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Components of the Health Reform Package

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Health Reform

- Should greatly positively impact people with HIV/AIDS
- Most changes not implemented until 2014
- Components of health reform that will impact PLWHA

Health Reform

- Health Coverage will be mandated

- Provide an estimated 32 million additional people with health care coverage
    - Medicaid Expansion
    - Exchanges

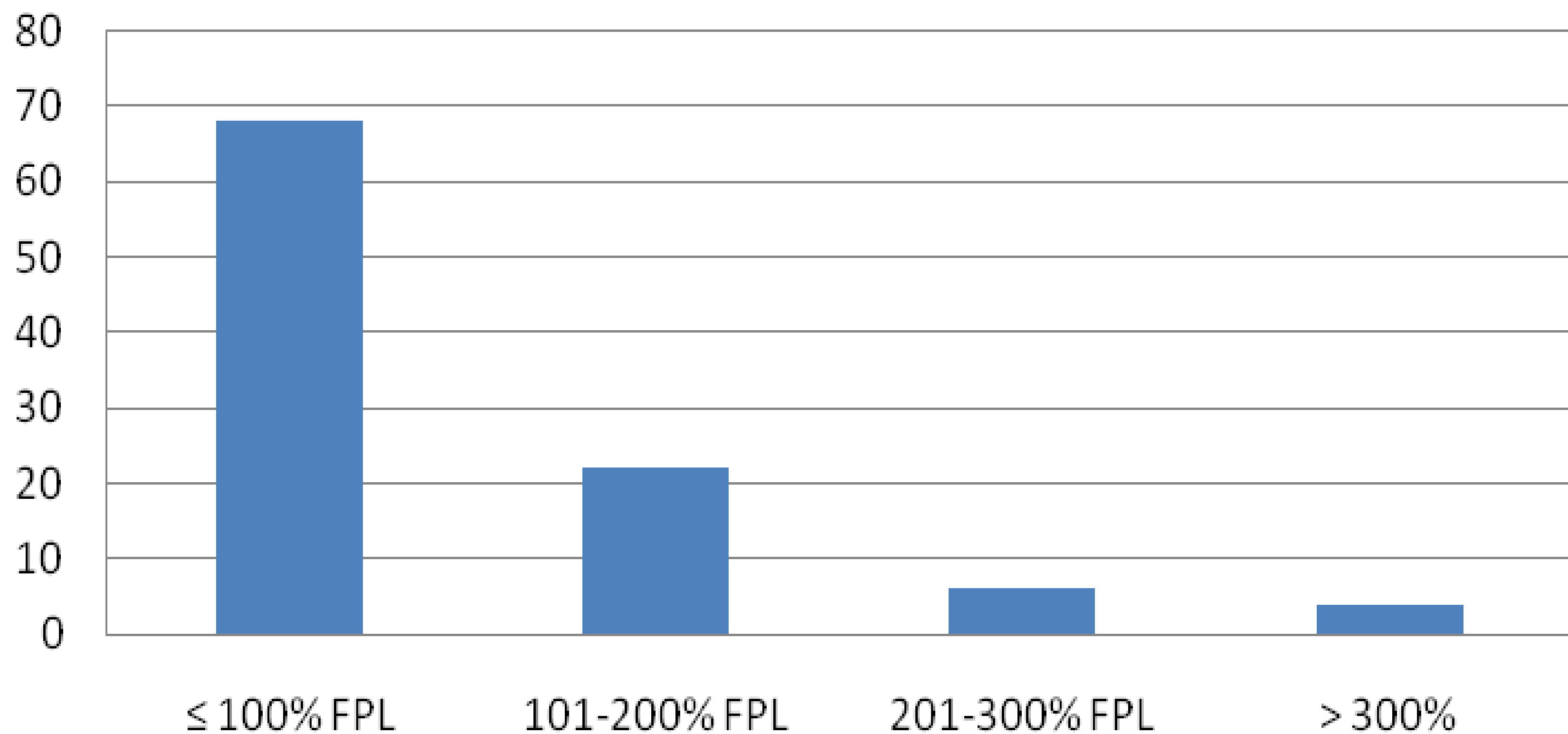
- Private health insurance reform

- Medicare Part D reforms

Medicaid Expansion

- Medicaid Expansion for People with Incomes less than 133% federal poverty rate (beginning in 2014)
  - Removes the disability requirement
  - +16 million people
    - Including ***many*** Ryan White ADAP clients

