



## The Problem with High-Risk Pools: Past Experience in Illinois

In the quest to replace the Affordable Care Act, Republicans in Congress suggest going back to requiring states to use high-risk pools to provide insurance to people whose complex pre-existing conditions made them insurable. Illinois' high-risk pool was the Illinois Comprehensive Insurance Plan (ICHIP). **ICHIP didn't work due to unsustainable costs and restricted availability for Illinois consumers.** We cannot go back to a system where vulnerable patients had to gamble on high-risk pools.

- **ICHIP was expensive for Illinois.**

Most high-risk pools lost money and relied on state subsidies to remain afloat because enrollees had high medical costs not entirely covered by the plans. In 2011, ICHIP cost Illinois \$10 million. In that same year, high risk pools nationwide lost \$1.2 billion.<sup>2</sup>

- **ICHIP was expensive for the enrollees.**

ICHIP premiums were up to 150% of private insurance. The plans also had high deductibles, co-insurance, and co-payments with no affordability provisions like the ACA.<sup>1</sup>

- **ICHIP plans didn't provide coverage when people needed it the most.**

ICHIP had a lifetime cap on coverage, wreaking havoc on the access to care and financial stability of high-risk, medically complex patients.<sup>2</sup> ICHIP was often restricted to those with certain medical conditions and who previously had coverage with no break, and there were long waitlists. ICHIP also had a more limited set of services and benefits than those in the ACA.<sup>3</sup>

**High-risk insurance pools are not new, and we know they simply don't work.** In 2011, prior to the implementation of the ACA, only 226,000 people were enrolled in high-risk pools nationwide because of high premiums, high administrative costs, and bad insurance policies that don't cover much care. After the passage of the ACA, *almost all high-risk pools closed because they were such a poor option.*

**Case Scenario:** One ICHIP enrollee was "Charlie," a child with a rare, deadly medical condition that could only be treated with a very expensive drug. He exceeded the lifetime cap on both his parents' employer insurance plans, and within 3 years his treatment also exceeded the ICHIP lifetime cap. Charlie's family had nowhere to turn. The ACA solved this by removing caps in insurance and removing the need for a high-risk pool.

Protect Our Care Illinois is a statewide coalition of health care advocates, providers, consumers, and workers, standing together to protect and expand access to quality affordable health care provided by the Affordable Care Act and Medicaid.

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<sup>1</sup> <http://www.ilga.gov/legislation/ilcs/ilcs3.asp?ActID=1254&ChapterID=22>

<sup>2</sup> <http://kff.org/health-reform/issue-brief/high-risk-pools-for-uninsurable-individuals/>

<sup>3</sup> <http://www.chip.state.il.us/uploads/3/1/3/5/31355113/11182014.pdf>