

There are over 126,000 people living and diagnosed with HIV (PLWH) in California and approximately 5,000 new infections each year.¹ Access to quality, affordable health care is critical to improving the health of PLWH and preventing new infections.

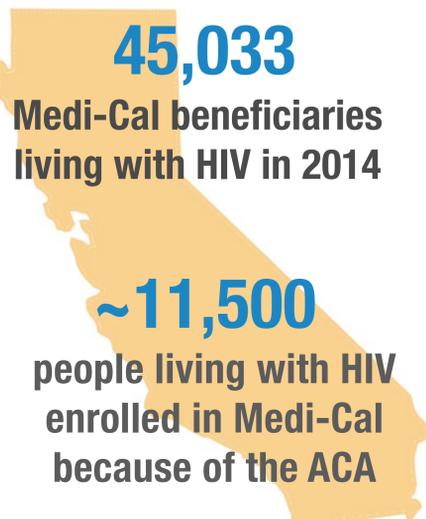
Medi-Cal, California's version of the federal Medicaid program, provided health coverage to 45,033 PLWH in 2014.² The Better Care Reconciliation Act (BCRA) would make significant cuts to Medicaid and fundamentally alter how the program is structured and financed. These changes would limit Medi-Cal's ability to care for PLWH and have a detrimental impact on California's efforts to end the HIV epidemic.

The ACA Increased Medi-Cal Coverage for People Living with HIV

In order to qualify for Medi-Cal before the Affordable Care Act (ACA), an individual had to be both low-income and "categorically eligible," which included being disabled or pregnant. Therefore, without a preexisting disability, most PLWH could not qualify for Medi-Cal until AIDS or advanced HIV disease rendered them sick enough to meet the disability criteria.³

Under the ACA, Medi-Cal was expanded to include everyone with an annual income below 138% of the federal poverty level. Although states are able to opt out of the ACA's Medicaid expansion, 31 states (including California) and the District of Columbia have chosen to expand their Medicaid programs. The federal government provides an enhanced matching rate for states that implement the expansion.⁴ Approximately 11,500 PLWH enrolled in Medi-Cal because of the ACA.⁵

Medi-Cal covers the cost of medications that help PLWH achieve viral suppression, which both improves the health of PLWH and prevents forward transmission of the virus. Viral suppression among PLWH increased by 6% nationwide in Medicaid expansion states between 2012 and 2014. States that did not expand Medicaid saw no significant changes in viral suppression for PLWH during this time.⁶



45,033
Medi-Cal beneficiaries
living with HIV in 2014

~11,500
people living with HIV
enrolled in Medi-Cal
because of the ACA

The BCRA Would Limit Medi-Cal's Ability to Provide Coverage for People Living with HIV

On June 22, 2017, the U.S. Senate released the BCRA which would make dramatic cuts to Medicaid and severely limit Medi-Cal's ability to provide health coverage to PLWH in California.⁷ A similar bill passed by the U.S. House of Representatives would have cut Medicaid nationwide by \$834 billion over ten years.⁸

The BCRA would radically restructure the Medicaid program by converting it to a per capita cap or block grant, ending the federal-state financing partnership in which the federal government pays a fixed percentage of state Medicaid costs. The BCRA would also effectively end the ACA's Medicaid expansion by gradually reducing the federal government's share of Medicaid costs for expansion enrollees.

Together these changes would result in a massive fiscal shift from the federal government to the states and add billions in additional costs to the state of California. A recent analysis found that similar changes would result in nearly \$6 billion in additional costs to California in 2020 and more than \$24 billion by 2027.⁹ In response to these changes, California would need to make difficult budget decisions to either fill in gaps in federal funding or scale back Medi-Cal eligibility, benefits, or provider payments.

Limits on Medicaid financing and coverage would have a detrimental impact on California's efforts to provide care and treatment for PLWH and to reduce new HIV infections. It is important for policymakers to understand the threats the BCRA poses to PLWH and other vulnerable communities in California.

Sources:

1. California Department of Public Health, Office of AIDS, California HIV Surveillance Report — 2014. Available at: <https://archive.cdph.ca.gov/programs/aids/Documents/California%20HIV%20Surveillance%20Report%20-%202014.pdf>.
2. The California Department of Public Health, Office of AIDS estimated the number of Californians living with HIV who were enrolled in Medi-Cal by combining information from the California HIV Surveillance System with data provided by the California Department of Health Care Services on adult Medi-Cal enrollees who received an HIV-associated diagnosis code during calendar year 2014. This match resulted in an estimate of 45,033 Medi-Cal enrollees living with HIV in 2014.
3. Dawson, L. and Kates, J. Kaiser Family Foundation. Insurance Coverage Changes for People with HIV Under the ACA. Feb 2017. Available at: <http://kff.org/health-reform/issue-brief/insurance-coverage-changes-for-people-with-hiv-under-the-aca/>.
4. Rudowitz, R. Kaiser Family Foundation. Understanding How States Access the ACA Enhanced Medicaid Match Rates. Sept 2014. Available at: <http://www.kff.org/medicaid/issue-brief/understanding-how-states-access-the-aca-enhancedmedicaid-match-rates/>.
5. The California Department of Public Health, Office of AIDS estimated the number of California AIDS Drug Assistance Program clients who transitioned to Medi-Cal between July 2011 and June 2016 by matching data between the two programs.
6. Bradley, H. et al. Health Care Coverage and Viral Suppression Pre- and Post-ACA Implementation. Feb 2017. Available at: <http://www.croiconference.org/sessions/health-care-coverage-and-viral-suppression-pre-and-post-acaimplementation>.
7. Better Care Reconciliation Act of 2017, H.R.1628, 115th Cong. (2017).
8. Congressional Budget Office. American Health Care Act. March 2017. Available at: <https://www.cbo.gov/publication/52486>.
9. California Department of Health Care Services. Summary of the Preliminary Fiscal Analysis of the Medicaid Provisions in the Federal American Health Care Act. March 2017. Available at: http://www.dhcs.ca.gov/Documents/3.21.17_AHCA_Fiscal_Analysis.pdf.