Ryan White Client Household Income 2008



Source: Ryan White Annual Data Summary, 2008

Medicaid Expansion

- Federal Share 100% in 2014-16, phase down to 90% in 2020

- State Option to Expand Medicaid Now
  - But no increased Federal Match
    - CT and DC have expanded their Medicaid programs

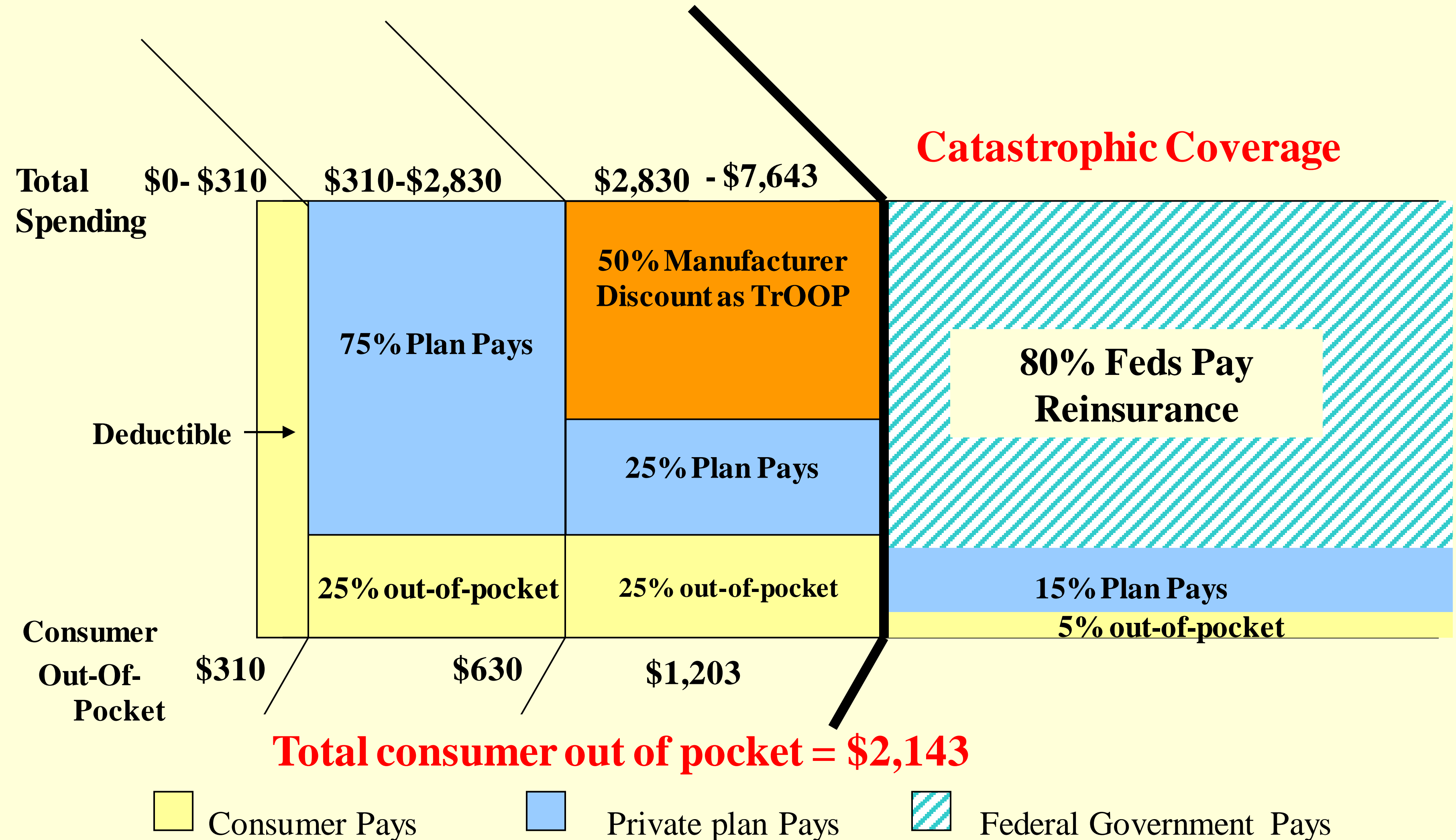
Medicaid Expansion

- Standard Benefit for those who are newly eligible
  - Not for Current Beneficiaries
- States key to Implementation
  - Drugs Included, but no dental, vision
  - State variation will continue
- Ryan White can wrap around and fill in the gaps

