

**REPORT OF THE
JOINT COMMISSION ON HEALTH CARE**

**Medical Care for Uninsured Individuals
with Life-Threatening Conditions**

**TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA**



REPORT DOCUMENT NO. 6

**COMMONWEALTH OF VIRGINIA
RICHMOND
2011**

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The Joint Commission on Health Care (the Commission) is established in the legislative branch of state government. The purpose of the Commission is to study, report and make recommendations on all areas of health care provision, regulation, insurance, liability, licensing, and delivery of services. In so doing, the Commission shall endeavor to ensure that the Commonwealth as provider, financier, and regulator adopts the most cost-effective and efficacious means of delivery of health care services so that the greatest number of Virginians receive quality health care. Further, the Commission shall encourage the development of uniform policies and services to ensure the availability of quality, affordable and accessible health services and provide a forum for continuing the review and study of programs and services.

The Commission may make recommendations and coordinate the proposals and recommendations of all commissions and agencies as to legislation affecting the provision and delivery of health care.

Preface

Senate Joint Resolution 339, introduced by Senator George L. Barker (2009), was referred to the Joint Commission on Health Care “to study ways to ensure that individuals with life-threatening conditions receive the care they need, regardless of resources.” Uninsured individuals with life-threatening conditions (ILTCs) can have significant difficulty affording their medical care needs and will not always be able to receive needed medical treatments and medications. However, numerous programs are available for uninsured ILTCs to receive free and discounted care, although eligibility and benefits vary significantly. Specialized assistance is often needed to enable ILTCs to find and access the resources that are available.

Virginia provides funding for a number of programs to assist uninsured ILTCs in receiving medical care. The programs include:

- Virginia Cares Uninsured Program
- Uninsured Medical Catastrophe Fund
- RxPartnership
- The Pharmacy Connection
- RxRelief
- AIDS Drug Assistance Program/State Pharmaceutical Assistance Program
- Virginia Bleeding Disorders Program.

Based on the study findings, the Joint Commission on Health Care approved the following policy options to support additional uninsured ILTCs in receiving needed medical care.

- By letter of the JCHC Chairman, request that the Department of Social Services:
(i) work with the Patient Advocate Foundation to communicate with agency case workers concerning Virginia Cares Uninsured Program through the most appropriate means, including a “broadcast message” and (ii) communicate with agency case workers concerning the Uninsured Medical Catastrophe Fund through the most appropriate means, including a “broadcast message.”
- By letter of the JCHC Chairman, request that the Department of Social Services emphasize patient assistance organizations and the Uninsured Medical Catastrophe Fund on the 2-1-1 Virginia website.
- Introduce a budget amendment to provide an additional \$100,000 GFs in FY 2012 to the Uninsured Medical Catastrophe Fund.

The Joint Commission members and staff would like to thank the numerous individuals who assisted in this study, including representatives from Access Now!, Carilion Clinic, Department of Medical Assistance Services, Department of Social Services, LINC, Patient Advocate Foundation, RxPartnership, Southwest Virginia Community Health Systems, United Network for Organ Sharing, Virginia Commonwealth University Health System, Virginia Department of Health, and Virginia Health Care Foundation.

Table of Contents

BACKGROUND.....1

FINDINGS1

POLICY OPTIONS AND PUBLIC COMMENTS ...5

ATTACHMENTS

OCTOBER 6, 2010 SLIDE PRESENTATION

SENATE JOINT RESOLUTION 339 (2009)

Medical Care for Uninsured Individuals with Life-Threatening Conditions

Senate Joint Resolution 339, introduced by Senator George L. Barker in 2009, directed the Joint Commission on Health Care (JCHC) “to study ways to ensure that individuals with life-threatening conditions receive the care they need, regardless of resources.” The resolution requested that JCHC “(i) identify existing resources to help those without private insurance who don't qualify for Medicaid in emergency situations and ways to publicize any such resources, (ii) determine approximately how many such cases occur in the Commonwealth each year, (iii) examine programs in other states to provide assistance in such situations, and (iv) recommend effective solutions for addressing this problem in the Commonwealth.” This is the study’s second and final year.

