Chicago Women Take Action, Healthy Illinois Campaign, Health & Medicine Policy Research Group, Indivisible Chicago Alliance, Protect Our Care Illinois, and SEIU Healthcare, present:

Toward Healthcare for All: The Opportunity to Act Now

Saturday, January 26th, 2019

Join the Conversation on Twitter:
@HMPRG and #HealthJustice
Welcome & Introduction

Jaquie Algee
Vice President of External & Community Relations, SEIU Healthcare Illinois; President, Women’s March Chicago

@SEIUhciiimk
Achieving Healthcare Coverage for All: Long-Term Vision

Dr. Claudia Fegan

Board President, Health & Medicine Policy Research Group; Treasurer and National Coordinator, Physicians for a National Health Program; Chief Medical Officer, Cook County Health

@one4singlepayer
Access Expansion Efforts Across the US

Julie Hamos
Principal, Health Management Associates
What is the Rest of the Country Doing?

Julie Hamos
Principal
Moving Toward Healthcare for All: Innovations Around the Nation

1. Increasing access to health insurance
2. Focusing on the social determinants of health
1. Increasing Access to Health Insurance: Public Option or Medicaid Buy-In (MBI)

- A way for people who are not currently eligible for Medicaid to purchase Medicaid or Medicaid-like coverage
- A way for states to take the initiative without waiting for the federal government
- Just as no two states have identical Medicaid programs, Medicaid buy-in proposals vary from state to state
Lots of MBI Activity in the States

<table>
<thead>
<tr>
<th>STATES CONDUCTING FORMAL MBI STUDY</th>
<th>MBI STUDY LEGISLATION INTRODUCED/ NOT ENACTED</th>
<th>OTHER STUDY ACTIVITY</th>
<th>MBI LEGISLATION INTRODUCED/ NOT ENACTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEVADA NEW MEXICO DELAWARE</td>
<td>MARYLAND COLORADO</td>
<td>OREGON CALIFORNIA</td>
<td>MASSACHUSETTS MINNESOTA CONNECTICUT</td>
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<td>NEW JERSEY COLORADO IOWA</td>
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<td>WASHINGTON WISCONSIN WYOMING</td>
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<td>NEWLY ELECTED GOVERNORS PLEDGING SUPPORT FOR MBI</td>
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<tr>
<td>ILLINOIS NEW MEXICO WISCONSIN CALIFORNIA WASHINGTON</td>
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What are Key Issues for States?

• Who is eligible – targeted population or open to anyone?
• What is the benefit package – Medicaid (including vision, dental, transportation) or Essential Health Benefits as in Marketplace plans?
• Do providers receive same rates as Medicaid, or higher than Medicaid?
• Does state offer its own health plan (fee-for-service Medicaid) or through one or more managed care health plans (MCOs)?
• Does state offer its own Qualified Health Plan on the Marketplace?
• How can the state help consumers pay for the premiums?
The First State Medicaid Buy-In: Nevada

• New program called Nevada Care Plan; small working group had 5 weeks during session to develop plan

• Only a 4 page bill with one year delay in implementation date; all operational details to be established by rulemaking

• Passed legislature in 2017; vetoed by Governor (term-limited in 2018)

• Governor signed legislation to study Medicaid Buy-In option by 9/2018

• Sponsor and other legislators continued to build support: formed Nevada Care Plan working group that held listening sessions all summer/fall 2018

• Study report has been filed and new bill will be introduced in 2019
Different Approaches to Public Option: Who is Covered?

• IOWA: provide coverage for anyone without health insurance

• WISCONSIN: provide coverage for anyone without health insurance

• NEW JERSEY: provide that coverage may be purchased for NJ FamilyCare for any child, for families above 350% FPL

• COLORADO: allow individuals to buy into group medical benefit plans offered to state employees; for families 400%- 500% FPL; only one-year pilot program; only in a limited geographic region of the state
Different Approaches to Public Option: How to Provide Coverage?

