



MEDICAL CARE FOR UNINSURED INDIVIDUALS WITH LIFE-THREATENING CONDITIONS

Joint Commission on Health Care

October 6, 2010

Presenter: Stephen W. Bowman

SJR 339 – MEDICAL CARE FOR INDIVIDUALS WITH LIFE-THREATENING CONDITIONS (ILTCs)

- Identify resources to help those without private insurance who don't qualify for Medicaid in emergency situations and ways to publicize any such resources
- Determine approximately how many such cases occur ... each year
- Examine programs in other states ..., and
- Recommend effective solutions for addressing this problem...

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Resolution introduced in 2009

OVERVIEW: UNINSURED ILTCs RECEIVING MEDICAL CARE

- Uninsured ILTCs will not always receive needed medical treatments and medications
- No state provides programs that address comprehensive care needs for all ILTCs
- Many avenues are available for uninsured ILTCs to receive care

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No standardized medical definition for “life threatening condition”

OVERVIEW: UNINSURED ILTCs RECEIVING MEDICAL CARE (*CONTINUED*)

- Virginia appropriates funds that support uninsured ILTCs receiving patient assistance, payments for treatment and medications
- Options to support more ILTCs accessing needed care
 - Department of Social Services emphasize patient assistance services organizations that help individuals access medical care
 - Provide FY12 general funds for:
 - Patient Advocate Foundation’s VCUP Program
 - Uninsured Medical Catastrophe Fund (*additional funds*)
 - RxRelief (*additional funds*)
 - Virginia AIDS Drug Assistance Program (*additional funds*)

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BACKGROUND: SITUATION PROMPTING THE RESOLUTION

- **Individual:** Male, 40 years old (*approximately*)
- **Medical Condition:** Hepatitis C and needed a liver transplant
- **Insurance Status:** Uninsured and ineligible for Medicaid
- **Previous Treatments:** Received in-patient care in 3 different hospitals
- **Immediate Issue:**
 - UVA Health System offered to perform transplant but was conditioned on patient having source for immunosuppressive medications
 - Patient unable obtain required medication
- **Outcome:** As a result, the individual died before securing needed medications in order to receive the transplant

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BACKGROUND: WHO ARE THE UNINSURED?

Virginia Health Care Foundation's Profile of Virginia's Uninsured (2008)

- 1 million Virginians (15.1%) were uninsured in 2008



9% of children
uninsured



18% of nonelderly
adults uninsured

- 62% had incomes <200% FPL
- 65% are from families with 1 or more full-time workers
- 45% of nonelderly adults have chronic condition*

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Sources: Virginia Health Care Foundation's Profile of Virginia's Uninsured and *Davidoff AJ and G Kenney. 2005. *Uninsured Americans with Chronic Health Conditions: Key Findings from the National Health Interview Survey*.

BACKGROUND: UNINSURED TEND TO BE IN WORSE HEALTH THAN THE INSURED

National Survey of Non-elderly Adults	Uninsured	Publicly Insured	Privately Insured
General Health: Self-reported in fair or poor health	11%		5%
Preventive Care: No preventive services	42%	6%	6%
Unmet Care Needs: Went without care in previous year due to cost	24%	11%	4%
Can't Afford Medications: Went without medications due to cost	27%	13%	5%

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Kaiser Family Foundation's *The Uninsured: A Primer* (2009)

BACKGROUND: FEDERAL HEALTH REFORM WILL DECREASE THE NUMBER OF UNINSURED

New Federal Health Reform Programs and Funding

2010

- Provide small employers tax credits to purchase health insurance
- For individual and group policies
 - Dependant coverage for children under age 26
 - Prohibit pre-existing condition exclusions for children
- Temporary High-Risk Pools (*expire in 2014*)
 - Pre-existing condition exclusions

2014

The most significant insurance reforms occur in 2014

- Medicaid eligibility up to 133% FPL
 - 270,000 – 425,000 new Medicaid enrollees
- Exchanges offer lower-income individuals assistance to make insurance more affordable

