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 were 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.²

- **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.¹

- **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.² 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.³

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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