Policy Statement on the Medicaid Program,
Public Health and Access to HIV Care
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HIV Treatment Saves Lives, Prevents New Infections:

When diagnosed and with regular access to care and treatment, individuals with HIV can achieve control of the virus allowing them to stay healthy and have a near normal life expectancy, while their risk of transmitting HIV drops to near zero.[i] Achieving control of the virus requires uninterrupted access to HIV medications and regular access to a medical provider. Gaps in HIV treatment of days to weeks can reverse viral suppression, increase risk of transmission to others, and lead to serious complications, including development of a virus that is drug resistant, and more difficult to treat.[ii] The risk of a pregnant woman with HIV transmitting the virus to her baby drops from as high as 25 percent to essentially zero if the mother and newborn receive effective care and treatment.[iii]

National treatment guidelines have been published by the U.S. Department of Health and Human Services (DHHS) since 1998, highlighting the complexity of HIV treatment and the importance of appropriate therapy.[iv] The current guidelines recommend initiating HIV treatment as soon as possible after infection, in order to stop replication of the virus, prevent irreparable harm to the immune system leading to progression to AIDS, and reduce the risk of HIV transmission.[v] National treatment guidelines also have been published by DHHS specific to antiretroviral treatment for pregnant women with HIV and for pediatric HIV care.[vi] [vii]

Today, in the United States, approximately half of people with HIV live in poverty.[viii] Thus, the Medicaid program plays a critical role in early diagnosis and successful management of HIV infection by providing a reliable source of healthcare coverage.

Position:

The Medicaid program improves the health of 69 million Americans[ix], as well as our nation's public health by providing access to medical care, prescription drugs, and other essential services to pregnant women, low-income individuals and families, including children and seniors. The Medicaid program covers nearly 50 percent of births and 39 percent of children age 0 to 18 years in the U.S.[x] [xi] Based on a 2014 data analysis, the program serves more than 40 percent of patients with HIV.[xii] Unstable and decreased Medicaid funding would have a detrimental impact on a large number of people with HIV.

HIVMA supports the following policies to sustain the Medicaid program as a viable healthcare program for lower income children, adults, people with disabilities, pregnant women, and seniors to improve health outcomes and our nation's public health:

1) Maintain the Medicaid Program as an entitlement program supported by an open-ended federal/state matching formula that gives states the flexibility to respond to disease outbreaks and epidemics; to increases in healthcare costs and prescription drug costs; and to medical advances, such as those seen for HIV, cancer, and hepatitis C.
2) Continue the Medicaid expansion with a gradual decline of federal financing that will remain fixed at 90% of costs by 2020, allowing states to provide a stable, affordable and efficient healthcare coverage option to lower income families and individuals.

3) Ensure that Medicaid beneficiaries have access to the range of services they need to stay healthy by not only maintaining the current minimum benefits and coverage requirements but also expanding requirements to ensure all Medicaid beneficiaries have access to critical services, such as preventive screenings, prescription drugs, mental health and substance use treatment.
4) Maintain protections that limit premiums and cost sharing based on income and continue to bar denial of medical care for failure to pay cost sharing for those enrollees with incomes under 100% of the federal poverty level ($12,060/per year).[xiii]
5) Ensure access to adequate services so Medicaid beneficiaries can stay healthy and able to work, care for their families, and/or pursue educational and training opportunities without linking Medicaid eligibility to work requirements. Such requirements carry the potential to lead to disruptions in care and treatment for patients with HIV, leaving them at risk for serious infections and requiring more costly medical interventions, such as hospitalization and the need for additional and/or higher cost medications, including the treatment for toxoplasmosis. (Treatment for toxoplasmosis is $750 per pill of Daraprim® since a 2015 price increase from $13.50 a pill.[xiv])
6) Continue support for waivers that allow states to evaluate innovative delivery systems as well as benefit and payment models that promote high quality, comprehensive, cost effective care, improving patient outcomes.
7) Evaluate models for improving Medicaid provider payment equity and its related impact on improving health access and outcomes. Examine the re-instatement of the increase in Medicaid payment rates to Medicare levels for evaluation and management billing codes for specialists and subspecialists in family medicine, general internal medicine, or pediatric medicine.