• MINNESOTA: legislation expanding access to MinnesotaCare (Basic Health Program) for families above 201% FPL, available as Gold or Silver plan on the Marketplace

• NEW MEXICO: studying 4 options (1) Targeted Medicaid Buy-In -- for those not eligible for subsidies (over 400% FPL, immigrants); (2) Qualified Health Plan Public Option; (3) Basic Health Program; and (4) Medicaid Buy-In for All

• WASHINGTON: legislation requiring Apple Health (Medicaid) option to be offered by managed care plans, including all essential health benefits
Key Issue: Affordability

- To make Medicaid Buy-In premiums affordable:
  - Allow consumers to use Advanced Premium Tax Credits (APTCs) when they purchase coverage
  - **AND/OR**
  - State needs to have a funding source to subsidize premiums

- States need permission of federal government in a “Section 1332 State Innovation Waiver” to allow people to use APTCs

- Trump government has not indicated whether they would approve
2. Toward Healthcare for All: Focusing on Social Determinants of Health

**Figure 1**

**Social Determinants of Health**

<table>
<thead>
<tr>
<th>Economic Stability</th>
<th>Neighborhood and Physical Environment</th>
<th>Education</th>
<th>Food</th>
<th>Community and Social Context</th>
<th>Health Care System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment</td>
<td>Housing</td>
<td>Literacy</td>
<td>Hunger</td>
<td>Social integration</td>
<td>Health coverage</td>
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<tr>
<td>Income</td>
<td>Transportation</td>
<td>Language</td>
<td>Access to healthy options</td>
<td>Support systems</td>
<td>Provider availability</td>
</tr>
<tr>
<td>Expenses</td>
<td>Safety</td>
<td>Early childhood education</td>
<td></td>
<td>Community engagement</td>
<td>Provider linguistic and cultural competency</td>
</tr>
<tr>
<td>Debt</td>
<td>Parks</td>
<td>Vocational training</td>
<td></td>
<td>Discrimination</td>
<td>Quality of care</td>
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<tr>
<td>Medical bills</td>
<td>Playgrounds</td>
<td>Higher education</td>
<td></td>
<td>Stress</td>
<td></td>
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<tr>
<td>Support</td>
<td>Walkability</td>
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<tr>
<td></td>
<td>Zip code / geography</td>
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</tbody>
</table>

**Health Outcomes**

Mortality, Morbidity, Life Expectancy, Health Care Expenditures, Health Status, Functional Limitations
What Payers Are Doing About SDOH

• LOS ANGELES: L.A. Care Health Plan committed $20 million over 5 years to fund permanent supportive housing for homeless L.A. County
• PHOENIX: UnitedHealthcare provided Chicanos Por La Causa with $22 million in capital to acquire and renovate nearly 500 rental apartments
• PORTLAND: CareOregon and 5 hospital systems donated $21.5M to Central City Concern develop 382 new housing units under their Hospital Community Benefits obligation
• Humana’s “Bold Goal” initiative is investing in community organizations in 7 communities to address SDOH factors
What States Are Doing About SDOH

- Requiring MCOs to contract with local community organizations to implement SDOH interventions
- Requiring MCOs to assist with accessing community services
- Requiring MCOs to evaluate members’ social, financial, housing needs
- Requiring MCOs to share data with CBOs
- Requiring MCOs to utilize data to address health disparities
- Offering bonus payments to address SDOH
What Illinois is Doing About SDOH

- Health-housing partnerships, funded by HUD and Chicago hospitals - UI Health, Rush, Swedish Covenant
- Health-housing partnerships, funded by IHDA and Cook County Health & Hospitals System
- Chicago and Cook County Housing for Health (H2) awarded first of HUD’s “Housing and Health (H2)” Project, created Strategic Plan and $1.8 million Flexible Housing Pool

Making some progress....but much work to do!
Questions?

