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Folder Title:
Issues - Medicaid Expansion

Stack:	Row:	Section:	Shelf:	Position:
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until it's over
AIDS ACTION

ALERT

April 28, 1999...www.aidsaction.org... Contact: Francesca Fragomeni - 202-986-1300 x3071 - network@aidsaction.org

Reinventing Medicaid: Legislation Gains Momentum in Congress

Gephardt, Pelosi, and Torricelli introduce the "Early Treatment for HIV Act"

The reinvention of Medicaid for people living with HIV disease inched closer toward reality today as House Democratic Leader Rep. Richard Gephardt (D-MO), Rep. Nancy Pelosi (D-CA), and Senator Robert Torricelli (D-NJ), along with Senators Patty Murray (D-WA) and John Kerry (D-MA), introduced the **Early Treatment for HIV Act (H.R. 1591),** Senate bill number to be determined. As reported in previous AIDS Action Alerts, this legislation would give states the option to expand Medicaid coverage for low-income persons living with asymptomatic HIV disease – making it possible for these individuals to receive primary health care and effective drug therapies *before* they progress to full-blown AIDS.

The introduction of the **Early Treatment for HIV Act** marks a pivotal step in the enactment of AIDS Action's Reinventing Medicaid Plan, which is designed to modernize the federal Medicaid program to include HIV-positive individuals who are poor enough but not sick enough to be eligible for the program. The legislation, introduced in both Houses of Congress as identical bills, has sixty-one original cosponsors in the House.

AIDS Action:

<u>In the House</u>: Contact the cosponsors of H.R. 1591 (members listed below) to thank them for their support of this important legislation. If your member of Congress is not currently a cosponsor, urge him/her to sign onto the bill.

<u>In the Senate</u>: Contact your senators to urge that they become a cosponsor of the Early Treatment for HIV Act (Senate bill number to be determined).

(Call the Capitol Switchboard at 202/224-3121 to be transferred to these members of Congress.)

<u>H.R. 1591 Cosponsors</u>: (Republican members listed in bold)

Rep. Gephardt
Rep. Waxman
Rep. Payne
Rep. Millender-McDonald
Rep. Gutierrez
Rep. Meehan
Rep. Hinchey
Rep. Jackson Lee
Rep. George Miller
Rep. Abercrombie
Rep. Matsui
Rep. Morella
Rep. Sanders
Rep. Rush
Rep. Barbara Lee

Rep. Meek
Rep. Waters
Rep. McDermott
Rep. Towns
Rep. Bentsen
Rep. Delahunt
Rep. Frost
Rep. Ackerman
Rep. Frank
Rep. Stephanie T. Jones
Rep. Kilpatrick
Rep. Filner
Rep. Christen-Christensen
Rep. Dixon
Rep. Tauscher

Rep. Rivers
Rep. Eshoo
Rep. Robert Brady
Rep. Thurman
Rep. Sherman
Rep. DeLauro
Rep. Schakowsky
Rep. Stark
Rep. Woolsey
Rep. Horn
Rep. Capuano
Rep. George Brown
Rep. Farr
Rep. Serrano
Rep. Inslee

Rep. Mink
Rep. Weiner
Rep. DeGette
Rep. Crowley
Rep. Lantos
Rep. Carolyn Maloney
Rep. Nadler
Rep. Bonior
Rep. Ford
Rep. Sanchez
Rep. Faleomavaega
Rep. Lofgren
Rep. Capps
Rep. Romero-Barcelo
Rep. Hastings

September 19, 1998

MEMORANDUM TO THE VICE PRESIDENT

FR: Sarah Bianchi

RE: Update on Status of Expanding Medicaid to People with HIV/AIDS

A top priority for the gay community, as you know, is finding new ways to expand access to treatment for people with HIV/AIDS. The community has been particularly interested in options to expand Medicaid for people with HIV/AIDS, rather than depending on what they view to be highly competitive and limited discretionary programs. While 50 percent of people with HIV/AIDS are currently covered by Medicaid as are 90 percent of children with HIV/AIDS, the community wants Medicaid to cover patients earlier in their disease, where treatments are more effective.

