Protecting Health Care and Medicaid: What You Need to Know
2-23-17

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Presentation outline

• Welcome and Introduction
  – Marty Ford, Senior Executive Officer, Public Policy

• ACA and Medicaid Overview
  – Julie Ward, Director of Health Policy

• Resources in the Tool Kit

• Disability Policy Seminar March 20-22
Overview

• Congress and the new Administration plan to repeal the Affordable Care Act (ACA)
• Details and timelines are changing
• Unclear if House and Senate will agree to plan
• Administration has not yet weighed in
• Repeal and not immediately replace was original plan
• If this fight is lost-- health care unravels, major impact on Medicaid, Medicare, and Social Security and Supplemental Security Income
• You can make a difference
Types of health insurance

Private insurance

- **Individual insurance**
  - A person, family or small business purchases insurance
  - About 20 million people

- **Group insurance**
  - Group buys insurance to cover many people—employers, unions, et.
  - Over 155 million

Public insurance

- **Medicaid**
  - Covers low income people
  - About 70 million

- **Medicare**
  - People over 65 and some people with disabilities
  - About 55 million
Goals of Affordable Care Act—ACA (Obamacare)

- Expand access to health insurance
- Keep employers in the game
- Fix the individual market
- Focus on prevention
- Bend the cost curve
- Expand access to Medicaid
- Improve access to Long Term Supports and Services
- Experiment with new payment method
- Ensure affordability
Realities

• Partisan and polarizing
• Health insurance complex
• Built in compromises
  – Balance affordability and comprehensiveness
• Unpopular provisions that are there for a reason
  – Employer and individual mandates
• Unpopular taxes paid for much of the law
Why ACA matters

- Advocates have been working on these issues for decades
- Closes the loop on the Americans with Disabilities
- Improvements and expansions to long term supports and services
- Expanding Medicaid-- long term goal
- Uninsured reduced from 49.9 million in 2010 to 29.9 million in 2016 (9% of population)
- Removing annual and lifetime limits
Medicaid expansion

- 11 million gained coverage in 32 states
- Created new eligibility category for childless adults
- Raised income eligibility for children and new adult population
- Federal government paid most of the expense
NOTES: Coverage under the Medicaid expansion became effective January 1, 2014 in all but seven expansion states: Michigan (4/1/2014), New Hampshire (8/15/2014), Pennsylvania (1/1/2015), Indiana (2/1/2015), Alaska (9/1/2015), Montana (1/1/2016), and Louisiana (7/1/2016). Seven states that will have Republican governors as of January 2017 originally implemented expansion under Democratic governors (AR, IL, KY, MA, MD, NH, VT), and one state has a Democratic governor but originally implemented expansion under a Republican governor (PA). *AR, AZ, IA, IN, MI, MT, and NH have approved Section 1115 expansion waivers.
Non expansion states

Overall 2.4 million increase Medicaid enrollment in 19 states

<table>
<thead>
<tr>
<th>State</th>
<th>% increase</th>
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<tbody>
<tr>
<td>Florida</td>
<td>17.4%</td>
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<tr>
<td>North Carolina</td>
<td>26%</td>
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<tr>
<td>Georgia</td>
<td>14%</td>
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<tr>
<td>Texas</td>
<td>6.5%</td>
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How many people with I/DD benefit?

Exact numbers not available by type of disability, but we know:

- People in the Medicare waiting period (about 1.5 million in any given year)
- People who do not qualify for SSI either due to disability or income
- Low wage workers and people without access to employer sponsored health insurance
- Dependents under age 26 without access to insurance
Where do things stand?

Budget Resolution passed the House and Senate – first step

House is planning to act next week to begin putting together legislation

House proposed per capita cap to pay for repeal

Senate may have slower pace and develop own plan

2015 repeal as a guide?
The 2015 repeal plan

- All of the taxes that help pay for the ACA
- Prevention Trust Fund
- Increased federal contribution to the Medicaid expansion
- 6% increase for the Community First Choice Option
- The penalties attached to individual and employer mandates
- Cost sharing subsides and premium subsidies
Impact on Medicaid

- Destabilizes the program in the expansion states
- Governors and state legislatures will have to figure out where to come up with the money to replace the federal share
- Better to stop it federally than the battles in each state
- House majority leadership repeal and replace plan included Medicaid per capita cap
Medicaid's current structure

- Federal Government and states share actual costs of coverage
- Agree in each state on who is eligible and what services and supports are provided
- Feds pay on average 63%
- Different matching rates by state (50-75%)
Design of per capita caps

• Congress has many options on how to design a per capita cap
• The federal government would provide a fixed amount of money to each state based on the number of people enrolled.
• Unlike current law, states will not see increased funding when costs go up
• Could include small growth adjustment.
Per capita caps impact

Purpose--reduce federal spending

• Caps would have to be significantly below expected future costs
• Same effect as block grants
• Per capita caps/allotments/flexible spending allotments

Ignores aging population and impact on health and LTSS spending

Ignores new therapies or innovations
Medicaid Cuts Would Grow Over Time Under House Budget Committee Block Grant or Cap

Percent cut in federal Medicaid funds, relative to current law

<table>
<thead>
<tr>
<th>Year</th>
<th>Cut (%)</th>
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<tbody>
<tr>
<td>'17</td>
<td>-3</td>
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<tr>
<td>'18</td>
<td>-5</td>
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<td>'19</td>
<td>-10</td>
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Source: CBPP analysis using Jan. 2016 Congressional Budget Office Medicaid baseline and House Budget Committee documents.
Possible Effects of Threats

- Individuals and states lose their entitlements
- No federal rules or protections
- Waiting lists grow
- Shrinking federal support
- More Cost shifting to state/beneficiary
- Reduce or eliminate services
Next steps

• Timing is unclear and changing
• Could happen more quickly in the House
• Congress waiting to hear from President Trump and Secretary Price
• What will replace and when?
  – Consensus has not been reached
  – Lots of questions about coverage, transition, maintaining critical provisions
What Can You Do?

• Use the tool kit materials
  – Call your Members of Congress
  – Write letters to the editors
  – Educate your membership and call them to action
  – Set up meetings with your Members of Congress
  – Use social media -- #WeActWednesday

• Our staff will continue to add to the resources
Lifeline Toolkit:

Fact Sheets

- ACA: How People with Intellectual and Developmental Disabilities Benefit from the ACA
- Medicaid: The Outlook in 2017: Cuts, Block Grants or Per Capita Caps?
- SSI: A Vital Part of Our Security System

Get Involved - Help Protect the Lifeline

- How to Engage Your Members of Congress
- Preparing for Meeting with Your Members of Congress

State-by-State Resources

- Families USA fact sheets outline what’s at stake in each state - for example, how many people stand to lose health insurance coverage if the Medicaid expansion is eliminated.
- The Center on Budget and Policy Priorities fact sheets and interactive slider show how much progress the states have made in covering their uninsured residents and how much would be lost if the ACA’s coverage expansions are eliminated.
- The State of the States in Developmental Disabilities State Profiles and Create a Chart provide longitudinal financial and programmatic trends in intellectual and developmental disabilities services (for example, the average daily cost of care in large state-operated institutions versus community settings).

Stories

- Share your story with ACA coalition partners on why quality, affordable health coverage matters to you.
Save the dates

March 20-22, 2017
For more information
http://disabilitypolicyseminar.org/

Plan Ahead for 2018:
April 23-25