

**Close the Gap
for a Healthier Florida**

**Diane Dimperio
League of Women Voters**

**Patient Protection and Affordable Care
Act**

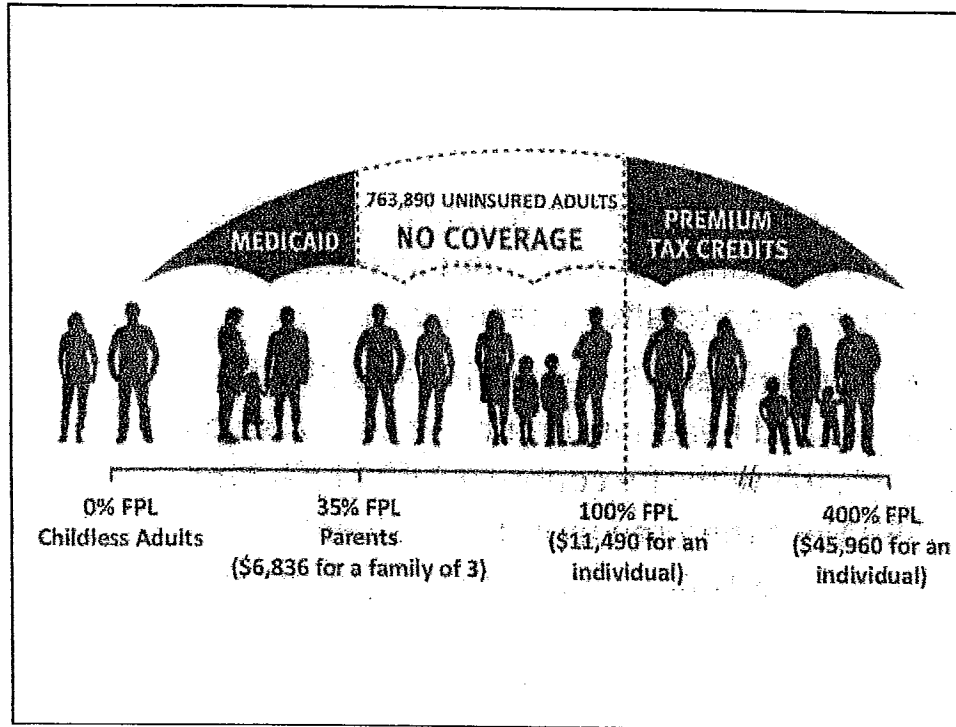
- Access to health care/insurance
 - Mandate coverage
 - Strengthen employer based access
 - Market Place for individual/family coverage
 - High quality plans
 - Subsidies for 100-400% FPL
 - Medicaid coverage for <138% FPL

Supreme Court Ruling

- Supreme Court ruling makes Medicaid expansion “optional” to states
- Florida has not yet opted in
- <100% FPL without affordable insurance

Current Medicaid Program

- Very low income AND
 - Pregnant
 - Child <18
 - Care taker of eligible child
 - Disabled
 - Medicare eligible



Who is in the coverage gap?

- John is 28 and was employed as a “contract” construction worker. He injured his foot while on the job. They gave him 3 days off but because he could not work he lost his job. He had no health insurance and the injury has become infected. When he went to the emergency room for the pain was told he may lose his foot unless he takes antibiotics. They give him a prescription but he cannot afford to fill it. His wife works part time at a convenience store and makes minimum wage. They are behind in their rent and utility bills.

Susan, 55, works hard cleaning carpets. She pays a mortgage and her taxes. But she does not make enough to afford health coverage.

“My husband and I live hand to mouth. We haven’t had health insurance since my husband lost his job with the county. At first I paid for COBRA but then the monthly bill went from \$350 to \$750 and I had to drop it” recalls Susan.