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BACKGROUND: AFTER 2014 MEDICAL CARE ISSUES WILL REMAIN FOR CERTAIN ILTCs

- Receiving needed care will be challenging for some. Examples include:
 - Low-income individuals ineligible for:
 - Medicaid
 - Coverage through the exchange
 - Underinsured persons who:
 - Cannot afford the co-pay for medical services
 - Have medical conditions not covered by insurance policies

2008

1 million
uninsured



2014

???
Uninsured

Types of Uninsured Individuals

- Individuals in violation of immigration laws
- Exempted low-income individuals
- Individuals who choose not to have coverage

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BACKGROUND: EXTENT OF UNINSURED ILTCs NOT RECEIVING MEDICAL CARE IS UNKNOWN AND TREATMENT NEEDS FOR ILTCs ARE MULTI-FACETED

- Data is not available to determine extent of uninsured ILTCs not receiving treatment
- ILTCs can have a variety of needs, such as:
 - Multiple procedures
 - Physician visits
 - Medications
 - Physical therapy

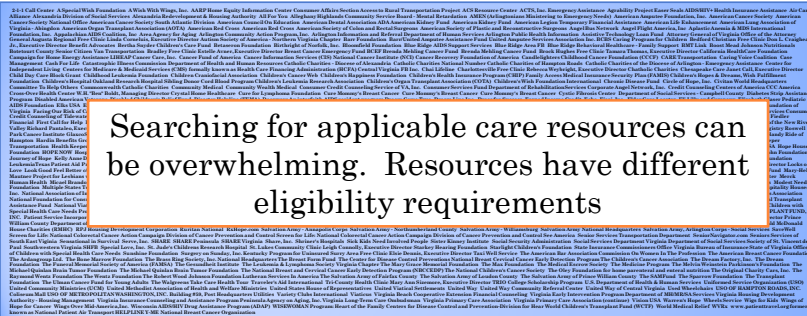
Uninsured ILTC Medical Care

- ❖ Typically treatment from multiple providers will be needed
- ❖ Each medication and provider service may need an individual arrangement to receive care (*i.e. charity care, waiving co-pay, third-party payment of copay*)

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BACKGROUND: SPECIALIZED ASSISTANCE CAN HELP NAVIGATE AND ACCESS AVAILABLE MEDICAL CARE RESOURCES

- Many for-profit and not-for-profit organizations assist individuals in accessing needed care
- Patient Advocate Foundation's (PAF) provides a directory of 436 resources for individual needing financial assistance to receive medical care in Virginia



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BACKGROUND: WHAT HAPPENS TO UNINSURED ILTC IN AN EMERGENCY SITUATION?

- Emergency Medical Treatment and Active Labor Act (EMTALA)
 - Mandates that no patient with an emergency medical condition and is unable to pay may be treated differently than patients who are covered by health insurance
- Hospitals required to provide:
 - Appropriate medical screening
 - Stabilizing treatment if needed or an appropriate transfer

EMTALA does not require hospitals to treat the underlying condition that caused the emergency medical condition

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KEY FINDINGS: MEDICAL CARE FOR UNINSURED INDIVIDUALS WITH LIFE- THREATENING CONDITIONS

FINDING 1: NO STATE PROVIDES PROGRAMS THAT ADDRESS COMPREHENSIVE CARE NEEDS FOR ALL UNINSURED ILTCs

- None of the state programs reviewed addressed all immediate and non-immediate medical needs for uninsured individuals with life-threatening conditions
- 5 states have pharmaceutical programs targeted to special populations. Examples:
 - End-stage renal disease
 - HIV and HIV/AIDS
 - Bleeding disorders
- At least 42 states have some type of program that provides pharmaceutical coverage or assistance (2009)
 - Most beneficiaries are low-income elderly or disabled individuals

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Source: NCSL's State Pharmaceutical Assistance Programs and Virginia Department of Health websites.