Background and Rationale:

Medicaid Financing (Positions 1 & 2)

Like Medicare, the Medicaid program is an entitlement program but unlike Medicare it is a federal and state partnership. The federal government sets minimum eligibility, benefits, and other requirements. In exchange for states meeting minimum standards, the federal government agrees to pay a percentage of the states' Medicaid expenditures.

The federal/state funding match lessens the financial risk that states assume and provides some degree of stability for enrollees who count on the program. This security is important to people with HIV and others whose health and lives rely on the treatment and care covered by the program and whose healthcare costs and medical needs may change due to treatment advances, disease progression and aging.

Even under the federal/state financing model, states can find it difficult to cover program expenses and keep pace with the latest medical advances as evidenced by restrictions on treatments for hepatitis C despite cure rates exceeding 90% in almost all patients.[xv] A financing model that limits federal support and responsibility for the program, such as a per capita cap or block grant, would put an even greater strain on states and put enrollees at risk for losing coverage or services.[xvi] The open-ended financing structure ensures that, with the exception of waiver programs, there are no caps on enrollment and everyone who meets national minimum eligibility criteria receives coverage.

For the traditional Medicaid program the federal government pays a portion of the Medicaid costs ranging from 50% to more than 75%, with lower income states receiving a higher match rate.[xvii] In most

states, prior to the Patient Protection and Affordable Care Act's (ACA) Medicaid expansion, in addition to having very low incomes, enrollees needed to fall into a certain category of eligibility, such as being disabled, a pregnant woman, a single parent, or a senior in order to receive coverage. Without the Medicaid expansion, most lower income adults do not qualify for the health coverage that can prevent illness until they become and disabled.

Funding for the Medicaid expansion also is based on a federal and state matching model with the federal government supporting a higher percentage of costs that is standardized across states. Medicaid expansion states received 100% federal funding from 2014 to 2016, with federal support dropping to 95% in 2017 and gradually dropping to 90% in 2020. Under the expansion, eligibility increases for individuals and families with incomes up to 138% percent of federal poverty ($16,039/year)[1] and eligibility is not limited to certain categories of individuals.[xviii] Prior to the Medicaid expansion, individuals with HIV in most states did not qualify for Medicaid and remained uninsured until they became sick and disabled.

Benefits, Premiums and Cost-Sharing (Positions 3 & 4)

The Medicaid program's benefits and limits on out-of-pocket costs were designed to respond to the needs of lower income individuals who may need additional services and support to access care, and whose income can force them to make difficult decisions between paying for their healthcare versus other basic living needs.

Benefits

Under traditional Medicaid, there are 15 mandatory benefits that states are required to cover, but states can elect to cover optional benefits from a comprehensive list of services, including a health home benefit to support care management for Medicaid beneficiaries with complex conditions such as HIV.[xix] Non-emergency transportation is an example of a benefit not covered by private insurance that is critical to many patients with HIV who without this coverage would be unable to see their medical providers with the frequency that is often medically necessary. Key necessary services such as preventive care, prescription drugs, and mental health and substance use treatment are optional under traditional Medicaid.

For the ACA's Medicaid expansion, states are required to offer 10 Essential Health Benefits, including 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, and pediatric services, including oral and vision care.[xx] These services are crucial to effective management of HIV given the role of medications in suppressing the virus and the high prevalence of mental health and substance use disorders among patients with HIV.[xxi]

Premiums and Cost Sharing

States can impose nominal out of pocket costs on Medicaid enrollees, but certain services, such as emergency services and family planning, are exempt, and certain populations are exempt, such as

[1]Based on HHS Poverty Guidelines for 2017. Online at: https://aspe.hhs.gov/poverty-guidelines.

