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Getting Past Pre-Existing Medical Conditions

High Risk Pools, Small Business Group Coverage and Medicaid Are Under-Utilized Options That Could Help Cover the Uninsured, Says Non-Profit FHCE

SAN JOSE, CA--(March 29, 2011) - While reports indicate that an estimated 25 million Americans can't get health insurance because of pre-existing health conditions, a combination of new laws and old programs could help a significant percentage of this population, according to the Foundation for Health Coverage Education (FHCE).

"It's a shame that while many Americans go without insurance, we know from the calls our counselors take monthly, that very few people are aware of at least three important coverage options that may be available to them," said Phil Lebherz, founder and executive director of the FHCE.

The non-profit organization helps more than 100,000 monthly visitors to their website www.CoverageForAll.org, and callers to their 24/7 Help Line identify public program eligibility options. The increasing number of queries to the organization has indicated a common thread of inquirers trying to learn more about what the government offers and what they are eligible for if they have pre-existing conditions. As a result, FHCE has identified the following three most commonly under-utilized health coverage options:

1. New federal high risk pools under-utilized

All 50 states are now operating PPACA-required federal high risk pools, commonly known as the Pre-Existing Condition Insurance Plans (PCIP). "The biggest puzzlement is the people's response to the Pre-Existing Condition Insurance Plan (PCIP), a tenet of health care reform which started last fall. Only 12,000 people have signed up for this to date, yet it's available in every state," said Lebherz. "Of course, the government has had to put in place adverse selection policies similar to private insurers, including premiums higher than traditional insurance and a six-month waiting period. Still these programs, once non-existent in 12 states, do give people a place to go where they won't get turned down."

2. Small business coverage (requiring only 1 or 2 employees) is overlooked by entrepreneurs

The avenue least explored, but more useful than ever before, according to the FHCE, is

the option for entrepreneurs to qualify themselves for small business coverage. The FHCE's counselors often encourage laid-off individuals, who are consulting or who have started a small enterprise, to apply for health coverage as a small business. In all 50 states, businesses with two or more employees can seek group health coverage, taking advantage of protections offered only to employers. In 14 states, group coverage is available for businesses of one or more. Moreover, new tax credits of up to 35% of premiums are available to small businesses with 25 employees or less for tax years 2010-2013, as long as the employer contributes at least 50% of the premium.

3. Only 1 in 3 eligible Americans take advantage of government gap coverage options

Finally, becoming uninsured usually follows job-loss, and a drop in family income. "But often overlooked is the fact that this new income level may make the family eligible for low-cost or no-cost public coverage options," suggests Lebherz. Medicaid is available in all 50 states for low-income families, and in 2014, the PPACA will lower the income eligibility guidelines to include all adults with or without dependents who make 133% of the FPL. For now, income eligibility requirements vary from state to state, so it is vital that families research what their state has to offer. Determining eligibility for Medicaid, CHIP, and other public programs can easily be accomplished by visiting FHCE's website and taking its 5-question Health Coverage Eligibility Quiz. Within minutes, families can determine if they should enroll in Medicaid and are given instructions on how to successfully do so. It is also important to note that most state Children's Health Insurance Programs (CHIP) have higher income requirements than one would normally expect. For example, children in families with incomes as high as 400% FPL or \$89,400 can still qualify for the New Hampshire CHIP, Healthy Kids, and the New York CHIP, Child Health Plus. Most other states range between 0-350% FPL to be eligible.

"These are three options that can assist individuals with pre-existing conditions. All public programs cover pre-existing conditions. It's often a matter of meeting all eligibility requirements which makes it difficult and often overwhelming for the average American to enroll," says Lebherz. FHCE's goal is to simplify this eligibility screening process by placing the entire U.S. health coverage system on its website, www.CoverageForAll.org, and through its U.S. Uninsured Help Line, 800-234-1317.

The Foundation for Health Coverage Education (FHCE) is a 501 (c) 3 non-profit organization with a mission to help simplify public and private health insurance eligibility information in order for more people to access coverage.