

July 2, 2010

Dear Governor Rell:

I am writing to express my deep concern about news reports that Connecticut may reverse its previous decision to run a Pre-existing Condition Insurance Plan (PCIP). I am even more concerned that you may not be making this determination until after July 15. Just yesterday, the United States Department of Health and Human Services (HHS) announced the national PCIP is open to applicants in the 21 states which have opted not to run state-based programs. Because of the state's previous application to HHS to run a state-based PCIP, Connecticut was not among the 21 states announced by HHS. The timing of these actions by the state are cause for great concern and I would like to better understand what the state's plans are to ensure that no residents of Connecticut, who would otherwise be eligible, will be denied access to this new federal insurance program.

As one of its first tasks upon enactment of the *Patient Protection and Affordable Care Act*, the Obama Administration began setting up the PCIP program and yesterday's announcement by HHS was consistent with the timeframe established in the law. HHS has held numerous informational calls with Governors and state officials and provided technical assistance to any number of states. Previously, HHS announced that Connecticut would be eligible for up to \$50 million in federal funding for the PCIP program and unlike other health programs, the state is not required to contribute any state funding for this federal program. Every day the state delays implementation of this program is another day uninsured residents of Connecticut who have been unable to obtain health coverage because of a pre-existing health condition must go without this newly-created federal benefit.

The state's late announcement raises several questions about its true intentions. Why would the state wait until the day after the deadline for the establishment of the national PCIP to make this announcement? Is the state aware that residents in states participating in the national PCIP can already sign up for this program? When did the state begin the process of determining the rates in this federal program? When did the state know about the rates projected by Milliman, Inc., the actuarial consultant? And lastly, when did the state communicate this information to HHS?

My understanding is that the state has not officially made a decision about whether it will run a PCIP but that you are awaiting recommendations from various state officials by July 15. A delay in making this determination until July 15th is cause for great concern, as individuals in the 21 states relying on HHS to run the PCIP are already able to apply as of July 1st. Individuals enrolled in this plan by July 15th will begin receiving coverage by August 1, 2010. Therefore, in my view, it is critical that you make a final decision prior to July 15.

I look forward to your response.

Sincerely,

Christopher J. Dodd
United States Senator