Contact: Julie Hamos
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Ilinois Healthcare Access Challenges and Gaps

Jesse Hoyt
Campaign Organizer, Healthy Illinois Campaign

@JesseHoyt
Illinois Current State and Problems

Jesse Hoyt, Healthy Illinois Campaign

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State of Play: State Landscape

- State Budget passed, but still underfunded
- Need Funds and Planning to Implement 1115 Waiver
- Medicaid Access Problems
- Medicaid Backlog
- Underfunded Provider Reimbursement
- Rising Premium Costs
- Narrowed Network even if covered
- Rising Uninsured Rate
- Wider Health Disparities

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A look at Illinois uninsured rate in Illinois...

Uninsured Illinois Residents: 912,000
Data published October 2017

538,080 have a pathway to health insurance coverage

337,440 (37%) are Medicaid eligible
  • Up to 138% FPL for non-pregnant adults
  • Up to 200% FPL for pregnant women
  • Up to 318% FPL for children under 19

200,640 (22%) are Marketplace eligible including the ACA tax credits
  • Premium tax credits for < 400% FPL

373,920 (41%) fall into one of 3 categories

1) 126,000 (14%): Eligible for ACA marketplace coverage but are ineligible for ACA marketplace financial assistance due to being over income (> 400% FPL)

2) 100,000 (11%): They have an offer of employer sponsored coverage that the ACA deems is affordable

3) 149,000 (16%): They are ineligible for the ACA marketplace or for Medicaid due to their immigration status (undocumented adults)

Source: KFF estimates of eligibility for ACA coverage among the Uninsured in 2016 (Oct. 2017)
What can we say broadly about Illinois’s remaining uninsured population?

- There are currently slightly more uninsured men than women.
- Age: Largely 19-64 years old and employed.
- Non-citizens comprise a disproportionate share of the uninsured.
- Race/Ethnicity: People of color are disproportionately uninsured.
  - 17.5% of Hispanics in Illinois are uninsured.
  - 8% of African-Americans are uninsured.
Where are Illinois uninsured? And why so many?

- The vast majority of Illinois’s uninsured live in the northeastern part of the state
- 37.2% of the uninsured population has incomes below 138% FPL
  - Incomes would qualify them for Medicaid or subsidized Marketplace (assuming qualifying immigration status)

Why so many?
- The ACA’s exclusion of undocumented immigrants from the coverage expansions.
- Less awareness of the marketplaces in some demographic groups
- Concerns about plan affordability and subsidy eligibility
- Difficulty selecting plans during the enrollment process
- Lack of assistance in selecting plans

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Where Do We Go From Here?
Healthcare As Core Electoral Issue

▶ Medicaid expansion in Idaho, Nebraska, and Utah, traditionally deep-red states, proved that access to health care is a bipartisan issue.

▶ Kansas and Wisconsin voters flipped their gubernatorial seats and elected candidates who included Medicaid expansion in their campaign platforms.

▶ When polled, health care was identified as a “very important” issue to the decision on who to vote for Congress by 71% of voters, and as the “most important” issue by 30% of polled voters.

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Where Do We Go From Here? Illinois’ Political Landscape

- Election of Democratic candidate for Governor J.B. Pritzker.
- Pritzker won 16 counties in his race
  - 12 more counties than the last time a Democrat was elected Governor of Illinois
- There are over **30 new state legislators** in the general assembly which provides both an opportunity and challenge to pushing new legislation
A Step Towards Our Goal: Medicaid Buy-In Option

Graciela Guzman
Coalition Manager, Protect Our Care Illinois
A Step Towards our Future: Medicaid Buy-In

Toward Healthcare for All: The Opportunity to Act Now

January 26, 2019
"Alright...let's get this over with."
- Elephant in the Room
DEMOCRATIC PLANS FOR UNIVERSAL HEALTH CARE, COMPARED

**MEDICAID / MEDICARE BUY-IN**

**MEDICARE FOR ALL**

**UNIVERSAL HEALTH CARE**

**SINGLE PAYER**

**HEALTH FOR ALL**

Source: Vox analysis

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• Public health insurance option that would allow every Illinois resident the chance to buy low-cost health insurance

• Another choice in the health insurance marketplace to lower the cost of premiums and mitigate market uncertainty – at no cost to taxpayers

• Allow Illinois residents to *buy-in* to the state’s [Medicaid](https://www.jbpritzker.com/illinois-cares/) system

[protectourcareil.org](http://protectourcareil.org)
What is a Medicaid Buy-In?