Closes the Medicare Part D "Donut Hole"

- 2010-Everyone who reaches the Donut Hole will receive a $250 rebate
- 2011-receive a 50% discount for brand name drugs while in the donut hole
- Each year, the "donut hole" will be incrementally closed for both brand and generic drugs
- By 2020-"Donut hole" closed, but beneficiary still responsible for 25% co-pay

Post-Reform Medicare Part D Coverage: The Donut Hole in 2020 (brand-name)



ADAP Expenditures Count towards TrOOP

- Beginning in 2011, ADAP expenditures can count towards True Out of Pocket Expenses (TrOOP)

- High Priority Issue for Community

- Will help Medicare Part D Beneficiaries who are on ADAP

- Will help state ADAP budgets go further

Medicare Part D Impact on PLWHA

- Allowing ADAP to count as TrOOP and closing the Donut hole will positively impact PLWHA

- Only for those ADAP clients who are also eligible for Medicare
  - 16% of ADAP clients or 17,000 clients (NASTAD)

- Ryan White can fill in the gaps
  - State decision

State High Risk Pools

- Provides coverage to those with
  - a pre-existing condition, and
  - no creditable coverage during the previous 6 months
- Coverage begins August 2010, runs through 2013
- 31 state run, 20 federally run
- Enrollees receive both health care and treatment

State High Risk Pools

- Plan covers 65% of total costs
  - Maximum beneficiary cost - 35% on average

- Premiums limited to "standard rate for standard population" in the state

- Monthly premium for age 50 enrollee -$320 to $570
  - depends on state of residence

State High Risk Pools

- $5 billion
  - Not a sufficient amount
  - Some estimate the program could run out by 2011

- Coverage Estimates: 200,000-400,000 people
  - Less than 10 percent of people with pre-existing conditions
  - Unknown how many people with HIV/AIDS will be included

Insurance Reform

- Beneficiaries can not be removed from a plan
- Checks on Rate Increases
- Prohibition on life-time limits
- Requires new plans to cover services that receive a Grade A or B from the U.S. Preventive Services Task Force with no cost sharing

Insurance Reform 2014

- No discrimination based on pre-existing conditions (beginning in 2014 for adults)

