# Protect Medi-Cal Funding
## *Women Living with HIV*
### *Issue Brief #7 in a 12-Part Series*

Medi-Cal provides a long-term investment in the health of Californians. Medi-Cal coverage and services are tailored to meet the unique needs of low-income people, but still costs less per beneficiary than employer-based insurance.[1] The Better Care Reconciliation Act (BCRA) under consideration by the Senate, like the American Health Care Act (AHCA), passed by House Republicans in May, would seriously jeopardize the health and financial security of over 13 million Californians—one third of the state's residents—who rely on Medi-Cal each year.[2] California estimates the bill, if passed, would cost the state more than $30 Billion over the next ten years.[3] The recently released federal budget by the current administration further eviscerates funding for Medicaid. This issue brief explains why Medi-Cal is so critical for women living with HIV and how they would be harmed by Medicaid funding cuts.

***Why Medi-Cal is important for*** women living with HIV:

- **Medi-Cal covers nearly 30,000 Californians living with HIV.[4]** Women living with HIV are disproportionately women of color, and their communities benefit significantly from the coverage, treatment, and care Medi-Cal provides.[5] Medi-Cal is a vital source of health coverage for this population. Individuals with health insurance coverage, including Medi-Cal, are more likely to receive HIV testing and become aware of their HIV status.[6] Those who know they are HIV-positive are more likely to seek and retain care.[7] This benefits the public's health by reducing the transmission rate between partners.

- **The Medi-Cal expansion has allowed California to cover more women living with HIV.[8]** Under traditional Medi-Cal eligibility rules, many adults living with HIV must wait until their disease progresses to an AIDS diagnosis before their disability qualifies them as categorically eligible to receive Medi-Cal coverage, even if they are very low-income.[9] The ACA's Medicaid expansion creates a new category of Medicaid eligibility that states can use to cover most low-income adults. California expanded Medi-Cal coverage through the ACA to 3.7 million adults.[10] Hence, Medi-Cal coverage for Californians with HIV rose significantly, from an estimated 39% in 2012 to an estimated 51% in 2014 and the share of Californians with HIV who are uninsured are estimated to have decreased from 13% to 7%.[11]

- **Medi-Cal covers many services that women living with HIV need**. The Medi-Cal program must cover an array of mandatory services. These include inpatient and outpatient hospital services, physician visits, laboratory and x-ray services, family planning services and supplies, and pregnancy-related services.[12] Further, the Medi-Cal program must also cover many specialized services, such as long-term care and non-emergency medical transportation, which are critical to populations living with HIV/AIDS who are at an increased risk of developing a permanent or episodic disability from their disease.[13] Medi-Cal also covers many important optional services such as case management, and in-home supportive services.[14]

- **The Medi-Cal expansion helps support other safety-net programs**. The Ryan White AIDS Drug Assistance Programs (ADAPs) provide HIV-related drugs to individuals with limited or no prescription drug coverage, and women make up nearly a quarter of ADAP enrollees.[15] The Medi-Cal expansion enabled over half of the individuals currently enrolled in the ADAPs to shift into Medi-Cal, thereby freeing up ADAP funding for improved HIV/AIDS care in the state.[16] The Medi-Cal expansion also helps support community health clinics and reduces their uncompensated care costs.[17]

***How funding caps would harm*** women living with HIV:

- **Funding cuts threaten Medi-Cal coverage for HIV care**. A per capita cap or other cut to reduce federal Medicaid funding will shift more of the costs onto states. In California, Medi-Cal could respond to budget gaps by seeking to reducing Medi-Cal eligibility. For example, California may try to reverse its expansion, cutting millions off of coverage.[18] This threatens the coverage of nearly 119,845 people living with HIV in California, many of whom became eligible for Medi-Cal as a result of the expansion.[19] It also would disproportionately affect certain communities: in California, the rate of HIV diagnosis among Black women is 9.3 times higher than white women, and the rate is 1.6 times higher among Latinas, compared to white women.[20]

- **Funding cuts may lead California to cover fewer HIV-related services**. With less Medi-Cal funding based on a cut in federal funding to the state, California could attempt to reduce coverage of Medi-Cal services. California could do this by seeking to cut optional services, particularly more expensive services such as home and community-based services, or by imposing strict limits on the amount, duration, and scope of services.[21] For example, California could try to limit the number of prescriptions an individual can obtain, making it harder for women with HIV to access the drugs they need to treat the disease.

- **Funding cuts threaten access to needed HIV-related treatment**. With less federal Medicaid funds, California may also attempt to reduce costs by restricting the network of providers Medi-Cal enrollees are able to visit. Women living with HIV, who depend disproportionately on providers with specialized expertise in HIV care, would be greatly harmed by restrictive networks with limited access to specialists. California might also attempt to pass costs onto Medi-Cal enrollees by increasing co-payments for needed services – forcing low-income women with HIV to choose between health care and other necessities such as food and rent.[22]

- **Funding cuts would leave California at risk for an HIV/AIDS epidemic**. A per capita cap on federal Medicaid funds would limit California's funding without regard for how future health care costs actually increase. As a result, California would not be prepared to finance health-related epidemics, including surges in the number of state residents infected with HIV, or increases to the cost of HIV care due to new effective but expensive treatments.[23]

