

## **CAHC Appropriations Victory for State High Risk Pools**

Yesterday, the House Labor, HHS, Education Appropriations Subcommittee marked up the FY 2009 funding bill for programs in its jurisdiction, sending the bill to the full committee for its consideration.

Specifically the bill includes:

Full funding - \$75 million - for the State High Risk Pool program that provides funds to states to establish and operate pools that provide health insurance coverage. High risk pools have been in existence for more than twenty five years. Functioning as a safety net for almost 200,000 individuals in 34 states, the pools play a critical role in providing health insurance coverage to those who are otherwise uninsurable, as well as individuals leaving group coverage with serious medical conditions. Beneficiaries pay a premium that covers approximately 60 percent of the cost of their coverage. The shortfall is made up through various funding mechanisms. Nearly three-quarters of state risk pools are subsidized by an assessment on insurance industry carriers, with the remaining funded by the federal grant program and other state financing.

Last year's appropriations bill included \$49.1 million, so this increase is a significant victory. CAHC will work through the appropriations process this year to help ensure the full amount remains intact.

Also included in the bill:

- \$75 million for a new State Health Access Grants program that will expand State health coverage initiatives for the uninsured. According to the Committee, the initiative builds on the grants provided from 2000 to 2005 to provide States with funds that they used to collect data about the characteristics of the uninsured within their State and to develop proposals to offer affordable health insurance coverage. The new grants are intended to move States from planning to implementation. CAHC will continue to work with Appropriators to determine the intent of the funding and make sure it is not used for programs that may hinder positive, pro-market State efforts.