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HHS Awards \$49.1 Million to States to Increase Access to Health Care Coverage

HHS Secretary Michael Leavitt today announced awards of over \$49 million in grants to 30 states that provide health insurance to residents who cannot get conventional health coverage because of their health status.

The grants will be used by the states to offset losses that they incurred in the operation of high-risk pools, which are typically state-created non-profit associations that offer health coverage to individuals with serious medical conditions. Grant funds also provide support for disease management for chronic conditions and premium subsidies for individuals with lower incomes. Enrollment in these pools is growing, with more than 200,000 individuals enrolled in state pools.

“These grants will make it more affordable for states to expand access to health care through high risk pools for the uninsured,” Secretary Leavitt said. “Individuals who benefit from these pools usually have a history of health problems that make it extremely difficult to find affordable health coverage in the individual market.”

To be eligible, a state must have a “qualified” high-risk pool that meets the criteria specified in section 2745 of the Public Health Service Act, and must follow such rules as capping premiums at no higher than 200 percent of the standard charge in the state.

Funds were allocated based on the number of uninsured individuals in each state and the numbers of individuals enrolled in each pool. HHS’ Center for Medicare & Medicaid Services (CMS) administers the program. This year’s grants are in addition to approximately \$286 million that states have received since 2003 to support this program.

The 30 states that received grants are as follows: Alabama, Alaska, Arkansas, Colorado, Connecticut, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, New Mexico, North Dakota, Oklahoma, Oregon, South Carolina, South Dakota, Texas, Utah, Washington, Wisconsin, and Wyoming.

The grants to support state high-risks pools are one piece in the Bush Administration’s broad strategy for expanding access to health care for the more than 40 million Americans without health insurance.

“Getting health insurance to the uninsured has been a high priority of the Bush Administration,” said CMS Acting Administrator Kerry Weems. “These new grants for high-risk pools will help get coverage to people who otherwise would not have access to health care.”

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