Background

In 2005, between 632,000 and 1 million non-elderly Virginians were uninsured, according to work completed by the Urban Institute on behalf of the Joint Legislative Audit and Review Commission in conjunction with the Virginia Health Care Foundation. While the exact number of uninsured Virginians cannot be determined, the Current Population Survey (CPS) conducted by the U.S. Census Bureau is the most frequently-cited source. “The CPS estimates that 15.5 percent of Virginia’s population was uninsured in 2005” which meant that “19 other states had a lower non-elderly uninsured rate than Virginia.”¹

A national study commissioned by the Robert Wood Johnson Foundation in 2005, found that 45 percent of uninsured individuals had at least one chronic condition.² The surveyed individuals reported being in fair or poor health and going without treatment or medications in the previous year due to the cost. Individuals with life-threatening conditions (ILTCs) typically have a variety of treatment needs that may include medical procedures, medications, physician visits, and physical therapy. Uninsured individuals may have difficulty affording their medical care needs and may have to find charity care or negotiate to receive medical treatment and medications. In some cases, ILTCs may die if they do not receive needed treatment. The incidence of uninsured ILTCs needing care and not receiving it in Virginia is unknown.

Findings

Although uninsured ILTCs are not always able to access needed medical treatments and medications, there are resources for free or discounted care and medication which are typically designed to serve low-income individuals or individuals with specific medical conditions. Examples of entities and programs that may provide such assistance include:

- Community health centers
- Free clinics
- Hospitals
- Medication assistance programs
- Patient assistance organizations
- Pharmaceutical companies
- Physicians and physician organizations

¹ JLARC, *Options to Extend Health Insurance Coverage to Virginia’s Uninsured Population*, HD 19 (2007).

² The Urban Institute and the University of Maryland, *Uninsured Americans with Chronic Health Conditions: Key Findings from the National Health Interview Survey* (2005).

Although many programs are available, program eligibility and benefits vary significantly and ILTCs often have a variety of treatment needs resulting in the daunting task of finding and accessing multiple avenues to receive care. Patient assistance organizations such as the Patient Advocate Foundation (PAF) help uninsured individuals navigate the various avenues to access medical care. PAF has compiled a list of 436 programs that provide assistance to individuals needing financial assistance to receive medical care.³

A JCHC-staff review, found that no state provides a program to address all of the medical care needs of uninsured ILTCs. Medication assistance programs, which operate in at least 42 states, are the most common type of available assistance.⁴ Medication programs typically provide medications to low-income elderly or disabled individuals which may prevent some maladies from developing into life-threatening conditions.

Virginia provides funding to assist uninsured ILTCs through patient assistance programs, medical treatment, and medication programs. The following six programs receive State appropriations.

Virginia Cares Uninsured Program (VCUP). VCUP was established in July 2007, when State funding was provided to assist uninsured Virginians who were unable to access needed medical care. VCUP is funded through the Virginia Department of Health and administered by the Patient Advocate Foundation. Through VCUP, professional case management is provided to assist patients in navigating the health care system in order to access medical care. VCUP eligibility is limited to uninsured individuals with chronic, life-threatening, or debilitating diseases. PAF indicates that an average of 16 staff contacts had to be made for each patient to resolve barriers in accessing needed treatment.⁵ Figure 1 shows examples of patient issues and actions taken by VCUP staff to resolve the problems.

Figure 1: VCUP Patient Issues and Resolutions

<u>Patient Issues</u>	<u>Resolution Actions</u>
<ul style="list-style-type: none"> • Denied treatment/inability to meet upfront financial requirement • No access to care • Denied charity care • No access/no coverage for prescription needs 	<ul style="list-style-type: none"> • 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

³ PAF website at http://www.patientadvocate.org/report_print.php?state=46.

⁴ National Conference of State Legislatures, *State Pharmaceutical Assistance Programs* <http://www.ncsl.org/default.aspx?tabid=14334>.

⁵ PAF, *Patient Data Analysis Report 2009*.

Funding for VCUP has decreased every year as shown below in Figure 2.