Advocates were extremely pleased with your directive last year asking HHS to evaluate the feasibility and advisability of a budget neutral demonstration to expand Medicaid. They were disappointed when HHS and OMB actuaries concluded that it would not be possible to do a budget neutral expansion in this area. However, most believe that you and others in the Administration have a continued commitment to pursuing options to take positive steps in this area. They were also pleased with the proposed increases in the AIDS Drug Assistance Program in the President's budget and well noted your strong support for this.

To illustrate the Administration's ongoing commitment in this area and to address some concerns that HCFA may not be fully engaged, earlier this week Nancy-Ann Min DeParle sent a letter to the AIDS Action Council to indicate the Administration's continued interest in pursing options to expand treatment for people with HIV/AIDS. Richard Socraides, Sandy Thurman, and others believe that this letter will send an important signal that we have not given up in finding new ways to expand treatment. Daniel Zingale, Executive Director of AIDS Action, appreciated the letter and your's and the Administration's efforts to continue to work on this problem.

We are looking at administrative and statutory options to expand treatment options for people with HIV/AIDS. On the administrative front, we are working to develop limited feasible demonstrations with a small number of states to expand Medicaid. However, it is still unclear whether this is feasible and whether one or more states would be interested in this pursing this option. We are also reviewing whether legislation sponsored by Senator Jeffords and Senator Kennedy that allows people to buy into Medicaid would be responsive to the community's desire to access Medicaid at an earlier time in the onset of this disease. However, we want to be careful about raising expectations in this regard before we are sure that this is the best approach and will be validated by the AIDS community. Also, we want to be careful about raising expectations before the final costs estimates for this legislation have been provided.

Suggested Talking Points:

- I well recognize the shortcomings of relying on the AIDS Drug Assistance Program and other discretionary programs to take care of all of the needs of people with HIV/AIDS, particularly those in the early stages of HIV. That is why I believe we must continue to exhaust every policy option to more effectively address the extraordinary challenges facing us.

- Although I was disappointed about the estimates associated with the AIDS demonstration, I am no less committed to looking for better answers to these problems. In that vein, we have asked Sandy Thurman, the President's AIDS policy advisor, to head up a group of senior Administration officials to look into this problem and develop a strategy for moving ahead.

- I look forward to working with others who are committed to the same cause.

Entitlement Spending
(in millions)

Program	FY96	FY97	FY98
Medicaid (Federal Share)	$1,600	$1,800	$1,900
Medicare	$1,100	$1,300	$1,400
Social Security (SSI)	$280	$310	$320
Social Security (DI)	$696	$760	$843

TALKING POINTS ON
MEDICAID EXPANSION TO PEOPLE WITH HIV

Background

In April, the Vice President directed the Health Care Financing Administration (HCFA) of HHS to determine the feasibility of establishing a demonstration program to expand Medicaid coverage to people who were HIV -- and do not currently qualify for Medicaid benefits. This was in response to a release by HHS of a standard of care for HIV and AIDS that recommended early treatment. The Vice President asked HHS to report back within 30 days.

Under current regulations, Medicaid coverage is not availalable to many individuals with HIV until they progress to AIDS; the new treatments offer the promise of forestalling the progression to AIDS, creating a "catch 22" whereby individuals can't get the drugs that would keep them from progressing to AIDS until they get AIDS.

Talking Points

- The Clinton Administration remains strongly comitted to insuring that people living with HIV and AIDS have access to the medical treatments they need.

- The experts at HCFA are finding it difficult to make this expansion cost neutral, which is the test that we must meet to change benefits without Congressional action

- The Administration is still in active dialogue with community members, Congress, and public policy experts to refine the financial analysis -- we have not shut the door on making this work

- The anaylsis turned out to be far more complicated than many believed it to be, so it is taking much more time than we thought it would. However, the Administration is still actively working on a solution to this problem.

Administration has a strong track record of addressing the needs of people living with HIV and AIDS

- the President recently signed a fiscal year 1998 appropriation bill that provides $286 million for the State AIDS Drug Assistance Program, a 71% increase from fiscal year 1997.

