
Michigan High Risk Health Pool

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Physicians Health Plan of Mid-Michigan has contracted with the federal government to manage the state's high-risk pool for the next 3 ½ years, said the **Michigan Office of Financial and Insurance Regulation**.

In a high-risk pool, people under age 65 who have not had insurance the past six months and have been rejected for health insurance because of a costly medical condition will be offered subsidized coverage.

The high-risk pool is part of the federal **Accountable Care Act** that was approved in March.

“Michigan residents who have been denied care because of a pre-existing condition will now have another chance for affordable coverage and the peace of mind that comes with it,” said Gov. Jennifer Granholm in a statement.

Enrollment is scheduled to begin Aug. 31 and coverage is scheduled to start Oct. 1.

Because the **Michigan Legislature** failed to approve a bill that would have allowed the state to spend \$141 million in federal funds for the high-risk pool, OFIR worked to have PHP contract directly with the **U.S. Department of Health and Human Services**.

OFIR had approved a bid from **Priority Health** to manage a second high-risk pool. The two health plans would have provided coverage in different regions of the state.

HHS rules only allowed for one high-risk pool in each state.

“Priority Health, which was originally selected to provide coverage in a majority of the state's counties, understood the significance of having a Michigan job provider as the pool administrator. Priority Health graciously stepped back and allowed PHP to be the program administrator,” said Insurance Commissioner Ken Ross in a statement.

OFIR will have regulatory oversight over the pool, which will be funded entirely by subscriber premiums and an estimated \$141 million in federal subsidies.

The temporary pool will operate until Jan. 1, 2014, when the federal health care reform law requires all insurers to accept individuals regardless of pre-existing conditions.

PHP proposed rates of \$205.47 for people under age 24, rising to \$776.85 for 60-to-64-year-olds.

PHP is owned by Lansing-based **Sparrow Health System**.

Priority Health is a subsidiary of Grand Rapids-based **Spectrum Health**. Priority Health also operates an office in Farmington Hills.

Under OFIR minimum requirements, plans in the high-risk pool must include the following:

- Co-pays of no more than \$20 for office visits; \$100 for emergency department care; \$10 for generic prescription drugs and \$30-\$50 for brand-name drugs.
- Free prevention services, such as annual physicals and mammograms.
- Caps at \$100,000 for prescription drug costs and 60 visits a year for physical and occupational therapy, for each condition.
- Total out-of-pocket costs cannot exceed about \$6,000 a year.

Michigan's High Risk Pool Program Presumptive Eligibility List of Pre-Existing Conditions

Acquired Immune Deficiency Syndrome (AIDS)

Alzheimer's

Angina Pectoris

Anorexia Nervosa

Arteriosclerosis Obliterans

Artificial Heart Valve

Ascites

Brain Tumors

Cardiomyopathy

Cerebral Palsy

Chronic Pancreatitis

Cirrhosis of the Liver

Coronary Insufficiency

Coronary Occlusion

Crohn's Disease

Cystic Fibrosis

Dermatomyositis

Diabetes

Epilepsy

Friedreich's Disease
Heart Disorders
Hemophilia
Hepatitis C (Active)
HIV+
Hodgkin's Disease
Huntington's Chorea
Hydrocephalus
Intermittent Claudication
Kidney Failure
Lead Poisoning with Cerebral Involvement
Leukemia
Lupus Erythematosus Disseminate
Malignant Tumor (if treated or has occurred within last four years)
Mental Retardation
Metastatic Cancer
Motor or Sensory Aphasia
Multiple or Disseminated Sclerosis
Muscular Atrophy or Dystrophy
Myasthenia Gravis
Myotonia
Obesity – Morbid
Open Heart Surgery
Paraplegia or Quadriplegia
Parkinson's Disease
Peripheral Arteriosclerosis (if treatment within last three years)
Poliomyelitis
Polycystic Kidney
Polyarteritis (periarteritis nodosa)
Postero-lateral Sclerosis
Psychotic Disorders
Rheumatoid Arthritis
Sickle Cell Anemia
Silicosis
Splenic Anemia (True Banti's Syndrome)
Still's Disease
Stroke (CVA)
Syringomyelia
Tabes Dorsalis (locomotor ataxia)
Thalassemia (Cooley's or Mediterranean Anemia)
Topectomy and Lobotomy
Ulcerative Colitis
Wilson's Disease