FINDING 2: MEDICAL CARE IS NOT ASSURED FOR ILTCs BUT AVENUES ARE AVAILABLE TO RECEIVE NEEDED CARE

- ILTCs will not always receive needed medical treatments and medications
- Many avenues are available for uninsured and underinsured to receive care. Examples include:
 - Charity care
 - Negotiating with providers
 - Third-party co-pay payment
 - Prescription drug programs

Examples of Entities and Funds that May Provide Needed Assistance

- | | | |
|------------------------------------|--|--------------------------------------|
| • Hospitals | • Community Health Centers | • Uninsured Medical Catastrophe Fund |
| • Physicians | • Free Clinics | • Physician organizations |
| • Patient assistance organizations | • Organizations assisting individuals with specific medical conditions | • Pharmaceutical companies |
| • Medication Assistance Programs | | |
| • Virginia Cares | | |

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FINDING 3: VIRGINIA SUPPORTS UNINSURED ILTCs RECEIVING PATIENT ASSISTANCE, TREATMENTS AND MEDICATIONS

Need	State Appropriation
Patient assistance	1. Virginia Cares Uninsured Program (PAF)
Funding for care	2. Uninsured Medical Catastrophe Fund* (DMAS)
Medication related	3. RxPartnership (RxP) 4. The Pharmacy Connection (VHCF) 5. RxRelief Virginia (VHCF)
Specialty programs	6. HIV/AIDS Drug Assistance Programs* (VDH) 7. Virginia Bleeding Disorders Program* (VDH)

*These programs apply exclusively to ILTCs

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Note: In addition, State funding is provided for pharmaceuticals, pharmacy supplies, and pharmacy services for low-income, uninsured patients at community and migrant health centers and free clinics

Appropriation 1

VIRGINIA CARES UNINSURED PROGRAM (VCUP)

- Eligibility is limited to uninsured with chronic, life-threatening, or debilitating diseases
- Professional case management staff assist patient to navigate health care system to receive medical care

Uninsured Issues

- Denied treatment/inability to meet upfront financial requirement
- No access to care
- Denied charity care
- Share of cost/spend down
- No access/no coverage for prescription needs

Examples of Resolutions

- Facilitated access to care through local clinic/hospital/doctor
- Approved for Medicaid/share of cost
- Facilitated/identified new insurance coverage
- Enrolled/approved for pharmaceutical indigent drug program

16 contacts on average to reach client resolution (PAF 2008)

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Sources: Patient Advocate Foundation presentation to JCHC's Healthy Living and Health Services Subcommittee September 1, 2009, PAF Patient Data Analysis Report 2009 and VCUP Quarterly Report April 1, 2010 – June 30, 2010

Appropriation 1

MANY INDIVIDUALS ARE NOT AWARE OF VCUP

- 7,219 Virginians served by PAF programs from January 2007 - September 2010
 - 3,945 Virginians served through VCUP
 - VCUP is currently engaging in a statewide marketing campaign to make more Virginians aware of its services
- More Virginians need to know about available patient assistance services including VCUP.

Virginia Department of Social Services could provide greater information about patient assistance services through agency case workers and 2-1-1 Virginia.
(See Options 2 and 3)

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Appropriation 1

NO STATE FUNDS ARE BUDGETED FOR VCUP IN FY12

- Established within the Patient Advocate Foundation with funding from the Commonwealth
 - FY 08 - \$237,500
 - FY 09 - \$225,000
 - FY 10 - \$202,500
 - FY 11 - \$ 95,625
 - FY 12 - \$ 0 (*budgeted*)
- PAF commented an absence of State funding for VCUP in FY12 “would have a significant and profound impact on the number of uninsured patients that VCUP could serve”

Funding PAF's VCUP program to FY11 level promotes uninsured ILTCs accessing needed care (*See Option 4*)

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Sources: Patient Advocate Foundation presentation to JCHC's Healthy Living and Health Services Subcommittee September 1, 2009, VCUP Quarterly Report April, 1, 2010 – June 30, 2010, email correspondence with PAF and JCHC analysis.