•the President worked vigorously to save the Medicaid program, which is the largest single payor for AIDS services and treatment in the country -- in 1997, federal Medicaid expenditures for people living with HIV/AIDS totaled $1.8 billion, including nearly $500 million for AIDS drugs.

•the President has long been committed to health care for all Americans, and is pleased with the incremental progress that has been made on a bipartisan basis in recent years. Insurance reform and increased access to health insurance for children are important first steps. But the ultimate goal of high quality health insurance for all Americans remains.

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*** TX REPORT ***
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*** TX REPORT ***
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CONNECTION TEL	93382965
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PGS.	1
RESULT	OK

338-2965

Talking Points on Post Article

• The Administration understands the importance of trying to find new and innovative ways to ensure that all people with HIV benefit from the promise of new and effective therapies. It is for this reason the Vice President directed the Department of Health and Human Services to explore the feasibility of a Medicaid expansion.

• The announcement by HHS that an HIV Medicaid expansion is not feasible **at the present time** in no way lessens the Administration's resolve to continue to seek workable means of extending life prolonging therapies to those in need.

• This is a complex matter and we need a strategy that pushes forward on multiple fronts. In the short run, we need to work with private insurers, Medicaid programs, drugs companies, and federal, state and local budgets to help find the additional resources that are needed.

-- Private insurers and Medicaid programs that do no cover these life saving therapies should;

-- Drug companies that have not reduced the price of these life saving therapies given the extent of our federal investment should; and

-- States that have not become partners in making these life saving therapies more widely available should.

-- The Administration will explore ways to ensure that future federal investments help to leverage these importance partnerships.

• In the long run, we need to continue to look at the growing number of uninsured Americans and figure out how best to secure their access to essential health services. And this effort must include HIV+ individuals who

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• In the long run, we need to continue to look at the growing number of uninsured Americans and figure out how best to secure their access to essential health services. And this effort must include HIV+ individuals who are uninsured and not yet eligible for Medicaid.

• The President has long been committed to health care for all Americans, and is pleased with the incremental progress that has been made on a bipartisan basis in recent years. Insurance reform and increased access to health insurance for children are important first steps. But the ultimate goal of high quality health insurance for all Americans remains.

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MEMORANDUM

TO: Services Subcommittee Members, PACHA
FR: Regina Aragón, Policy Director, SF AIDS Foundation
Ernest Hopkins, Director of Federal Affairs, SFAF
cc: Daniel Montoya and Todd Summers, ONAP
Scott Hitt, Chair, PACHA
DATE: January 27, 1998

RE: Summary of The HIV Health Improvement Act of 1997 (H.R. 3072)

The HIV Health Improvement Act of 1997 (H.R. 3072) was introduced in Congress on November 13, 1997 by Representative Nancy Pelosi (D-SF) with 33 co-sponsors including Minority Leader Dick Gephardt (D-MO).

As mentioned on the call last week, Representative Pelosi will highlight this bill in her January 31, 1998 Town Hall Forum here in San Francisco. Those of us from the Bay Area who are attending the event will pass on any additional information we receive. In addition, as Mike Rankin mentioned, Steve Lew is trying to schedule a meeting with former Pelosi aide Steve Morin, who is now at UCSF AIDS Research Institute.

General Overview:

The HIV Health Improvement Act of 1997 would amend Title XIX of the Social Security Act and Title XXVI of the Public Health Service Act, the two pieces of federal law that govern the Medicaid and Ryan White CARE Act programs, respectively. The amendments would become effective in the first calendar quarter after passage of the Act without regard to the establishment or promulgation of final regulations.

The goal of H.R. 3072 is to expand and improve the quality of HIV-related health care coverage for poor U.S. citizens and legal immigrants living with HIV infection by making changes in the two federal programs that, together, account for the majority of HIV-related health care.

Medicaid Service Provisions and Eligibility Criteria:

The bill would establish a limited scope of Medicaid benefits, which would be available to individuals with HIV infection who are not medically disabled by AIDS defined illnesses. This limited benefits package, defined as "HIV-infection-related drug treatment" would include:

- prescription drugs such as FDA-approved anti-HIV drugs identified in the Public Health Service's (PHS) HIV Clinical Treatment Guidelines of 1997;

- drugs used to treat and provide prophylaxis against the opportunistic infections
- drugs associated with late stage HIV disease or AIDS;
- physicians' services (inpatient and outpatient medical care);
- diagnostic tests (CD4 and viral load);
- substance abuse and mental health treatment services; and
- medical case management services to the extent required to ensure adherence to anti-HIV treatment regimens.