Figure 2: State Funding for VCUP FYs 2008 - 2011

FY 2008	\$237,500
FY 2009	\$225,000
FY 2010	\$202,500
FY 2011	\$ 95,625

Although VCUP has served 3,945 Virginians, the program has not been well publicized and greater efforts could be made to promote VCUP and other patient assistance organizations.⁶ No State funding has been included for VCUP in the proposed FY 2012 budget and PAF comments that the lack of State funding “would have a significant and profound impact on the number of uninsured patients that VCUP could serve.”⁷

Uninsured Medical Catastrophe Fund (UMCF). UMCF is a State program, established in 1999 and administered through the Department of Medical Assistance Services, to assist Virginia residents who lack coverage for the treatment needed for a life-threatening condition.⁸ UMCF receives State funding and voluntary tax-contributions. Since FY 2009, UMCF has received an appropriation of \$265,000 per year and in FY 2009, the voluntary tax contributions collected for UMCF (from tax year 2008 returns) provided an additional \$25,828.

Applicants for UMCF must be U.S. citizens or “legally resident aliens” with incomes of less than 300 percent of the federal poverty level (FPL). The UMCF program pays a specific amount to a health care provider for performing an authorized treatment plan. Approved applicants receive funds on a first come, first served basis. In FY 2009, 71 applications were received and 36 were approved: 34 applicants had a cancer condition, one had diabetic retinopathy, and one suffered from chronic heart failure.⁹ The primary reasons for application denials included that the applicants became insured, did not have a life-threatening illness, became terminally ill or died, or did not have a treatment plan. The average amount allocated to an approved applicant varies by year; \$10,093 was the average allocation in FY 2009.¹⁰ UMCF assistance has not been well publicized because the limited program funding has meant relatively few individuals can be served.

RxPartnership. RxPartnership is an innovative public-private partnership which began operating in 2004 under the guidance of the Virginia Health Care Foundation. RxPartnership currently solicits free medication in bulk from six pharmaceutical companies.¹¹ The donated medication is distributed to 20 nonprofit affiliate pharmacies in Virginia; \$46 million in medication has been donated during RxPartnership’s six year existence.¹² Since FY 2005,

⁶ JCHC staff correspondence with PAF staff.

⁷ *Id.*

⁸ UMCF information is provided on the Department of Medical Assistance Services (DMAS) website at http://www.dmas.virginia.gov/rcp-uninsured_medical_catastrophe.htm.

⁹ JCHC staff correspondence with DMAS.

¹⁰ *Id.*

¹¹ RxPartnership website <http://www.rxpartnership.org/>.

¹² Virginia Health Care Foundation, *Another Day, Another Difference - 2010 Annual Report*.

RxPartnership has received an annual State appropriation; for the 2010-2012 biennium \$105,000 per year was appropriated.

The Pharmacy Connection (TPC). TPC is computer software first developed by the Virginia Health Care Foundation in 1997 to expedite the application process to receive free medication from the various patient assistance programs. Currently, 150 hospitals and health safety organizations use TPC which “generated a record-breaking \$163 million in free medicines” for 54,000 Virginians in FY 2010.¹³ Since FY 2005, TPC has received an annual State appropriation; for the 2010-2012 biennium \$125,000 per year was appropriated.

RxRelief. RxRelief provides funding to allow caseworkers working within medication assistance programs (MAPs) to assist uninsured individuals in applying for free chronic care medications through TPC. Currently RxRelief funds 28 MAPs that serve 76 localities. In FY 2010, State funding of \$1,850,000 was provided to the Virginia Health Care Foundation which helped support RxRelief in serving 14,911 patients who received 112,173 medications valued at \$48.5 million.¹⁴ However, MAP requests for additional caseworkers in 11 existing programs and four new programs could not be funded. An additional \$344,144 would allow these position and program requests to be met and enable an estimated 3,343 additional patients to receive 26,740 chronic care medications valued at \$11.7 million.¹⁵

AIDS Drug Assistance Program/State Pharmaceutical Assistance Program. The Virginia Department of Health (VDH) administers two programs that address the medication needs of individuals with HIV/AIDS: the AIDS Drug Assistance Program (ADAP) and the State Pharmaceutical Assistance Program (SPAP). ADAP provides AIDS medication coverage to individuals without insurance coverage or third-party benefits whose income is at or below 400 percent of FPL.¹⁶ SPAP works with the ADAP program as a cost-effective means for the State to pay for AIDS medication through the Medicare Part D program.¹⁷

Due to a program-funding shortfall, at current eligibility levels an ADAP wait list is expected to result for the first time in program history. Three main factors have led to the shortfall: a 21 percent increase in program enrollment, a 15 percent increase in average monthly medication costs, and the absence of one-time federal funds previously used to address a program shortfall in prior years.¹⁸ In FY 2011, \$915,000 GFs were allocated for ADAP medications. To address the shortfall, an additional \$12.6 million GFs would be needed in FY 2012 to eliminate the expected wait-list while maintaining current eligibility levels.¹⁹ Another JCHC study, *Virginia HIV/AIDS Prevention and Treatment Programs* (presented to the Healthy Living/Health Services Subcommittee October 2010) examined Virginia’s medication assistance programs and includes a policy option (Option 3) to address the expected funding shortfall.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ JCHC staff correspondence with Virginia Health Care Foundation.

