

**House Education & Labor Committee**  
**Subcommittee on Health, Employment, Labor and Pensions**  
H.R. 2833 -- "Preexisting Condition Exclusion Patient Protection Act of 2007"  
March 20<sup>th</sup>, 2008

**Summary of Testimony by Nancy Davenport-Ennis**  
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For twelve years, Patient Advocate Foundation has provided direct patient services to patients throughout the country that have been diagnosed with a chronic, life-threatening or debilitating illness. In recent years, Patient Advocate Foundation professional case managers have seen pre-existing conditions become a more prominent barrier for patients to gain and/or maintain their health insurance coverage.

Patients with pre-existing conditions may delay care during their waiting period because they cannot pay for the care out-of-pocket. For other patients, they are denied insurance coverage altogether because they are deemed too "high-risk". For these patients, there are few options for receiving necessary care. Oftentimes, these individuals are referred to their state's high-risk pool; however, NPAF is very concerned about high-risk pools being used as the blanket solution to providing access to health insurance for patients with pre-existing conditions. There are many myths about state high-risk pools:

Myth #1. State high-risk pools provide coverage to millions of individuals across the country. The reality is that in total, state high-risk pools cover only about 190,000 individuals and are not operational in every state. Only 34 states have high-risk pools.

Myth #2. Those who qualify for a high-risk pool can get their treatments, benefits, and services covered. Again, the reality is that some high-risk pools have long waiting lists and admittance is not guaranteed.

Myth #3. State high-risk pools coverage is affordable. The reality is that average premiums in a state high-risk pool are 125 to 150 percent of the average, standard market rate for private health insurance.

Myth #4. High-risk pool insurance doesn't ban coverage for pre-existing conditions. In fact, most state high-risk pools have look-back and waiting periods for coverage.

Myth #5. High-risk pools are well funded and open to all applicants. The truth is that high-risk pools are under-funded in most states.

We have also found that the application and enrollment process for high-risk pools is also fraught with many barriers and enrollment requirements are particularly burdensome for patients struggling with chronic and life-threatening illnesses that should be focusing their attention on their treatments and recoveries.

In closing, while there are some patients who are benefiting from state high-risk pools, generally these risk pools are under-funded, have long wait lists, and exclude coverage of pre-existing conditions for a set amount of time. We strongly believe that reform at the federal level is necessary for individuals with pre-existing conditions so that they are able to access health insurance coverage in a timely manner.