Individuals covered through this HIV expansion would be required to verify incomes that could not exceed the maximum income level established by the state plan in question. In those states where medical disability is used as the primary eligibility criteria for Medicaid, the individual's financial resources (income + assets - liabilities) could not exceed the maximum amount allowed for other disabled persons receiving assistance under the state plan.

Medicaid Amendments in H.R. 3072:

- Establishes a national minimum formulary
- Expands eligibility for state-based Medicaid coverage to poor U.S. citizens and legal immigrants who are HIV-infected but not medically disabled by AIDS defined illnesses.
- Establishes a limited set of medical services that would be available to people with asymptomatic HIV disease that also fit the income and resource eligibility criterion established by an individual state. Individuals with fullblown AIDS would continue to be eligible for the standard Medicaid benefits package available in a particular state.
- Severely constrains, but does not prohibit, the right of states to limit the number of prescriptions and the scope of HIV care. The state would be precluded from limitations, if by doing so, the state policy were rendered inconsistent with the PHS Clinical HIV Treatment Guidelines of 1997.

ADAP Provisions:

The proposed ADAP amendments attempt to tie formulary decisions to the PHS Guidelines in order to avoid the current situation where funding crises often lead to medically unsound eligibility criteria. The bill would also require a new state contribution or match to the ADAP program.

ADAP Amendments in H.R. 3072:

- Establishes a national minimum formulary for state-administered ADAPs
- Remains silent on ADAP financial eligibility criteria, but restricts a state's ability to establish medical criteria that are inconsistent with the PHS Clinical HIV Treatment Guidelines of 1997

- Expands the scope of services covered by ADAP to include diagnostic testing (CD4, Viral Load, and possibly the phenotyping and genotyping of HIV when used for treatment regimen selection).

- Establishes a statutory requirement for a minimum state contribution to ADAP.

  A state that receives over $1 million in federal ADAP funding, would be required to establish a state match of not less than 20% of the total federal formula ADAP grant to the State. The 20% state contribution must be appropriated from non-federal resources and can include in part or in whole: cash, in kind, plants, equipment or services.

  States that receive less than $1 million in federal ADAP funds must contribute a non-federal match equal to the State's percentage of the total national ADAP funding distributed.

FAX COVER SHEET

San Francisco AIDS Foundation
Public Policy Department

Date: 1/26/98

To: Daniel Montoya

FAX: (202) 254-9835

From: Regina Aragón

Phone: 415-487-3099

Return FAX: 415-487-3089

Pages (incl. cover): 4

Message and/or special instructions:

Here is the HR3072 bill summary to send to Senate Subcommittee members + Scott. Thanks!

Regina

10 United Nations Plaza, Suite 310, San Francisco, CA 94102
Mailing address: PO Box 426182, San Francisco, CA 94142-6182

to serve those who are living with the disease. Let me give you a run down of what we've done together.

The Clinton Administration has increased discretionary funding for AIDS programs by 60% since 1993. This compares with an overall increase of just 1% in the total amount of discretionary spending over that same period.

The Ryan White Care Act, which helps many of you provide for the care and support for people living with HIV and AIDS, has benefited from a 186% increase in funding in four years.

Ryan White funding dedicated to AIDS drugs -- ADAP -- has tripled from the fiscal year 1996 level of $52 million to $167 million in fiscal year 1997 and will hopefully double again this year. And we remain absolutely committed to insuring that everyone who needs the new AIDS treatments will get them.

Despite opposition from some Members of Congress and many of the nation's governors, we have preserved the guarantee of Medicaid coverage for people living with AIDS. Medicaid is the primary health provider for over 50% of people with AIDS and 92% of children with AIDS.