- Cap on out-of-pocket expenses

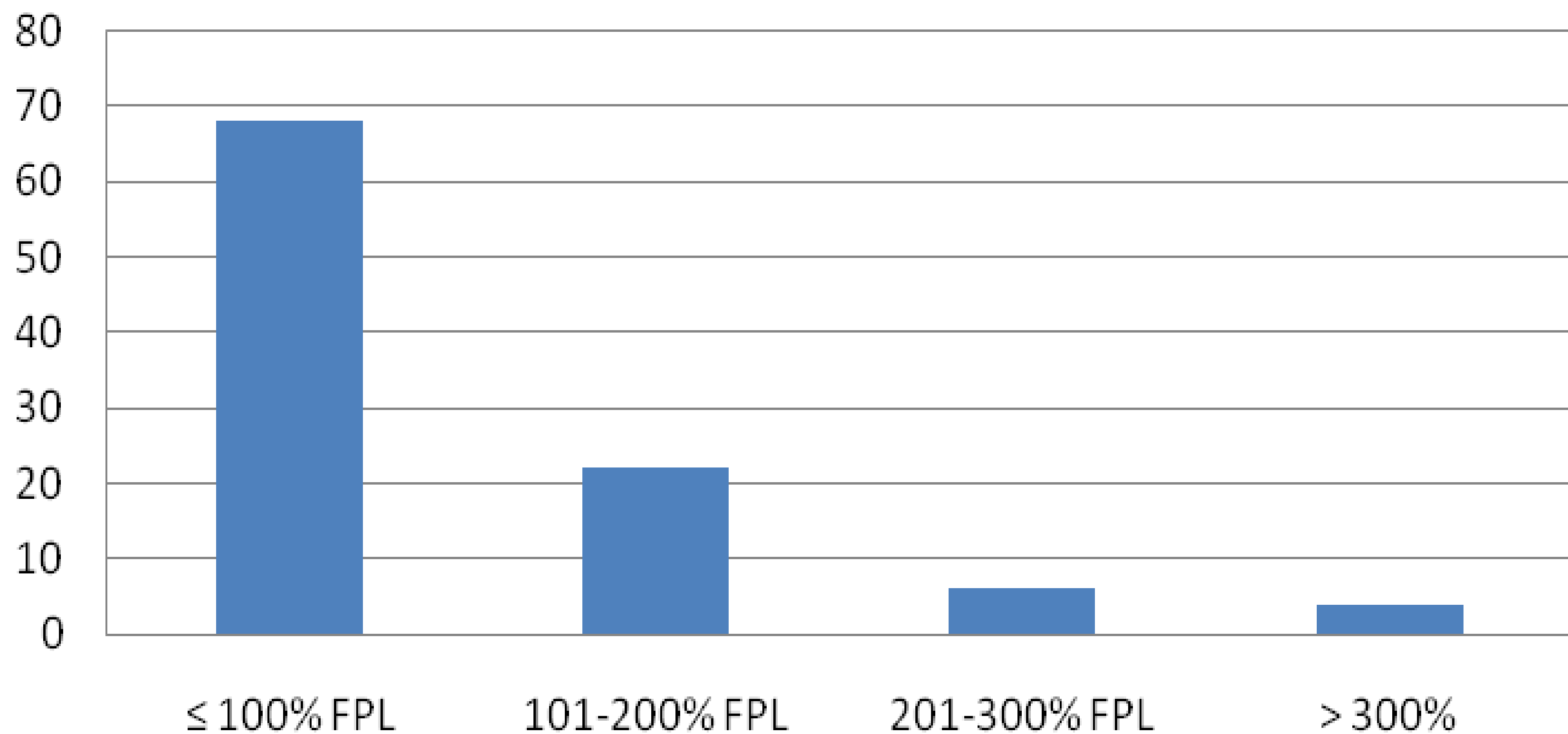
Exchanges

- Private Exchanges Created at the State Level (beginning in 2014)
  - +24 million people
  - 4 Tiers of Coverage
  - Subsidies for up to 400% of FPL

Exchanges

- Costs will still be high
  - For a 30 year old at 250% FPL:
    - $2,315 in premium costs (8.05% of income)
    - up to $3,125 in out of pocket costs
- Anticipate Ryan White will be able to wrap around

Ryan White Client Household Income 2008



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Exchanges

- Non-Medicaid eligible people with HIV/AIDS with income under 400% FPL, without Private Insurance, must be in Exchanges
    - Some with private insurance will switch to exchanges

- Exchanges will offer essentials benefits, but do not know limits and co-pays.

- Specifics to be determined through rule making

Undocumented Left Out

- Exempt from individual mandate
  - not allowed to purchase private health insurance in the exchange
  - not eligible for subsidies
  - not eligible for Medicare or non-emergency Medicaid
- Remain eligible for restricted "emergency" Medicaid
- Remain eligible for services through community health centers and/or safety net providers, such as Ryan White

Essentials Benefits Package

- Ambulatory patient services
- Emergency services
- Hospitalization
- Maternity and newborn care
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services, including oral and vision care

Health Reform and Prevention

- Prevention and Public Health Fund
  - FY10 - $500 million
    - $30 million for HIV prevention
  - FY11 - $750 million
  - FY15 – increase to $2 billion

Other Aspects of Health Reform

- Workforce Development
- Community Health Centers Funding
- Quality Measures
- Waste, Fraud & Abuse
- Taxes, Fees & Penalties
- Long Term Health Care
- Comparative Effectiveness Research
- Long Term Cost Controls
- Health IT-Electronic Records

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THANK YOU

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