“Creates a way for some people who are not currently eligible for Medicaid to purchase Medicaid or Medicaid-like coverage”

United States of Care, Medicaid Buy-In: State of Play, November 2018
Why Medicaid?

- Primarily state-run
- Covers more benefits at a lower cost than private insurance
- Trusted, well-known program
- Largest source of coverage in state: 3 million Illinoisans
- Built to cover wide range of people: disabilities, children, pregnant women, etc.

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Goals for a Medicaid Buy-In

- Bring down costs for consumers without cutting benefits
- Increase choice and competition
- Increase the number of people with health coverage
- Strengthen the integrity of the state Medicaid system
- Single-payer glide path (Manatt)

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What Does Medicaid Buy-In NOT Solve?

Medicaid buy-in:

- Is not a panacea for everything
- Is not a one-size-fits all model for providing universal coverage and increasing affordability
- May not be the simplest way to address high out-of-pocket costs in the existing insurance market
- May not change behavior among people who are currently eligible for other programs, but do not seek coverage
### Three Basic Buy-In Options

<table>
<thead>
<tr>
<th>Option One</th>
<th>Option Two</th>
<th>Option Three</th>
</tr>
</thead>
<tbody>
<tr>
<td>State-Sponsored QHP</td>
<td>Targeted Buy-In</td>
<td>Broad Buy-In</td>
</tr>
<tr>
<td>On Marketplace</td>
<td>Off Marketplace; In or Out of Individual Market Pool</td>
<td>Off-Marketplace; Outside of Individual Market Pool</td>
</tr>
<tr>
<td>Marketplace-Eligible Populations, Seeking An Affordable Option</td>
<td>Targeted Populations</td>
<td>Anyone Interested In Affordable Coverage</td>
</tr>
<tr>
<td>QHP Certification or 1332 Waiver Authority</td>
<td>1332 Waiver</td>
<td>1332 Waiver</td>
</tr>
<tr>
<td>Low</td>
<td>State Risk and State Control</td>
<td>High</td>
</tr>
</tbody>
</table>

Manatt, Medicaid Buy-In Landscape, Oct. 2018

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A key design feature of Medicaid buy-in programs is which population it is trying to reach and which access barriers it is trying to solve.

- Low income
- Unsubsidized (over 400% federal poverty line (FPL), immigration status, etc.)
- Uninsured
- Health status/age
- Geographic region
- Small businesses

Manatt, Medicaid Buy-In Landscape, Oct. 2018

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## Parameters for Consideration

