

**NLWJC - Kagan**

**DPC - Box 002 - Folder 004**

**AIDS - Medicaid Expansion**

## **TALKING POINTS ON MEDICAID EXPANSION TO PEOPLE WITH HIV**

### **Background**

In April, the Vice President directed the Health Care Financing Administration (HCFA) of HHS to determine the feasibility of establishing a demonstration program to expand Medicaid coverage to people who were HIV – and do not currently qualify for Medicaid benefits. This was in response to a release by HHS of a standard of care for HIV and AIDS that recommended early treatment. The Vice President asked HHS to report back within 30 days.

Under current regulations, Medicaid coverage is not available to many individuals with HIV until they progress to AIDS; the new treatments offer the promise of forestalling the progression to AIDS, creating a "catch 22" whereby individuals can't get the drugs that would keep them from progressing to AIDS until they get AIDS.

### **Talking Points**

- The Clinton Administration remains strongly committed to insuring that people living with HIV and AIDS have access to the medical treatments they need.
- The experts at HCFA are finding it difficult to make this expansion cost neutral, which is the test that we must meet to change benefits without Congressional action
- The Administration is still in active dialogue with community members, Congress, and public policy experts to refine the financial analysis -- we have not shut the door on making this work
- The analysis turned out to be far more complicated than many believed it to be, so it is taking much more time than we thought it would. However, the Administration is still actively working on a solution to this problem.

### **Administration has a strong track record of addressing the needs of people living with HIV and AIDS**

- the President recently signed a fiscal year 1998 appropriation bill that provides \$286 million for the State AIDS Drug Assistance Program, a 71% increase from fiscal year 1997.

•the President worked vigorously to save the Medicaid program, which is the largest single payor for AIDS services and treatment in the country -- in 1997, federal Medicaid expenditures for people living with HIV/AIDS totaled \$1.8 billion, including nearly \$500 million for AIDS drugs.

•the President has long been committed to health care for all Americans, and is pleased with the incremental progress that has been made on a bipartisan basis in recent years. Insurance reform and increased access to health insurance for children are important first steps. But the ultimate goal of high quality health insurance for all Americans remains.