¹⁶ JCHC staff correspondence with VDH.

¹⁷ VDH website <http://www.vdh.virginia.gov/epidemiology/DiseasePrevention/spap.htm>.

¹⁸ See note 16.

¹⁹ *Id.*

Virginia Bleeding Disorders Program. The Virginia Bleeding Disorders Program is administered by VDH to provide medical treatment and medication for low-income Virginians with hemophilia, von Willebrand Disease, or other congenital bleeding disorders. Assistance is available for individuals whose income is less than 200 percent FPL (including those who meet the income requirement through spend-down).²⁰ In FY 2011, the State provided \$214,247 in general funds to the program to fund medication and medical treatment; currently additional program funding is not needed.²¹

Policy Options and Public Comments

Six policy options, to assist individuals with life-threatening conditions receive medical care, were presented for JCHC members’ consideration. Public comment on the proposed options was requested and 42 individuals/organizations commented in support of options as shown below:

	Comments in Support
Option 1	0
Option 2	1
Option 3	1
Option 4	1
Option 5	25
Option 6	16

JCHC members voted to approve Options 2, 3, and 5.

Option 1: Take no action

Option 2: By letter of the JCHC Chairman, request that the Department of Social Services: i) work with the Patient Advocate Foundation to communicate with agency case workers concerning VCUP through the most appropriate means, including a “broadcast message” and ii) communicate with agency case workers concerning the Uninsured Medical Catastrophe Fund through the most appropriate means, including a “broadcast message.”

1 commented in support:

Nancy Davenport-Ennis, Patient Advocate Foundation

Option 3: By letter of the JCHC Chairman, request that the Department of Social Services emphasize patient assistance organizations *and the Uninsured Medical Catastrophe Fund* on the 2-1-1 Virginia website.

1 commented in support:

Nancy Davenport-Ennis, Patient Advocate Foundation

²⁰ *Id.*

²¹ *Id.*

Option 4: Introduce a budget amendment to provide \$95,625 GFs in FY 2012 for the PAF's Virginia Cares Uninsured Program (administered by the Patient Advocate Foundation).

1 commented in support:

Nancy Davenport-Ennis, Patient Advocate Foundation

Option 5: Introduce a budget amendment to provide an additional \$100,000 GFs in FY 2012 to the Uninsured Medical Catastrophe Fund.

25 commented in support:

Dan Albert	Bobby Huskey
Gwen Albert	Penny Huskey
Rob Anderson	Teresa McIntire-Harnett
Rhonda Arnold	Robin McLane
Dorothy Booth	Angela M. Jackson
Michael Cheuk	Kerry Mossler
Ken Copeland	Jason A. Norton
Sarah Detrick	Jennifer M. Pillow
Mrs. E. Dimino	William E. Watson
Michael B. Ferguson	Elizabeth Whiley
Melinda I. Fowlkes	Wanda Whitus
Sheriff Travis D. Harris Jr.	Ken Woodley
Michael D. Harnett	

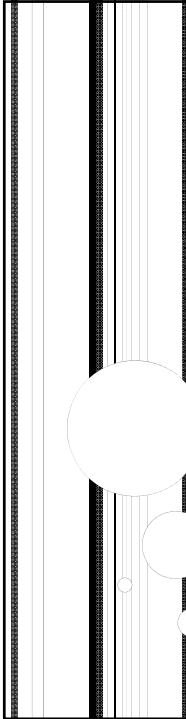
Option 6: Introduce a budget amendment to provide an additional \$344,144 GFs in FY 2012 to the Virginia Health Care Foundation's RxRelief program.