The Administration supported the creation of the Office of AIDS Research empowered with the authority to plan and carry out the AIDS research agenda and has consistently defended it against setback; and we have doubled the funding for the Housing Opportunities for People With AIDS (or HOPWA) Program from $100 million in 1993 to $204 million in the 1998 budget.

These have been hard-won victories for people with AIDS, and I know that many of you fought hard to make them happen. We all know that there is more, much more that needs to be done. We need to use our time here together to share ideas, opportunities, and strategies; and we need to recommit ourselves to fighting the good fight at home until this epidemic is over.

I think the recently released statistics on AIDS deaths by the CDC can help give us some direction. The CDC analysis for 1996 reported a ~~30~~ 44% decline in AIDS deaths. That is a truly remarkable accomplishment that we need to celebrate.

and preliminary data comparing the first six months of 1997 with the first six months of 1996 sha a 44% decli in deaths.

However, we also know that underneath these overall statistics are glaring signs of the substantial disparity in how this epidemic affects those who are often more marginalized in our society.

For example, while the death rate from AIDS declined 22% for men in 1996, it went down only 7% for women.

And while African-American and Latina women comprise less than one-fourth of all women in

DRAFT

Statement of Sandra Thurman
Director, White House Office of National AIDS Policy
Concerning Medicaid Expansion for People Living with HIV

Reports that this Administration has abandoned its desire to expand Medicaid access to lifesaving therapies could not be further from the truth. This Administration certainly understands the urgency of finding innovative ways to ensure that all people with HIV benefit from the promise of new and effective treatments. It was for this reason that Vice President Gore directed the Department of Health and Human Services to explore the feasibility of a Medicaid expansion to cover the cost of these drugs at an earlier stage of the disease.

The fact that our inital attempt to expand Medicaid has turned out to be a more difficult than anticipated in no way lessens the Administration's resolve to seek a workable means of extending life prolonging therapies to all those in need. This is a complex task, and to reach our goal we need to push forward on multiple fronts.

First and foremost, in cooperation with the AIDS community and interested health foundations, we will continue to look for ways to make a Medicaid expansion work. As new models are developed, we will test them. And as we gather new data, we will incorporate them. If there is a way to make this expansion a reality -- we will leave no stone unturned in our attempt to do just that.

While there is a strong role for the federal government to play -- the federal government cannot do this alone. If we are to ensure access to lifesaving therapies to all those in need -- it will require effective public-partnerships.

-- To that end, the Administration will provide technical assistance to states that are interested in exploring a Medicaid expansion of their own. These and other demonstrations will be designed to expand access to new therapies in these states and to provide the additional data necessary to refine a workable national program.

-- The Administration will meet with drug companies to discuss ways to reduce the costs of these life saving therapies. The federal government is the largest purchaser of these drugs -- and a more affordable price will help us to save countless lives.

-- And finally, the Administration will increase the federal investment in the AIDS Drug Assistance Program (ADAP) and ensure that this new investment helps to leverage additional state resources and support.

New therapies have given life and hope to tens of thousands individuals and families living with HIV and AIDS. This Adminstration remains commited to helping to bring of that same hope to all those in need.

Heidi Kukis @ OVP
12/09/97 01:57:32 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:
Subject: REVISED FINAL -- VP statement on HIV/AIDS therapies

THE WHITE HOUSE
Office Of The Vice President

FOR IMMEDIATE RELEASE CONTACT: 202-456-7035
TUESDAY, December 9, 1997

STATEMENT OF THE VICE PRESIDENT

In April, I directed the Health Care Financing Administration and the Office of National AIDS Policy to determine the feasibility of establishing a demonstration to permit earlier Medicaid coverage for HIV positive individuals. Last week, HCFA announced that it had not yet found a way to reach this goal within the confines of Medicaid policy, which requires that demonstration projects be done in a budget-neutral way.

I am extremely disappointed that they could not find a way to achieve our goal through this mechanism under current policy. But reports that this marks the end of our efforts are mistaken. In fact, I am directing the Department of Health and Human Services and ONAP to continue to work on ways to expand access to life-saving drug therapies for people living with HIV and AIDS. I believe that we must find ways to expand access to lifesaving therapies for people living with HIV and AIDS.