## ENDNOTES

[1] *See* TERESA COUGHLIN ET AL., KAISER COMM'N ON MEDICAID & THE UNINSURED, WHAT DIFFERENCE DOES MEDICAID MAKE? 4, 7 (2013), http://kaiserfamilyfoundation.files.wordpress.com/2013/05/8440-what-difference-does-medicaid-make2.pdf (Nationally, employer-based coverage would cost 28% more than covering the same individual with Medicaid).
[2] CAL. DEP'T HEALTH CARE SERVS., MEDI-CAL MONTHLY ENROLLMENT FAST FACTS 1 (2017) (enrollment as of December, 2016 at 13.5 Million), http://www.dhcs.ca.gov/dataandstats/statistics/Documents/Fast_Facts_December_2016.pdf; *see also, e.g.,* KIM LEWIS, NAT'L HEALTH LAW PROG., TOP 10 CHANGES TO MEDICAID UNDER THE SENATE'S ACA REPEAL BILL: IMPLICATIONS FOR CALIFORNIA (2017), http://www.healthlaw.org/publications/browse-all-publications/10-changes-to-medicaid-under-senate-aca-repeal-bill-implications-for-ca.
[3] Letter from Jennifer Kent, Cal. Dep't Health Care Servs., to Diana Dooley, Cal. Dep't Health & Hum. Servs. (June 27, 2017), http://www.dhcs.ca.gov/formsandpubs/publications/opa/Pages/Better-Care-Reconciliation-Act-(BCRA)-Analysis.aspx.
[4] Arlene A. Leibowitz & Katherine Desmond, *Identifying a Sample of HIV-Positive Beneficiaries from Medicaid Claims Data and Estimating Their Treatment Costs*, 105 AM. J. PUB. HEALTH 567 (2015).
[5] See KAISER. FAMILY FOUND., MEDICAID AND HIV: A NATIONAL ANALYSIS (2011), http://kaiserfamilyfoundation.files.wordpress.com/2013/01/8218.pdf.
[6] See AIDS.gov, The Affordable Care Act and HIV, https://www.aids.gov/federal-resources/policies/health-care-reform (last visited June 19, 2017).
[7] *See, e.g.,* Virginia A. Moyer, U.S. Prevent. Servs. Task Force, *Clinical Guideline: Screening for HIV: U.S. Preventive Services Task Force Recommendation Statement*, 159 ANNALS INT. MED. 51, 55 (2013).
[8] KAISER. FAMILY FOUND, MEDICAID IN CALIFORNIA (2017), http://files.kff.org/attachment/fact-sheet-medicaid-state-CA
[9] See KAISER. FAMILY FOUND., FACT SHEET: MEDICAID AND HIV 1-2 (2016), http://files.kff.org/attachment/Fact-Sheet-Medicaid-and-HIV.
[10] CAL. DEP'T HEALTH CARE SERVS., *supra,* note 2 at 2 (3,771,358 enrollees in the Expansion as of November, 2016).
[11] JENNIFER KATES & LINDSEY DAWSON, KAISER. FAMILY FOUND., INSURANCE COVERAGE CHANGES FOR PEOPLE WITH HIV UNDER THE ACA 3 (2017), http://kff.org/health-reform/issue-brief/insurance-coverage-changes-for-people-with-hiv-under-the-aca.
[12] 42 U.S.C. §§ 1396a(a)(10)(A), 1396d(a)(1)-(5), (17), and (21); 42 C.F.R. § 440.210.
[13] *See* sources cited *supra,* note 12.
[14] CAL. WELF. & INST. CODE §§ 14132, 14132.95.
[15] KAISER. FAMILY FOUND., AIDS DRUG ASSISTANCE PROGRAMS (ADAPS) 3 (2017), http://kff.org/health-reform/issue-brief/insurance-coverage-changes-for-people-with-hiv-under-the-aca.
[16] KATES & DAWSON, *supra,* note 11 at 3.
[17] *See, e.g.,* LAURIE FELLAND *ET AL.,* CAL. HEALTH CARE FOUND., RIVERSIDE/SAN BERNARDINO: DESPITE LARGE MEDI-CAL EXPANSION, MANY UNINSURED REMAIN 10-11 (2016), http://www.chcf.org/~/media/MEDIA%20LIBRARY%20Files/PDF/PDF%20A/PDF%20AlmanacRegMktBriefRiversideSB16.pdf.
[18] JAMILLE FIELDS & DEBBIE REID, NAT'L HEALTH LAW PROGRAM, EARLIER ACCESS TO CARE FOR UNINSURED WOMEN LIVING WITH HIV: THE AFFORDABLE CARE ACT'S MEDICAID EXPANSION AND 1115 DEMONSTRATION PROJECTS (2015), http://www.healthlaw.org/publications/browse-all-publications/Earlier-Access-to-Care-for-Uninsured-Women-Living-with-HIV-and-the-ACA.
[19] AIDSVu.org., California Highlights https://aidsvu.org/state/california/#prevalence (last visited June 19, 2017).
[20] *Id.*
[21] *See, e.g.,* MICHELLE LILIENFELD, NAT'L HEALTH LAW PROG., MEDI-CAL SERVICES (2017), http://www.healthlaw.org/publications/browse-all-publications/protect-medi-cal-funding-medi-services.
[22] *See, e.g.,* ABBI COURSOLLE, NAT'L HEALTH LAW PROG., MEDI-CAL AFFORDABILITY (2017), http://www.healthlaw.org/publications/browse-all-publications/protect-medi-cal-funding-medi-cal-affordability.

[23] *See, e.g.,* Sarah Kaplan, *Indiana is Battling the Worst HIV Outbreak in its History*, WASH. POST, Mar. 26, 2015, http://www.washingtonpost.com/news/morning-mix/wp/2015/03/26/indiana-is-battling-the-worst-hiv-epidemic-in-state-history.