16 commented in support:

Dave Baldwin, Center for High Blood Pressure
Rich Bodemann, Fan Free Clinic
Sharon S. Frost, Northern Virginia Family Service
Cecil Hazelwood, MedAssist of Halifax
Barbara A. Jackman
Chris Karnei, Benevolent Medication Program
Eileen G. Lepro
Faye Mathews
Deborah D. Oswalt, Virginia Health Care Foundation
Beth O'Connor, Virginia Rural Health Association
Cathy Revell, Chesapeake Care, Inc.
Virginia L. Savage
Helen Scott, Healing Hands Health Center
Debra Shelor, Tri-Area Community Health
Peggy Whitehead
Pamela H. Witt

JCHC Staff for this Report

Stephen W. Bowman
Senior Staff Attorney/Methodologist



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)

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

2

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

3

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*)

4

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

5

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*

6

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%

7

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

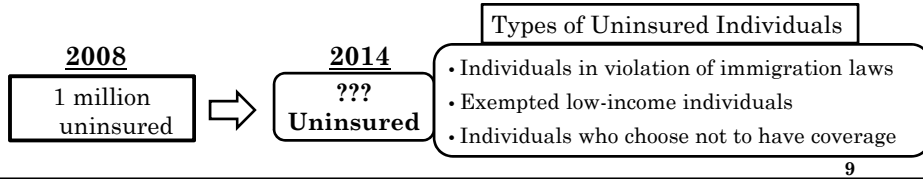
The most significant insurance reforms occur in 2014

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

8

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

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



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

- o Data is not available to determine extent of uninsured ILTCs not receiving treatment
- o 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*)

10

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

11

Searching for applicable care resources can be overwhelming. Resources have different eligibility requirements

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



**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

14

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 | | |

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

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	Examples of Resolutions
<ul style="list-style-type: none">○ 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	<ul style="list-style-type: none">○ 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)

17

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)

18

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 11 - \$ 95,625
 - FY 09 - \$225,000 FY 12 - \$ 0 (*budgeted*)
 - FY 10 - \$202,500

- 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*) 19

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)

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*

No significant efforts are made to publicize this program due to limited funds for medical treatment

<u>Approved - 36</u>	<u>Denied - 38</u>
Cancer Conditions - 34	Became insured - 9
DM Retinopathy - 1	Not life-threatening - 7
Chronic Heart Failure - 1	Death or terminal status- 6
	No treatment plan - 6
	Other - 10

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

* 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

<p>Bulk Medications</p>	<p>RxPartnership <i>(since 2002)</i></p>
	<ul style="list-style-type: none"> ○ 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
<p>Individual Medications</p>	<p>The Pharmacy Connection (TPC) <i>(since 1997)</i></p>
	<ul style="list-style-type: none"> ○ 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.

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

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*)

*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”)

25

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

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.

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.

29

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.

30

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@jhc.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.

094051201

SENATE JOINT RESOLUTION NO. 339

Offered January 14, 2009

Prefiled January 13, 2009

Directing the Joint Commission on Health Care to study ways to ensure that individuals with life-threatening conditions receive the care they need, regardless of resources. Report.

Patron—Barker

Referred to Committee on Rules

WHEREAS, many working Virginians cannot afford health insurance but do not qualify for Medicaid; and

WHEREAS, when such individuals are faced with a health crisis, it can be difficult to get health care providers to agree to necessary care that cannot be paid for; and

WHEREAS, in the current economic climate, these sorts of dilemmas are likely to increase; and

WHEREAS, solutions to this type of problem may well exist, but it is often hard to find them in the midst of a crisis; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Joint Commission on Health Care be directed to study ways to ensure that individuals with life-threatening conditions receive the care they need, regardless of resources.

In conducting its study, the Commission shall (i) identify existing resources to help those without private insurance who don't qualify for Medicaid in emergency situations and ways to publicize any such resources, (ii) determine approximately how many such cases occur in the Commonwealth each year, (iii) examine programs in other states to provide assistance in such situations, and (iv) recommend effective solutions for addressing this problem in the Commonwealth.

Technical assistance shall be provided to the Commission by the Department of Health and the Department of Medical Assistance Services. All agencies of the Commonwealth shall provide assistance to the Commission for this study, upon request.

The Joint Commission on Health Care shall complete its meetings for the first year by November 30, 2009, and for the second year by November 30, 2010, and the Chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the next Regular Session of the General Assembly for each year. Each executive summary shall state whether the Commission intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summaries and reports shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

INTRODUCED

SJ339

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