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# Budget Briefing for Health Justice Advocates Feb. 7, 2020

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# #GoBoldonHealthcare

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Campaign for New York Health   
@NYHCampaign



In 2020, we urge NY legislators to [#GoBoldonHealthcare](#):

- ✓ [#PassNYHealth](#)
- ✓ Create state-funded Essential Plan for undocumented NYers [#Coverage4All](#)
- ✓ Make coverage more affordable
- ✓ Support navigators engaging hard to reach NYers
- ✓ End unfair med billing
- ✓ Reject austerity

# Coverage update

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- Over a million New Yorkers are uninsured
  - 95% covered is great – but we’re not done!
  - 51% of uninsured New Yorkers say it’s due to the costs of coverage
- People who have insurance can’t afford care
  - 45% of New Yorkers avoided care due to cost (delayed procedures, skipped recommended tests or treatments, cut pills in half, skipped dosages, did not fill a prescription)
  - 35% experienced serious financial repercussions due to medical bills (used up all or most of savings; unable to pay for food, heat, or housing; in collections; racked up large amounts of credit card debt)

Altarum Healthcare Value Hub and Community Service Society of New York, “New Yorkers Struggle to Afford High Healthcare Cost Support a Range of Government Solutions Across Party Lines,” March 2019, <https://www.healthcarevaluehub.org/advocate-resources/publications/new-yorkers-struggle-afford-high-healthcare-costs-support-range-government-solutions-across-party-lines>

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# FY21 budget overview

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- No coverage expansions
- No affordability strategies
- Serious threats to Medicaid
- Maintains Article VI cuts

# FY21 budget overview

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- No attempt to raise revenue, but New York could easily raise revenues to cover this year's "deficit" and allow investments in health care, education, etc.
- The New York Budget Justice coalition's package of 14 revenue raisers would bring in \$35 billion a year including:
  - Billionaire wealth tax - \$10 billion a year
  - Ultra-millionaires income tax - \$2.2 billion a year
  - Pied-a-Terre Tax - \$650 million a year

# HCFANY 2021 Policy Agenda

# The New York Health Act – single payer

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- Universal coverage based on residency in the state
- Funded by new taxes on employers and employees (\$139 billion)
- Most New Yorkers would save money (the wealthiest would spend more)



# Coverage4All

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- Pass S3900/A5974: Expand EP coverage to all immigrants regardless of status
  - Would cover two groups:
    - Immigrants who currently pre-qualify or are using Emergency Medicaid
    - Uninsured, unauthorized adults who earn up to 200% FPL
  - No deductible, highest income people pay \$20 a month premium
  - 14 Senate Co-Sponsors, 21 Assembly



# Affordability

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- None of the strategies other states are exploring/implementing appear in the budget – and there are no bills in NY:
  - Premium subsidies (CA, MA, VT)
  - State individual mandate penalty (NJ, MA, VT, DC)
  - Public option (WA, CO in process)

# Consumer Assistance Programs

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- Navigator programs
  - No cost of living increase since 2013
  - Should also get enhanced funding for outreach to underserved communities to cover people who are eligible but not enrolled
- Community Health Advocates
  - \$2.5 million in Executive Budget, hoping for \$2.5 million more from legislators
  - S7241: Medicaid enrollees need CHA's information when they get adverse determinations!

**A positive Executive Budget proposal:** Behavior health parity fund, with first \$1.5 million earmarked for consumer assistance! (Part Z, Section 2, page 322)

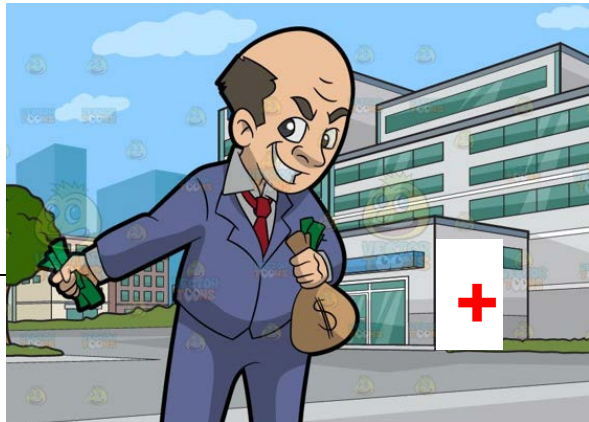
# Patient Medical Debt Protection Act (S6757/A8639 )

