ARCW
AIDS Resource Center of Wisconsin
Excellence in HIV Health Care

May 8, 2017

Mr. Michael Heifetz
Wisconsin Division of Medicaid Services
PO Box 309
Madison, WI 53707-0309

Dear Mr. Heifetz,

Recently, the Department of Health Services (DHS) notified the public of its intention to submit an application to the Centers for Medicare and Medicaid Services (CMS) for an amendment to the existing Section 1115 Demonstration Waiver, commonly known as the BadgerCare Reform Waiver. The waiver being requested by DHS is based on changes in state law that were enacted in 2015 Wisconsin Act 55. Please accept this letter detailing concerns the AIDS Resource Center of Wisconsin (ARCW) has with the proposed waiver.

Firstly, the AIDS Resource Center of Wisconsin (ARCW) appreciates the long-standing relationship and shared responsibility we have developed with DHS for driving the best health outcomes in the nation for people living with HIV. According to the United States Department of Health & Human Services (DHHS) Agency for Healthcare Research and Quality (AHRQ), Wisconsin has the lowest rate of HIV infection deaths per 100,000 population in the United States. Our state's HIV patient viral suppression rates, individual awareness of HIV infection and rates of HIV transmission are also among the lowest in the United States. Simply stated, people with HIV live longer, healthier lives here in Wisconsin than in any other state. These results are the most telling and significant testament to our partnership.

This partnership between ARCW and DHS is not only creating better patient outcomes, it is delivering cost savings as well. A 2014 report by the University of Wisconsin Center for Health Systems Research and Analysis (CHSRA) indicates that the health care costs for Medicaid patients enrolled in the ARCW HIV Medical Home are $6,801 dollars less than HIV patients who receive their care elsewhere. This translates to more than $4,000,000 in annual savings for the Wisconsin Medicaid program. Further, the study authors went on to state, "it is an important study revelation that an ongoing primary care relationship with ARCW is the most influential factor in reducing costs, hospital stays/admits, and the diagnostic incidence of chronic disease."

For patients living with HIV, there are two primary drivers of their health outcomes:

1.) continuous access to comprehensive health care that addresses HIV disease, other co-morbidities including mental health and primary care needs; and

2.) unfettered access to the medications used to treat HIV (antiretroviral medications), opportunistic infections and other conditions as prescribed by the patient's physician.

Given the disproportionate impact of HIV on low-income individuals (2/3 of ARCW patients and clients live at or below 100% of FPL), many of whom are defined as childless adults, our state's success is in no

small part due to the ability of patients to enroll in BadgerCare and receive patient-centered, comprehensive health care and access to medications through the ARCW HIV Medical Home. This one-of-a-kind service model available solely to people with HIV in Wisconsin makes sure that these patients receive the right care, at the right time, and in the right setting. Our model is made possible through the unique Medicaid benefit design authorized under the Wisconsin state plan amendment CMS approved in January, 2013 (SPA #12-008, *Health Home for Individuals with HIV and AIDS).*

Many of the changes outlined in the waiver would create barriers to BadgerCare enrollment and the ability of patients to maintain continuous insurance coverage. These changes would negatively impact the health of people living with HIV who rely on BadgerCare as their health insurance because it would disrupt their ability to see their doctor and receive their lifesaving medications. Due to the communicable nature of HIV, negatively impacting the health of people with HIV endangers not only their own health, it also puts the public's health in danger. People with high viral loads are physiologically more able to spread HIV to others when compared to patients who have achieved durable viral suppression.

An additional and likely unintended consequence of this waiver will be the significant financial pressure placed on two programs at DHS: the Wisconsin AIDS/HIV Drug Assistance Program (also referred to as the AIDS Drug Assistance Program or ADAP), and the Wisconsin AIDS/HIV Insurance Assistance Program. These two programs are funded by a combination of federal funds through the Ryan White Program, Wisconsin general purpose revenue (GPR), and other segregated revenues (SEG) and are critical "payor of last resort" programs available to low income people living with HIV in the state.