Appropriation 2

UMCF PROVIDES PAYMENT FOR CERTAIN ILTCs NEEDING TREATMENT

- Eligibility requirements
 - Citizen or legal resident of the U.S. and Virginia
 - Income <300% Federal Poverty Level
 - Individuals must have life threatening illness or injury
 - Uninsured for the needed treatment
 - Provide treatment plan by physician and one that is willing to accept the global fee
- Funded by contributions and donations
 - Voluntary tax contributions – \$25,828 (2008)
 - State budget – \$265,000 FY11 and FY12
- Average amount allocated to approved applicant varies year to year
 - FY08 - \$18,419
 - FY09 - \$10,093

Virginia's
Uninsured
Medical
Catastrophe
Fund
(est. 1999)

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Appropriation 2

ADDITIONAL UMCF FUNDS WOULD ASSIST MORE UNINSURED ILTCs

- Funds are provided on a first come, first served basis
 - Will not pay for services already rendered
 - Sometimes there is a wait list
- In FY09, 71 applications were received*

<p><u>Approved - 36</u></p> <p>Cancer Conditions - 34</p> <p>DM Retinopathy - 1</p> <p>Chronic Heart Failure - 1</p>	<p><u>Denied - 38</u></p> <p>Became insured – 9</p> <p>Not life-threatening - 7</p> <p>Death or terminal status- 6</p> <p>No treatment plan - 6</p> <p>Other - 10</p>
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No significant efforts are made to publicize this program due to limited funds for medical treatment

Additional UMCF funds would allow for more uninsured ILTCs to receive care (*See Option 5*)

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* Applications approved and denied do not total 71 due to application process overlap to fiscal year reporting

Appropriations 3 & 4

UNINSURED MEDICATION ASSISTANCE PROGRAMS THAT RECEIVE STATE SUPPORT

Bulk Medications

RxPartnership (*since 2002*)

- Solicits free medications in bulk from pharmaceutical companies and arranges direct distribution to its 21 nonprofit affiliate pharmacies.
- \$1 donated to RxP yielded \$23 in free medication in 2008
- State support in FY11 - \$105,000

Individual Medications

The Pharmacy Connection (TPC) (*since 1997*)

- Computer software that helps individuals apply for free chronic disease medicines from pharmaceutical companies
- 150 hospitals and health safety organizations use TPC
- \$124 million in medication received in 2009
- State support in FY11 - \$125,000

Source: Virginia Health Care Foundation and RxPartnership website.

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Appropriation 5

VIRGINIA FUNDS RxRELIEF TO ASSIST INDIVIDUALS APPLYING FOR FREE MEDICATIONS

- Medication Assistance Caseworkers (MACs) assist uninsured individuals applying for free chronic care medications
- 28 Medication Assistance Programs (MAP) serve 76 localities. In FY10 the program
 - Served 14,911 patients
 - Provided 112,173 medications valued at \$48.5 million
- State funding in FY10 - \$1,850,000

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Source: JCHC email correspondence with Virginia Health Care Foundation.

Appropriation 5

ADDITIONAL RxRELIEF FUNDING CAN ALLOW SOME ILTCs TO ACCESS NEEDED MEDICATIONS

- Some RxRelief grantee funding requests were not met in 2010:
 - 11 current grantees requested additional 7.05 FTEs
 - 4 clinics requested an initial MAP program requiring 2.5 FTEs
 - \$344,144 provides 9.55 RxRelief FTEs
- Estimated impact if positions were funded
 - Additional patients served 3,343
 - Additional medication requests 26,740
 - Estimated value of medications* \$11,685,380

\$344,144 in additional RxRelief funding would address medication needs of some uninsured ILTCs chronic care medication needs (*See Option 6*)

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*Value is based on average wholesale price

Source: JCHC email correspondence with Virginia Health Care Foundation.