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- 15 Senate co-sponsors, 33 Assembly signed on so far!
- In Executive Budget Proposal
  - Cut medical debt statute of limitations from 6 to 3 years (Part J, Section 18, page 225) and
  - Cut debtor interest rates from 9% to 1 year treasury rate (Public Protection and General Government Article VII, Part 21, Section 1, page 74)
- Not in Executive Budget:
  - Hold consumer harmless in surprise bill case with provider or plan misinformation
  - Standardized financial assistance applications and appeals processes so everyone gets the help they are eligible for
  - Ban on facility fees
  - Unfair financial liability forms
  - Itemized and timely medical bills

# Funding for safety-net hospitals

- Indigent Care Pool funds
  - Transition pool set to expire this year – unless MRT renews it
  - Funds should be targeted to safety-nets, not handed out to all hospitals regardless of the amount of care provided to low-income New Yorkers (A6677a/S5546)
- Safety Net Funding Cut - \$82 million from Enhanced Safety Net set-aside



The NY ICP pool offers windfalls to rich hospitals, leaving true safety nets cash strapped!

# Prescription Drugs

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## In the Executive Budget

- PBM registration (Part U, Article 29, page 288) – Good start, but not as good as S6531/A2836 which included more consumer protections and was vetoed
- Price Gouging (Part G, Section 1, page 188) – kicks in when a price increases by 100%; S141/A6606 is more consumer friendly
- Drug Affordability Board (Part G, Section 1, page 189)
  - Only activates under the same limited circumstances in which the price gouging language kicks in (but does include a consumer rep)
  - Maryland HB78: able to set upper payment limits on “any prescription drug that creates affordability challenges to the Maryland health care system, including patients”

## Not in the Executive Budget

- Nothing on stable drug formularies – S2849-A/A2969A passed last year but was vetoed
- Insulin cap – mentioned in speech but not in budget
  - Not good enough! S5144a/A2986a would do this plus create a drug assistance program for other life-sustaining medications, like ADAP

# MRT II and Local Government Penalties

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- MRT II
  - Dominated by industry, no consumer advocates
  - Possible/probable vehicle for longer asset look backs, elimination of spousal refusal/prescriber prevails, indigent care pool shenanigans
  - Legislators will be able to approve or vote no and trigger across the board cuts
- Local Government Shared Savings Proposal
  - Local governments can look harder for assets (to enroll fewer people) and develop more efficient care plans (approve fewer care hours)

# Medicaid in the FY21 Executive Budget

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- Executive Budget
  - Medicaid Redesign Team (MRT II)
  - Local share proposal
- Advocacy considerations/perspective
  - MRT II as window dressing, etc.
  - Countering rhetoric
  - Reinforcing importance of Medicaid
  - Medicaid global cap
  - Raise revenue

# Smart Reforms for CDPA

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CDPA could be more efficient without hurting consumers:

- Reduce consumer assessments from twice a year to once a year
- Allow Workers to transport consumers to medical appointments
- Clarify rules that only allow a consumer to work with one FI
- Take steps to ensure all consumers are actually self-directing
- Eliminate "referrals" in home care and CDPA
- Extend the administrative cap to FIs in managed care



# Action Steps

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- [CDPAANYS Lobby Day 2/10](#)
- Tues. 2/11: **Get on the bus to Albany** to [Save NY Public Health](#) and [Coverage4All](#)
  - MRT 2 Public Meeting also on 2/11...
- Sign the [\*\*Go Bold on Healthcare in 2020 Statement\*\*](#)
- **Read:** [14 revenue proposals that would tax the ultra-rich and raise \\$35B+](#)