Health Impact of Extending Coverage

- Reduced mortality esp in high risk areas
- Improved self report of health
- Less delayed care
- Less depression
- Reduction in ER visits
- More preventive care and use of Rx
- Increased screening for cancer
- Reduced financial stress

Florida in 2014

- 33% of those under 100% FPL were uninsured
- 43% of Floridians avoided needed health care because of cost
- 42% reported problems with medical bills

Commonwealth fund: Healthcare Coverage and Access in the Nations Four Largest States April 10, 2015

Health Impact Special Populations

- Diabetics- better HgbA1c Levels, eye exams, needed Rx
- Homeless- better health and more likely to find work
- Parolees- more recidivism among those without health coverage
- Racial disparities

Uninsured eligible for expanded federal coverage

- Florida has one of the highest numbers of uninsured
 - 1.1 million eligible for expanded federal coverage
 - 800,000 have no options for affordable coverage
- Alachua County (2012)
 - 22,303 uninsured residents (<65) who are uninsured and < 138% of FPL

Financial Implications

- Florida's Estimating Conference: Florida would receive over 5 billion dollars a year
- UF estimated this would result in 120,000 jobs
- Reduces cost of insurance- lower cost of care to uninsured (as much as \$3 B)
- Florida is a donor state

Statewide Savings

- COST
- Currently eligible- 300M
- New eligible- 100M
- High PCP rate- 200M
- Total Cost- \$600Million
- SAVINGS
- Safety net – 200M
- MH/SA – 250M
- Med Needy -250M
- Total Savings \$700M

JAlker et al, Floridas Medicaid Choice,
White paper JBD and WinterPark
Health Foundation Nov 2012

Alachua County Savings

- HCRA \$20,000 (>1 M in liability)
- Mental Health Services- \$795,556
- Alachua Cares- \$159,495
- Pharmacy Assistance- \$225,648
- ACHD- \$941,992

2015 is the Year of YES

- Employers
 - >100 FTE's will need to offer insurance or be penalized (\$169-253M)
 - If accept the money eligible employees will be able to get coverage paid for with our tax dollars
 - Save employers cost of subsidizing insurance
- Florida will lose other funds that have helped hospitals cover uncompensated care

Special Payment to Hospitals LIP and DSH

- Hospitals must provided care to ALL who need it regardless of ability to pay
- Medicaid makes quarterly payments to hospitals to help make up the deficit
- Statewide 2.2 Billion dollar program

Special Payment

- Beginning July 2015 some of the federal payments will be eliminated/reduced.
 - ACA made insurance affordable
- Payments support some community based programs designed to reduce the need for hospital services esp among uninsured

Decrease in Medicaid Revenue

- Florida Total- \$2.2 billion
 - \$1.8 billion for in-patient hospital
 - \$321.9 M for community based programs
 - » teaching hospitals for medical education (\$204M)
 - » FQHC and CHD (\$42M)
- Federal share is more than half this amount
- Some matching funds would no longer be available

Alachua County Special Payments

- Shands Hospital Gainesville- \$92.1 M
- Local community based programs
 - ACHD- \$1.56
 - UF- \$24M

Not Extending Coverage

- Hundreds of thousands of uninsured residents
- Increases uncompensated care burden on hospitals
- Insurance premiums will increase due to loss of subsidies for uncompensated costs
- Health issues among low income continue to negatively affect productivity

**2015
FL Legislative Session**

- Legislators can decide to accept federal funds for providing full insurance coverage to individuals with income less than 138% FPL with no cost to the insured
- Federal funds will cover between 90-100% of medical costs
- Over 5 billion a year in federal revenue added to Florida's economy

2015 Legislative Session

- Pressure from consumers business and hospitals
- Other conservative states are accepting the funds
- Program proposals being generated by business groups

Proposals

Healthy Florida Works

- Hospitals and other business groups
 - Accept federal funds
 - Coverage to <138% FPL
 - Premium payments \$3-25 /month
 - JET requirements-20-30 hr/wk

“Smarter Health Care Coverage” FL Chamber of Commerce

- Cap state share of Medicaid to 32% of the budget and limit the number covered
- Use telemedicine, NP and PA
- Implement lawsuit reform
- Reform workman's comp
- Reduce healthcare fraud
- Maintain step therapy and prior authorization
- Use private marketplace and managed care model

CS/SB 7044

- **Health Insurance Affordability Exchange**

Creating the FHIX program in the Agency for Health Care Administration; providing for the development of a long-term reorganization plan limiting eligible persons in the Medically Needy program to those under the age of 21 and pregnant women etc.

QUESTIONS/COMMENTS (4/14)