ADAP provides access to high-cost, antiretroviral medications to people with HIV in Wisconsin who are living under 300% of FPL and who have no or insufficient health insurance, based on an established formulary.[i] Under the proposed amendment, once members lose their Medicaid coverage, ADAP will need to cover the costs of medications previously covered by BadgerCare. This will increases costs for ADAP, but without the necessary increases in funding for that program, DHS may be forced to create wait lists, reduce formulary options or engage in other cost containment strategies, all of which would have a negative impact on the health of HIV patients.

The Wisconsin AIDS/HIV Insurance Assistance Program provides access to health insurance by providing insurance premium assistance to low income people with HIV.[ii] To qualify for this program, people with HIV must be living at or under 300% of FPL and have or be eligible for individual or group insurance. The program will subsidize premiums for continuation of group health plans, Medicare supplement programs, Medicare Part D, and individual polices, including Silver plans available through the Affordable Care Act Marketplace. Should an HIV-positive Medicaid enrollee lose or be at-risk for losing their Medicaid eligibility, it is likely they would turn to the Wisconsin AIDS/HIV Insurance Assistance Program to seek assistance in reinstating their Medicaid eligibility or apply for premium assistance in securing new coverage on the private market, creating significant financial pressure.

Changes to health insurance regulations and to Medicaid eligibility allowed for between 500 and 600 HIV patients to disenroll from ADAP and/or the Insurance Assistance Program and secure health insurance through the Marketplace or Medicaid. Should these patients lose their eligibility for Medicaid, it is likely they would seek and gain eligibility for ADAP or the Insurance Assistance Program. The average enrollee in ADAP has covered expenditures of $1,898 per month, meaning that should 500

patients turn to ADAP for six months of medication coverage, the state would see an increase of $5.7 million in expenditures in that program alone.

To avoid the unintended consequences of a worsening of the HIV epidemic in Wisconsin, ARCW strongly encourages the Department to make the following modifications to the proposed waiver:

1.) ***Monthly premiums.*** While current federal law gives states the flexibility to impose cost-sharing rules on people enrolled in Medicaid, the financial reality of many enrollees is that they do not have the means necessary to pay them. Many people living in poverty do not have checking accounts or credit cards making the paying of a premium, no matter the size, even more difficult.

An adult at or below 100% of FPL currently earns $12,060 or less annually. Sixty-seven percent (67%) of ARCW patients and clients live at or below this income level. When reasonable housing, utilities and food costs are accounted for, it is likely there is little to no money left over to pay premiums of up to $10 per month.

Example Budget for a Childless Adult – Milwaukee County[iii]

	Monthly	Annually
Income at 100% FPL		
	$1,005	$12,060
Expenses		
Housing	$524	$6,288
Food	$271	$3,249
Transportation	$475	$5,705
Other Necessities	$384	$4,607
Total	$1,654	$19,848
Difference		
	(-$649)	(-$7,788)

Experience in Wisconsin and research nationally have both demonstrated that when low income individuals are faced with premiums, the financial cost prevents individuals from enrolling or being able to maintain coverage. This in turn leads to them accessing necessary primary care or specialty disease management – the kinds of care that are critical to HIV patients regaining or maintaining their health – at significantly lower rates. [iv] For people with HIV, this leads to disease progression, more expensive care, accessing care in more expensive settings less-well equipped to provide chronic disease management, and greater physiologic ability to transmit HIV to others.

Accordingly, ARCW encourages the Department to eliminate this requirement as it will not serve to accomplish the goal of increasing sustainability or value to health care in Wisconsin.

2.) ***Healthy behavior incentive.*** This section of the proposed waiver contains two separate sections: a.) an incentive by means of a reduction in premiums for members who engage in healthy behaviors and b.) the imposition of copays for emergency room utilization.

