THE MEDICAID EXPANSION AND PEOPLE WITH HIV/AIDS

The U.S. Supreme Court ruled in June 2012 to uphold the Patient Protection and Affordable Care Act (ACA). However, in a disappointing move, the Court ruled that states that do not comply with the ACA's expansion of Medicaid to individuals up to 138% of federal poverty (around $15,400 per year for an individual) cannot lose federal funding for the *entire* Medicaid program.[i] If states refuse to comply with the expansion, there could be a large number of the lowest income people left out of reform. This fact sheet was developed to assist HIV advocates with making the case for the Medicaid expansion in their state. Analysis of the implications of the Supreme Court decision by various stakeholders will continue, so regularly check the resources at the end of the fact sheet for the latest news and analyses.

Health Reform Is Critical to People with HIV

- An estimated 1.2 million people are living with HIV in the U.S. and need access to high-quality, uninterrupted health care to stay healthy, reduce new HIV infections, and cut long-term health care costs.
- We have the tools to treat HIV/AIDS effectively and to make significant headway against the HIV epidemic in the U.S. Research clearly shows that, with early access to HIV treatment, people with HIV stay healthier and are 96% less likely to transmit HIV to others.[ii]
- National health care reform will put us on the road to an AIDS-free generation by dramatically expanding access to medical care, life-saving HIV treatment, and screening. The National HIV/AIDS Strategy sets a new course for an AIDS-free generation, but its success is in jeopardy without full implementation of the Medicaid expansion.

Full Implementation of the Medicaid Expansion is Essential to Address the HIV Public Health Crisis

- Expanding Medicaid to very low-income people addresses a significant injustice. Across the U.S., low-income people with HIV/AIDS have been left behind as they are forced to rely on emergency rooms and free clinics to get medical care for an infectious, life-threatening disease.
- Full implementation of the Medicaid expansion will address a cruel barrier to ending the AIDS crisis by allowing low-income people to qualify for Medicaid based on income alone. Today, a majority of low-income people with HIV are denied Medicaid coverage until after they become so sick that they are disabled.
- HIV infection disproportionately affects low-income people in the US. HIV rates in high poverty areas in the U.S. are comparable to those in Haiti, Angola, and Ethiopia. HIV prevalence rates are 7 times higher among individuals with incomes below $10,000 per year as compared to individuals with incomes greater than $50,000 per year.[iii]
- Nearly 50% of people with HIV/AIDS currently receiving medical care rely on Medicaid to access care and treatment.[iv]

Inadequate Access to Health Care Fuels HIV Health Disparities

- Today, only around 50% of people with HIV are in regular medical care and only 25% are being effectively treated with HIV medications. Around 13% of people living with HIV have private insurance coverage and nearly 25% are uninsured. This leads to deadly HIV health disparities.
- African Americans account for only 13% of the U.S. population but 46% of people living with HIV, and 64% of all women with HIV are African American. Gay men represent approximately 2% of the general population but 53% of new infections.
- The HIV prevalence rate for blacks is more than eight times the rate for whites. The rate for Hispanics is three times the rate for whites. The number of deaths due to HIV among blacks is eight times higher than it is for whites.

- Eight of ten states with the highest rates of new AIDS cases are in the South and 50% of new HIV cases are in the South – although the region represents only 37% of US population. Southern states also account for eight of the ten states with the highest death rates.[v]

The Medicaid Expansion is an Opportunity to Address these Health Disparities

- Medicaid improves access to health care for minorities. In one study, nearly 50% of uninsured black Americans did not have a regular source of health care compared to 7% of black Americans enrolled in Medicaid. Uninsured black Americans were four times more likely to go without a doctor's visit in the past year than black Americans on Medicaid.[vi]
- An evaluation of a Medicaid expansion in Oregon found that people newly covered by Medicaid were more financially stable than those that were uninsured. They also were 70% more likely to have a regular place for care and 55% more likely to have a regular doctor.[vii]

