Health Reform and People with HIV/AIDS

Carl Schmid
Deputy Executive Director

HIV/AIDS: Health Care for Today and Tomorrow!
Atlanta, GA
October 22, 2010
Presentation Outline

• Components of health reform
• What needs to occur between now and 2014
• Post 2014 environment
Health Reform

• Profound effect on HIV/AIDS care, treatment and prevention

• Should positively impact people with HIV/AIDS

• Most changes not implemented until 2014
Health Reform

• Health Coverage will be mandated

• Provide an estimated additional 32 million 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 clients
Ryan White Household Income, 2008

- ≤ 100% FPL: 68%
- 101-200% FPL: 22%
- 201-300% FPL: 6%
- > 300%: 4%

Source: HRSA, HIV AIDS Bureau, Ryan White Annual 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
  - Includes Medical Coverage and Medications
    - But no dental or vision

- States key to Implementation
  - 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)

Total Spending

- $0 - $310
- $310 - $2,830
- $2,830 - $7,643

Deductible

- Consumer Pays $310
- Private plan Pays $630
- Federal Government Pays $1,203

Catastrophic Coverage

- 80% Feds Pay Reinsurance
- 15% Plan Pays
- 5% out-of-pocket

50% Manufacturer Discount as TrOOP

25% out-of-pocket

75% Plan Pays

25% Plan Pays

$2,830 - $7,643

Total consumer out of pocket = $2,143
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
  • Awaiting HRSA Guidance
State High Risk Pools

- Provides coverage to those with:
  - a pre-existing condition, and
  - no credible coverage during the previous 6 months
    - Ryan White and ADAP is not Credible Coverage

- Coverage began August 2010, runs through 2013

- 27 state run, 23 + DC federally run
  - Georgia: Federal Government Administers

- Enrollees receive both health care and treatment

The AIDS Institute
State High Risk Pools

• Federally funded at $5 billion
  • Georgia Share: $177 million
  • Is this a sufficient amount?
  • Originally some estimated the program could run out by 2011
State High Risk Pools

• 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

• Ryan White should be able to wrap around
  • Awaiting HRSA Guidance
Georgia Program

• Premium rates:
  • Ages 0 to 34: $323
  • Ages 35 to 44: $387
  • Ages 45 to 54: $495
  • Ages 55+: $688
Georgia Program

• Additional Costs:
  • $2,500 deductible for covered benefits
  • $25 copayment
  • $4 to $30 for most prescription drugs
    • $1,583 for Atripla; $476 for Prezista (30 days)
  • 20% of the costs of any other covered benefits
• Out-of-pocket costs cannot be more than $5,950 per year (Cap does not include premiums)

• These costs may be higher, if you go outside the plan’s network
State High Risk Pool Resources

- **Georgia Program Info:**
  

- **HIV Health Care Access Working Group Point Paper:**
  
Insurance Reform

- Beneficiaries cannot be removed from a plan
- Checks on Rate Increases
- Prohibition on life-time limits
- No discrimination based on pre-existing conditions
  (beginning in 2014 for adults)
- Cap on out-of-pocket expenses
- Encourages employers to provide insurance coverage (small business tax credits)
- Extends dependent coverage to age 26
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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 Household Income, 2008

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Source: HRSA, HIV AIDS Bureau, Ryan White Annual Summary, 2008
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 costs still high

• Specifics to be determined through rule making
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
Undocumented Left Out

- Exempt from individual mandate
- Not allowed to purchase private health insurance in the exchange
- Not eligible for Medicare or non-emergency Medicaid
- Medicaid’s 5-year exclusion on legal immigrants continues
- Remain eligible for restricted “emergency” Medicaid
- Remain eligible through community health centers and/or safety net providers, such as Ryan White
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
Coverage for Preventive Services

• **Private Insurance**
  - 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

• **Exchanges**
  - Through Rulemaking Process
Coverage for Preventive Services

- **Medicaid**
  - Enhanced 1% FMAP for Grade A & B USPSTF Services (begins in 2013)

- **Medicare**
  - Annual Wellness Visit
  - Coverage of Grade A & B USPSTF Services (begins in 2011)
Prevention Elements

• Abstinence Only Until Marriage Program
  - $50 million/year

• Comprehensive Sex-Ed Program
  - $75 million/year

• National Prevention and Health Prevention Strategy
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
Between Now & 2014

• Most Coverage Expansion Begins in 2014

• Until then, Ryan White will remain the safety net for people with HIV/AIDS

  • Some clients moved to High Risk Pools
Between Now & 2014

• Regulatory Process
  • Work on Benefit Design
    • Medicaid-federal/state level
  • Exchanges-federal/state level

http://www.familiesusa.org/assets/pdfs/health-reform/Guide-to-Exchanges.pdf

• Ryan White Clinics Prepare to Interact with Exchanges and bill Medicaid
2014 & Beyond

• Beginning in 2014 should see a shift of Ryan White patients to Medicaid & Exchanges
  • Ryan White should help clients enroll

• Ryan White can pay for costs and cover care, support services and medications that are not covered by Medicaid & Exchanges

• Ryan White can provide care & treatment to those not covered by Health Reform (e.g. the undocumented)
2013 Reauthorization of Ryan White

• Will have to defend future of the Program in light of Health Reform before it is fully implemented

• Community is having Discussions to discuss long term

“Gaps in essential care and services for people living with HV will continue to need to be addressed along with the unique biological, psychological and social effects of living with HIV. Therefore, the Ryan White HIV/AIDS Program and other Federal and State HIV-focused programs will continue to be necessary after the law is implemented.”

*National HIV/AIDS Strategy for the United States: July 2010*
Impact of 2010 Elections

• “Repeal and Replace” would be difficult
  • Would Face Presidential Veto

• Can Stymie Implementation
  • Repeal/Change Parts
  • Stop Funding for Implementing Parts

• Litigation
Health Reform Resources

• **HHS health care information:**
  www.healthcare.gov

• **Kaiser Family Foundation, Health Care Reform Gateway:**
  www.healthreform.kff.org

• **Families USA, Health Reform Central:**
  http://www.familiesusa.org/health-reform-central
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THANK YOU

Carl Schmid - cschmid@theaidsinstitute.org
202-462-3042
www.theaidsinstitute.org