

# United States Senate

WASHINGTON, DC 20510

July 12, 2006

The Honorable Arlen Specter  
Chairman  
Senate Appropriations Subcommittee  
on Labor, Health & Human Services,  
Education and Related Agencies  
Washington, D.C. 20510

The Honorable Tom Harkin  
Ranking Member  
Senate Appropriations Subcommittee  
on Labor, Health & Human Services,  
Education and Related Agencies  
Washington, D.C. 20510

Dear Chairman Specter and Senator Harkin:

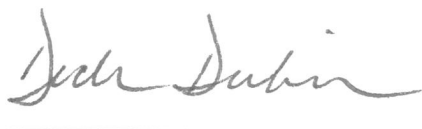
We are writing to express our strong support for grants to State high-risk insurance pools as provided through the Qualified High-Risk Pools Grant Program. Thirty-three states have established these pools. The State High-Risk Pool Funding Extension Act, which passed in February, authorized \$75 million for each fiscal year from 2007 through 2010 for this important program. We are requesting that the Subcommittee provide \$75 million for the program in FY07, the same amount provided through mandatory spending last year.

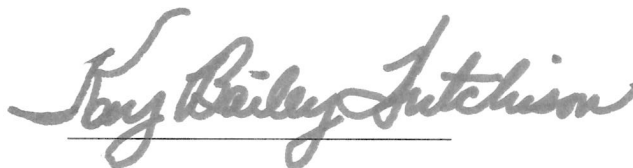
This program was originally established in the Trade Assistance Act of 2002 to provide federal seed and operational funding to states struggling to offer an affordable insurance option to their residents with a history of chronic or serious illness. Since then, high-risk pools have become a critical safety net for more than 180,000 Americans with serious medical conditions who have been denied, or cannot afford, traditional insurance. Most beneficiaries of high-risk pool funding are disabled or seriously ill, and are self-employed, unemployed, or work for businesses that don't offer insurance.

The premiums charged by high-risk pools are, by the nature of the program, more expensive than premiums for healthy people in the traditional insurance market. This makes it difficult for chronically ill people to afford even this option of last resort. Unfortunately, high-risk pools also face the same cost increases plaguing the general health insurance market, raising the specter that future premium increases may exceed many beneficiaries' ability to pay. These trends make federal funding for seed grants and operational funding ever more important.

We urge you to include full funding for the state high-risk pool grant programs in your FY07 Labor, Health and Human Services, Education, and Related Agencies Appropriations legislation. Full funding for these programs will ensure the sickest Americans continue to have access to affordable health coverage.

Sincerely,

  
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Chita

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Mark Dayton

Bud

Maria Lombardi

Jim

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Max Buccico

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