children, terminally ill patients, and individuals in institutions. Enrollees cannot be denied services for failure to pay cost sharing but can be held liable for the charges. States can charge higher than nominal cost sharing for certain enrollees with incomes greater than 100 percent of federal poverty level, but out of pocket costs cannot be greater than 5 percent of a family's income.[xxii]

For individuals with chronic conditions who live on low incomes, even nominal cost sharing can be a barrier to accessing medically necessary care and treatment. Medicaid's cost sharing protections help to ensure that patients can maintain access to the treatment that they need to stay healthy.[xxiii]

Employment Status (Position 5)

A majority of Medicaid enrollees work (59%) without being required to do so as a condition of coverage. An even larger percentage (nearly 80%) of adult Medicaid enrollees are in working families. Many work at lower paying jobs that do not offer healthcare coverage or time off for illness.[xxiv] Data specific to the work status of Medicaid enrollees with HIV is not available, but anecdotally HIV medical providers report that many of their patients work or would like to work. In order to be able to work, they must have reliable, affordable coverage to stay healthy. A disruption in access to HIV care and medications puts patients with HIV at risk for serious illnesses that will leave them unable to work or to pursue work.

Waivers, Demonstrations and State Flexibility (Position 6)

Through waivers and other mechanisms, states have significant flexibility in developing innovative cost-effective programs, while also maintaining basic protections for the low-income adults, children, people with disabilities, and seniors who rely on the program.[xxv] Waivers such as those used to expand eligibility and to offer home and community-based services have improved health outcomes for Medicaid beneficiaries with HIV while reducing costs.[xxvi]

Medicaid Provider Payments (Position 7)

An analysis comparing Medicaid and Medicare payment rates by state and nationally indicate that Medicaid payment rates for primary care (or evaluation and management services) are on average 59% of Medicare payment rates.[xxvii] For HIV providers, a majority of their patients have Medicaid coverage, compounding the impact of low reimbursement rates for managing a complex patient population. Studies of the temporary two-year increase in 2013 and 2014 in Medicaid payment rates for primary care services indicate that the increase had a positive impact on access to care, but implementation challenges and the limited time that the increase was in place made evaluation difficult.[xxviii] Continued evaluation of methods and models for promoting payment parity for Medicaid is warranted to evaluate the potential impact on access to care, health outcomes, and the delivery of more cost effective care. Addressing this issue also is important to respond to workforce challenges, such as those facing the infectious diseases and HIV medical provider community, where it also is well documented that patients treated by expert providers have better health outcomes and receive lower cost care.[xxix] [xxx] [xxxi]

Satisfaction, Access to Providers and Economic Efficiency

A number of surveys indicate that Medicaid enrollees are satisfied with their coverage and have as good or better access to providers than those with other types of insurance coverage.[xxxii] [xxxiii] [xxxiv] Medicaid

also is an efficient program that covers services at a lower per person price than private insurance even though it primarily serves individuals with more intensive health care needs.[xxxv] [xxxvi]

About HIVMA

HIVMA is an organization of nearly 5,000 clinicians and researchers whose professional focus is HIV medicine. HIVMA's mission is to promote quality in HIV care by advocating policies and supporting programs that ensure a comprehensive and humane response to the AIDS pandemic informed by science and social justice. Nested within the Infectious Diseases Society of America, HIVMA's work includes creating clinical and educational tools and resources; supporting clinical training and research opportunities to build HIV workforce capacity; and promoting policies and programs to improve access to HIV prevention and care.

About IDSA

The Infectious Diseases Society of America (IDSA) represents physicians, scientists and other health care professionals who specialize in infectious diseases. IDSA's purpose is to improve the health of individuals, communities, and society by promoting excellence in patient care, education, research, public health, and prevention relating to infectious diseases.

About PIDS

PIDS is the world's largest organization of professionals dedicated to the treatment, control and eradication of infectious diseases affecting children. Membership is comprised of physicians, doctoral- level scientists and others who have trained or are in training in infectious diseases or its related disciplines, and who are identified with the discipline of pediatric infectious diseases or related disciplines through clinical practice, research, teaching and/or administration activities.

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