The Medicaid Expansion: Good for States and Their Most Vulnerable Residents

- States can't afford not to participate in the Medicaid expansion. On average the expansion will only cost states 2.8% more than they are spending now on Medicaid. The cost to states is likely to be much less because this estimate does not take into account savings states will realize from reduced spending on uncompensated care for uninsured individuals.
- The Medicaid expansion is almost completely paid for by the federal government. States receive 100% funding from the federal government from 2014 to 2016. The federal share gradually drops to 90% in 2020 where it remains. Even after 2020 – states only will be responsible for 10 cents of every $1 spent on the expansion population.
- More than 17 million low income, uninsured Americans stand to gain better access to health care if the Medicaid expansion is fully implemented. The poorest individuals and families will be left behind if any state does not comply with the Medicaid expansion because individuals and families with incomes less than 100% of the federal poverty level (around $11,000 per year for an individual) will not be eligible for subsidies to make coverage affordable.
- States in the southeastern U.S. with the highest rates of poverty and uninsured residents have the most to gain from the Medicaid expansion. [viii]
- Medicaid is a cost effective program. The costs per Medicaid beneficiary have not grown as fast as the costs in the private insurance market, and the average cost per beneficiary is lower than private coverage.[ix]
- The Children's Health Insurance Program and the Breast and Cervical Cancer Program are highly successful Medicaid expansions where all states elected to participate even without the nearly 100% federal support offered by the ACA.

States at Risk

- The federal government has not released a formal process or timeline for states to declare whether they will comply with the ACA's Medicaid expansion. A number of state leaders have indicated in the media that they plan to reject the Medicaid expansion, ***but no final actions have been taken***.
- Twenty six states joined the law suit challenging the Medicaid expansion, and these states may be more likely to refuse to comply with the Medicaid expansion. See if your state is on the list and how many people could be affected: http://www.kaiserhealthnews.org/Stories/2012/June/29/state-medicaid-program-growth-chart.aspx.
- The 2012 elections matter. State and federal policymakers must be held accountable for providing reliable access to comprehensive health care for the poorest residents – including many people with HIV/AIDS.

Who Are Our Allies?

- States that opt not to expand Medicaid will be leaving a wide swath of vulnerable populations out of reform. HIV advocates should join coalitions of other low-income advocates in their state to make the case for why the state should expand Medicaid in 2014.
- Hospitals, federally qualified health centers and insurance companies that pay for billions of dollars in uncompensated care to large numbers of uninsured people have much to gain from the Medicaid expansion. State hospital associations, provider groups, and insurance companies will be important allies in ensuring that state decision makers understand the economic and public health impact of a decision to forgo the Medicaid expansion.

Resources to Learn More and Stay Informed

- HIV Health Reform - www.hivhealthreform.org
- Treatment Access Expansion Project – www.taepusa.org
- Kaiser Family Foundation – www. http://healthreform.kff.org/ and http://www.statehealthfacts.org
- Center on Budget and Policy Priorities – www.cbpp.org
- National Health Law Program— http://www.healthlaw.org/
- FamiliesUSA – http://www.familiesusa.org/
- American Public Health Association – http://www.apha.org/advocacy/reports/webinars/

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[i] Nat'l Federation of Ind. Business v. Sebelius, 597 US _ , 55 (2012).
[ii] Myron CS et al, Prevention of HIV-1 infection with early antiretroviral therapy. *N. Eng. J. Med.* 2011;365:493-505.
[iii] See Centers for Disease Control and Prevention. Communities in Crisis: Is There a Generalized HIV Epidemic in Impoverished Urban Areas of the United States? 2010. Online at http://www.cdc.gov/hiv/topics/surveillance/resources/other/poverty.htm.
[iv] Kates, J. Medicaid and HIV: A National Analysis. 2011. Online at: http://www.kff.org/hivaids/upload/8218.pdf.
[v] Southern HIV/AIDS Strategy Initiative. HIV/AIDS in the South Reaches Crisis Proportion in the Last Decade. 2012. Online at: http://www.scribd.com/doc/78789145/Southern-AIDS-Research-Report-Final.
[vi] Kaiser Family Foundation. Medicaid's Role for Black Americans. 2011. Online at: http://www.kff.org/medicaid/upload/8188.pdf
[vii] Baicker, K and A. Finkelstein. The Effects of Medicaid Coverage—Learning from the Oregon Experiment. N Engl J Med. Aug. 25, 2011.
[viii] Kaiser Family Foundation. Medicaid Coverage and Spending in Health Reform. Online at http://www.kff.org/healthreform/upload/medicaid-coverage-and-spending-in-health-reform-national-and-state-by-state-results-for-adults-at-or-below-133-fpl.pdf.
[ix] Center on Budget and Policy Priorities. Medicaid Block Grant or Funding Caps Would Shift Costs to States, Beneficiaries, and Providers. 2011. Online at: http://www.cbpp.org/cms/index.cfm?fa=view&id=3363

Developed in conjunction with the HIV Health Care Access Working Group – a coalition of more than 100 national and community-based HIV service organizations committed to ensuring access to critical HIV-related health care and support services. For more information contact the Co-chairs Robert Greenwald with the Treatment Access Expansion Project at rgreenwa@law.harvard.edu or Andrea Weddle of the HIV Medicine Association at aweddle@hivma.org