This Administration understands the urgency of finding innovative ways to ensure that all people with HIV benefit from the promise of new and effective treatments. That's why the President and I have worked so hard to increase significantly funding for the AIDS Drug Assistance Program. In addition, since the beginning of this Administration, funding for AIDS research at NIH has increased 50 percent. We also directed HCFA to ensure that all state Medicaid programs

cover protease inhibitors.

We know that AIDS is one of the most critical health problems facing our nation. We have worked hard to find solutions to help prevent, treat and cure this disease. We must work harder.

This Administration will continue to work with Congress, patient advocates, states, pharmaceutical manufacturers and others to find innovative ways to provide access to these life-saving therapies. The stakes are too high for us to stop now.

##

Message Sent To:

Donald H. Gips/OVP @ OVP
Toby Donenfeld/OVP @ OVP
Estela Mendoza/WHO/EOP
Richard Socarides/WHO/EOP
Sandra Thurman/OPD/EOP
Sarah A. Bianchi/OPD/EOP
Roger V. Salazar/OVP @ OVP
Christopher C. Jennings/OPD/EOP

Sandra Thurman 12/08/97 12:18:45 PM

Record Type: Record

To: Toby Donenfeld/OVP @ OVP, Heidi Kukis/OVP @ OVP

cc:
Subject:

Below please find a draft of the statement on Meidcaid...

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AIDS Action Council

Memo

To: Nancy-Ann Min DeParle
Associate Director for Health Policy
Office of Management and Budget

Bruce Vladeck
Administrator
Health Care Financing Administration

From: Robert Greenwald
Director of Public Policy and Legal Affairs
AIDS Action Committee (Boston)

Christine Lubinski
Deputy Executive Director for Programs
AIDS Action Council

Date: July 2, 1997

Re: Medicaid expansion for low-income HIV positive individuals

---

On behalf of AIDS Action Council and our community based organization (CBO) members, we thank you for your commitment to explore an expansion of Medicaid eligibility for low-income people living with HIV. The attached policy paper and literature review reflect our work and best thinking about the range of issues related to the development of a Medicaid expansion initiative. We conducted an extensive literature review of cost-effectiveness of early intervention. These studies and articles cull the best data and newest information available to demonstrate the cost-effectiveness of early treatment for HIV/AIDS. The literature review provides the necessary evidence supporting the arguments for moving forward on an early intervention Medicaid expansion. It is our hope and our expectation that this memo and accompanying materials will facilitate prompt action by appropriate Administration officials, AIDS organizations, community advocates, and state Medicaid officials to discuss the parameters and timing of this effort.

Three months have passed since Vice President Gore announced his support for an expansion of the Medicaid program for low-income HIV positive individuals. Indeed, Vice President Gore requested a report from the Health Care Financing Administration (HCFA) on the

implementation issues for an expansion. At this time, we have no evidence that there has been any progress toward implementation.

The recent introduction of a new standard of care for HIV/AIDS clearly demonstrates not only the need for early intervention but also the more pressing challenges to access. While the new standards justify the need to get people with HIV/AIDS early treatment, the administration made no commitments to expanding access to the new standard of care. The proposed Medicaid expansion has the potential to actually further the goal of the new standards; getting people into care early when the treatments have the greatest potential of delaying disease progression and maintaining health.

From our partners at the state level, we know that Medicaid officials are cynical about the feasibility of a Medicaid expansion and are unwilling to engage in discussions with community based health advocates about the expansion. To date, we are unaware of any leadership by HCFA to inform the state Medicaid agencies about the proposed expansion. HCFA must demonstrate leadership and, at the very least, communicate with the state Medicaid agencies about the Administration's commitment to the proposed expansion.

Every year, funding for HIV/AIDS programs has consistently fallen short of the actual need. This year promises to be no different. There is little chance that discretionary programs like the Ryan White CARE Act programs will receive adequate funding to meet the need. As we have stated before, an expansion of the Medicaid program for low-income HIV positive individuals can help ease the burden of these programs.

AIDS Action Council and its CBO members are eager to move forward on efforts to realize the expansion of Medicaid eligibility. We look forward to hearing from you at your earliest convenience.

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