May 2010
2. Completed application due by end of May 2010
3. HHS approval by end of June 2010
4. Program operational by July 2010

Questions:

For more information about OMIP or updated information about FHRP please view our Web site at:

www.omip.state.or.us





THANK You!