While ARCW does not support the imposition of premiums for Medicaid for patients living in poverty, should they exist ARCW supports offering members the ability to reduce their costs through healthy behavior incentives. The growing use of behavioral economics and the recognition of behavior biases in the development of Medicaid incentive programs have led to the creation of plans that have helped drive short term improvement in six areas: vaccination rates, cancer screenings, adherence to tuberculosis screening and treatment, prenatal and postnatal appointment adherence, sexual risk reduction education and counseling and smoking cessation.[v]

The imposition of copays or other cost-sharing practices in Medicaid programs across the country has been shown to reduce utilization of health services by members. Unfortunately, this reduction is in utilization of both essential and non-essential services.[vi] Any program change that increases the likelihood that members will avoid or delay accessing necessary or essential services should be rejected as findings have demonstrated the negative impact delays in seeking care and treatment have on patient outcomes.[vii] There is even evidence to suggest that members, when faced with cost-sharing, will access more expensive care.[viii] For HIV patients, interruptions or delays in care results in disease progression that puts individual and public health at risk.

For these reasons, ARCW recommends altering the proposed changes related to healthy behavior incentives to carefully implement premium incentives and reject including emergency room copayments in the waiver it submits.

3.) ***Health Risk Assessment (HRA):*** Alcohol consumption, body weight, illicit drug use, seatbelt use, and tobacco use are all leading indicators of health and significant drivers of health care costs in the United States, and especially in Wisconsin. ARCW applauds the focus of the Wisconsin Medicaid program in identifying these behaviors as part of a health risk assessment geared toward driving positive health behavior change.

Health risk assessments are generally accepted to be useful in driving desirable behavior change. This is especially true when done as a part of a comprehensive care delivery system, such as in a health home or medical home model of care. In Wisconsin, the HIV health home currently operational and authorized under 2009 Wisconsin Act 221 uses an in-depth patient needs assessment that is used in the creation of an individualized treatment plan.

In addition to the comprehensive assessment already required under the health home agreement we have with Wisconsin DHS, ARCW also is required to conduct Screening, Brief Intervention and Referral to Treatment (SBIRT) in its medical clinic for Medicaid members enrolled in the clinic. The results of this screening are made available to patient care team members at ARCW who can then immediately begin addressing identified substance abuse disorder in patients.

The addition of another assessment that is not directly translated into patient health care plans, or that could serve to overly burden both members and the care teams of staff who are

responsible for administering and reporting on them seems to be an unnecessary and potentially duplicative requirement.

Given the scarce resources to support administration of such an assessment, combined with the already significant demands on the time of health care and support staff, ARCW encourages the Department to re-examine the need for the administration of an HRA to members who are already receiving one – especially those members who are part of an established medical home.

4.) ***Time Limit on Medicaid Eligibility:*** The proposed time limit on Medicaid eligibility, as presented in the BadgerCare Reform Childless Adults Waiver - Full Public Notice and BadgerCare Reform Childless Adults Waiver - Waiver Amendment Draft Application documents, presents significant challenges for patients attempting to manage chronic, communicable diseases.

The Wisconsin Department of Health Services, Division of Public Health, Bureau of Communicable Diseases is statutorily directed to manage the control and prevention of more than 70 communicable diseases[ix]. Included among these more than 70 diseases – which are listed in Wisconsin Administrative Code, DHS Chapter 145, Appendix A[x] – are diseases which require Federal government notification of occurrence; Wisconsin DHS, CDC or local health department follow-up; assessment to determine if patients are employed in food handling, day care or health care; local health department source determination; and immediate treatment as recommended. Among these diseases are diseases such as anthrax, botulism, cryptosporidium, E. coli, pertussis (whooping cough), smallpox, tuberculosis, sexually transmitted infections, hepatitis and HIV.

All of these diseases are readily transmitted from person to person through normal human interactions. The management, control and prevention of all of these diseases is central to the core of public safety and the promotion of public health. Many of the conditions listed in Appendix A are treatable, and when medically managed are less likely to be transmitted to others. Some of the diseases – hepatitis and HIV, for example – are both chronic and communicable meaning that they can be expected to be persistent for long periods of time and can be passed from one individual to another.

Should an individual on Medicaid either contract or have treatment for any of these conditions interrupted as a result of the expiration of the eligibility time limit, both individual and public health would be placed at risk.