<table>
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<tr>
<th>Design Elements</th>
<th>Possible Options</th>
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<tbody>
<tr>
<td><strong>Eligibility</strong></td>
<td>• Marketplace eligible (subsidized and non-subsidized)</td>
</tr>
<tr>
<td></td>
<td>• Targeted population (e.g., geography, age, health status etc.)</td>
</tr>
<tr>
<td></td>
<td>• Open to all</td>
</tr>
<tr>
<td><strong>Risk Pool</strong></td>
<td>• Part of or outside the individual market risk pool</td>
</tr>
<tr>
<td></td>
<td>• Targeted by age or health status</td>
</tr>
<tr>
<td>**Administration/</td>
<td>• Offered on or off the Marketplace</td>
</tr>
<tr>
<td>Delivery System**</td>
<td>• Direct buy-in, administered by the state Medicaid agency</td>
</tr>
<tr>
<td></td>
<td>• Partnership with a third party administrator (TPA)</td>
</tr>
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<td></td>
<td>• Managed care contracting (e.g., existing Medicaid/CHIP, state employee plan,</td>
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<tr>
<td></td>
<td>“tying” to other state contracting)</td>
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<tr>
<td><strong>Provider Networks</strong></td>
<td>• Medicaid network</td>
</tr>
<tr>
<td></td>
<td>• “Tying” provider participation linked to other programs (e.g., Medicaid)</td>
</tr>
<tr>
<td><strong>Provider Rates</strong></td>
<td>• State-selected rates (e.g., Medicaid, Medicaid+, Medicare rates)</td>
</tr>
<tr>
<td><strong>Benefit Design</strong></td>
<td>• Essential Health Benefits</td>
</tr>
<tr>
<td></td>
<td>• Additional benefits (e.g., vision, dental, etc.)</td>
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<tr>
<td><strong>Cost-Sharing</strong></td>
<td>• Marketplace cost-sharing tiers</td>
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<td>• More generous out-of-pocket plans</td>
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Manatt, Medicaid Buy-In Landscape, Oct. 2018

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Potential Funding

Marketplace Savings

If a state-sponsored product on the Marketplace has a lower premium than current plans, it would reduce the benchmark for tax credit subsidies, thus reducing federal costs. Under a 1332 waiver, the state could receive pass-through funding for the value of those savings.

Tax Credit Transfer

A Medicaid buy-in outside the individual market would lower the number of individuals receiving tax credit subsidies on the Marketplace. Under a 1332 waiver, the state could receive those subsidies as a global payment. If the cost of the product was less than the value of the global payment, the state would be able to use those savings in the buy-in program.

High Risk Savings

Additionally, if, by design, the buy-in attracts a higher risk population than in the Marketplace, it could lower premiums in the individual market, thus lowering federal advanced premium tax credit (APTC) costs. The state could be eligible for those pass-through savings through a 1332 waiver.

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Statutory Guardrails

All section 1332 waivers must comply with guardrails protecting consumers and ensuring deficit neutrality

1. **Scope of Coverage**
   The waiver must provide coverage to at least as many people as the ACA would provide without the waiver

2. **Comprehensive Coverage**
   The waiver must provide coverage that is at least as “comprehensive” as coverage offered through the Marketplace

3. **Affordability**
   The waiver must provide “coverage and cost-sharing protections against excessive out-of-pocket” spending that is at least as “affordable” as Marketplace coverage

4. **Federal Deficit**
   The waiver must not increase the federal deficit including all changes in income, payroll, or excise tax revenue, as well as any other forms of revenue

However, even if guardrails are met, there is limited precedent and waivers are always under Treasury and HHS discretion. It is unclear how this Administration will respond to new coverage option waivers

Manatt, Medicaid Buy-In Landscape, Oct. 2018
Some states are considering additional buy-in design options that warrant further discussion

Leveraging State employee plans: By allowing state residents to purchase into a State employee plan, or tying state employee plan insurers to offering another affordable product in the Marketplace

The Basic Health Plan (BHP) model: States could pursue a 1332 to redesign and expand BHP plans to individuals with higher income eligibility, allowing them a choice to buy-in to the program

Extending coverage options to small businesses: Under multiple buy-in designs, the state could tailor the buy-in product as an additional option for small businesses

Manatt, Medicaid Buy-In Landscape, Oct. 2018
Medicaid Buy-In Legislation in the 2018 Session


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How Illinois Might Bring in More Revenue to Support and Expand Healthcare Access

Greg Harris
IL State Representative, 13th District
@repgregharris
Group Share-Out
Closing

Jaquie Algee
Vice President of External & Community Relations, SEIU Healthcare Illinois; President, Women’s March Chicago
@SEIUHCIIMK
Toward Healthcare for All: The Opportunity to Act Now

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*SEIU Healthcare*

Thank you to co-sponsors: 