Appropriation 6

VIRGINIA PROGRAMS ADDRESS MEDICATION NEEDS OF THOSE WITH HIV/AIDS

- AIDS Drug Assistance Program (ADAP)
 - Provides AIDS medication coverage to individuals without insurance coverage or third party benefits
 - Eligibility limited to those at or below 400% FPL
- State Pharmaceutical Assistance Program (SPAP)
 - Pays Medicare Part D costs for people who receive medicines through ADAP
 - Some clients receive financial assistance for medication copays/coinsurance, deductibles and costs during gaps in coverage (“donut hole”)

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Source: JCHC email correspondence with Virginia Department of Health and VDH website.

Appropriation 6

AIDS DRUG ASSISTANCE PROGRAM HAS A SIGNIFICANT FUNDING SHORTFALL

- At current eligibility levels, an ADAP wait list is expected in November 2010
 - Program has never had wait list
 - VDH is evaluating options to address the situation
- Factors that have led to funding shortfall
 - 21% increase in enrollment (2007-2009)
 - 15% increase in monthly medication costs (2007-2009)
 - One-time funds used in past years are not available
- \$915,000 GFs were allocated for ADAP medications in FY11

\$12.6 million in additional funding in FY12 is needed to eliminate the expected wait-list at current eligibility levels 26

Source: JCHC email correspondence and discussions with Virginia Department of Health and VDH website.

Appropriation 7

VIRGINIA BLEEDING DISORDERS PROGRAM

- Provides assistance for persons with inherited bleeding disorders
- Eligibility requirements
 - Virginia resident
 - Has Hemophilia A/B or von Willebrand disease
- Funding is available for individuals
 - Less than 200% FPL
 - 200% + FPL after a spend-down requirement met
- In FY11, \$214,247 for medication and medical treatment of inherited bleeding disorders
- Additional funding for medications not needed
 - No current wait list

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Source: JCHC email correspondence with Virginia Department of Health and VDH website.

AVENUES FOR VIRGINIA TO FURTHER ADDRESS UNINSURED ILTCs RECEIVING CARE

State Funding or Program	Additional Needs	Options
Patient Advocate Foundation's VCUP	Awareness Funding	2, 3, 4
Uninsured Medical Catastrophe Fund	Funding	5
RxRelief Virginia	Funding	6
Virginia AIDS Drug Assistance Program	Funding	*

* During today's Healthy Living/Health Services meeting, Virginia's HIV/AIDS prevention and treatment programs will be reviewed by JCHC staff. An option addressing the ADAP funding shortfall will be presented at that time.

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POLICY OPTIONS

- **Option 1:** Take no action
- **Option 2:** By letter of the JCHC Chairman, request that the Department of Social Services work with the Patient Advocate Foundation to communicate with agency case workers concerning VCUP through the most appropriate means, including a “broadcast message.”
- **Option 3:** By letter of the JCHC Chairman, request that the Department of Social Services emphasize patient assistance organizations on the 2-1-1 Virginia website.

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POLICY OPTIONS (CONTINUED)

- **Option 4:** Introduce a budget amendment to provide \$95,625 GFs in FY12 for the PAF’s Virginia Cares Uninsured Program (VCUP).
- **Option 5:** Introduce a budget amendment to provide an additional \$100,000 GFs to the Uninsured Medical Catastrophe Fund in FY12.
- **Option 6:** Introduce a budget amendment to provide an additional \$344,144 GFs to the Virginia Health Care Foundation’s RxRelief program in FY12 to address individuals accessing free chronic care medications.

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PUBLIC COMMENTS

- Written public comments on the proposed options may be submitted to JCHC by close of business on October 22, 2010. Comments may be submitted via:
 - E-mail: sreid@jchc.virginia.gov
 - Facsimile: 804-786-5538
 - Mail to: Joint Commission on Health Care
P.O. Box 1322
Richmond, Virginia 23218
- Comments will be summarized and reported during the JCHC Decision Matrix meeting on November 3th.