In order to protect and promote the public health, especially related to the transmission of communicable diseases, some of which require ongoing, chronic disease management, ARCW encourages the Department to eliminate the proposed time limit for Medicaid eligibility for childless adults who are diagnosed with a communicable disease.

5.) ***Substance Abuse Identification and Treatment:*** ARCW applauds the Department for its long-standing commitment to improve diagnosis and treatment of substance use disorder (SUD) in Wisconsin. SUD is regularly identified as a significant barrier to treatment adherence for HIV

patients, as well as individuals experiencing other comorbidities and co-occurring conditions. Its direct impact on the health of people and communities is well understood and documented. As stated previously, Medicaid patients enrolled in the health home at ARCW already receive substance abuse screenings and referral to treatment. Outpatient, harm reduction based, substance abuse treatment is available at ARCW for people living with HIV as a part of the comprehensive behavioral and mental health services offered. It is unclear, based on the draft language provided for public comment, if the screening and treatment offered by ARCW would meet these requirements or if additional screening and treatment would be required.

ARCW encourages the Department to exempt patients who are receiving substance abuse screening and treatment through a recognized health home from having to receive separate screening and treatment services under this amendment.

6.) ***Residential Treatment Coverage:*** ARCW regularly comes into contact with individuals facing addiction through our HIV, hepatitis and opiate overdose prevention programs. Far too often, when these individuals are ready to choose sobriety and enroll in treatment, they are unable to find providers, such treatment is not covered by their health insurance, including Medicaid, or they need more than 15 days of care to complete their treatment.

The proposed amendment to expand SUD treatment by removing the institution for mental disease (IMD) exclusion for all Medicaid members, including childless adults, will result in a significant increase in treatment options. Lifting the 15 day limit will also help ensure that patients receive the care and treatment that will best position them to gain long term health and a life free of substance use.

ARCW has a long history of working to improve the health of Wisconsin citizens living with and at-risk for HIV disease. Our innovative models of HIV prevention, care and treatment have enabled Wisconsin to be well positioned to end the AIDS epidemic here. Together, with the Department, we are ensuring people with HIV live long, healthy lives while also reducing HIV infections from their historic highs. Given our collective success, ARCW encourages the Department to consider the impacts the proposed waiver will have on the ability of our state to continue to lead the nation in providing health care and treatment to patients with a chronic, communicable, complex and expensive disease.

As always, if you have any questions, please do not hesitate to contact me.

Sincerely,

Bill Keeton

Bill Keeton
Vice President, Government and Public Relations

[i] Wisconsin Department of Health Services website, https://www.dhs.wisconsin.gov/aids-hiv/adap.htm, accessed April 26, 2017

[ii] Wisconsin Department of Health Services website, https://www.dhs.wisconsin.gov/aids-hiv/hipsp.htm, accessed April 26, 2017

[iii] Economic Policy Institute Family Budget Calculator, http://www.epi.org/resources/budget/ accessed April 21, 2017

[iv] The Henry J. Kaiser Family Foundation, *Kaiser Commission on Medicaid and the Uninsured: Premiums and Cost-Sharing in Medicaid: A Review of Research Findings (Feb. 2013), Table 1.*

[v] Crawford and Onstott, Center for Health Care Strategies, Inc., *Health Behavior Incentives: Opportunities for Medicaid. (Nov. 2014)*

[vi] The Henry J. Kaiser Family Foundation, *Kaiser Commission on Medicaid and the Uninsured: Premiums and Cost-Sharing in Medicaid: A Review of Research Findings (Feb. 2013).*

[vii] *ibid.*

[viii] The Henry J. Kaiser Family Foundation, *Kaiser Commission on Medicaid and the Uninsured: Premiums and Cost-Sharing in Medicaid: A Review of Research Findings (Feb. 2013), Table 2.*

[ix] Wisconsin Department of Health Services website, https://www.dhs.wisconsin.gov/dph/bcd.htm accessed April 25, 2017

[x] Wisconsin Administrative Code, Chapter DHS 145, Appendix A, Communicable Diseases and Other Notifiable Conditions accessed via https://docs.legis.wisconsin.gov/code/admin_code/dhs/110/145_a April 25, 2017