

Health Care Issues Coming Before Congress and the State Legislature in Spring 2021

Presentation to NYC Chapter of NY Statewide Senior Action Council

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Topics to be discussed

- Federal Issues:
 - Health Care Aspects of American Rescue Plan Act
 - Health Care Proposals in Biden's "Build Back Better" Plan:
 - Part 1 – American Jobs Plan
 - Part 2 – American Family Plan
- NYS Issues:
 - NYS Budget: What Made It In, and What Got Left Out
 - Rest of 2021 Legislative Session:
 - Universal Health Care; Patient Medical Debt Protection

American Rescue Plan Act and Health Care

- Broader context: This law is the fifth pandemic relief law since March 2020.
- Makes private insurance more affordable for those who buy their own coverage on Affordable Care Act (ACA) marketplaces:
 - Eliminates income eligibility cap for premium subsidies so anyone can qualify
 - Increases premium subsidies for those with incomes below 400% of Federal Poverty Level (currently: \$52,000/yr. or \$4,333/mo. for an individual)
 - Lowers maximum amount of personal income contribution for premiums from 10% to 8.5%.
 - Provides special premium subsidies to low-income people in states that have not yet expanded Medicaid under the ACA. (Not relevant for NY)
- People who qualify for at least 1 week of unemployment insurance during 2021 will be eligible for certain ACA health plans with \$0 premium.
- No ACA premium subsidy reconciliation penalty on 2020 taxes.
- These new ACA improvements last through December 2022 (but plans are for them to be permanently extended in upcoming Biden bills.)

American Rescue Plan Act and Health Care

- 100% premium subsidy for COBRA coverage from Apr. 1-Sept. 30 2021, to help unemployed people keep their employer coverage in place until their employer calls them back to work.
- +10% Medicaid matching rate increase to states for home and community-based long-term care services (lasts through entire federal public health emergency, currently set to end on 12/31/21.)
- New Medicaid-funded program for one year of post-partum care for low-income women (increase from current 2-mo. limit.)
- Eliminated Medicaid prescription drug rebate cap.

American Jobs Plan and Health Care

- Part 1 of Biden’s “Build Back Better” plan; proposal released in early April; Congress will develop bill language soon.
- Broader Context: Centered around job creation and infrastructure (broadly conceived, including “human infrastructure”)
- Price tag: \$2 trillion
- Paid for by “Made in America Tax Plan” that:
 - increases general corporate tax rate from 21% to 28%.
 - increases global minimum tax rate for US multinationals from 10.5% to 21%.
 - creates a new domestic corporate minimum tax rate of 15%.
- Major health care focus: job creation for a “care economy”, specifically home and community-based long-term care workforce (\$400B)

American Family Plan

- Part 2 of Biden's "Build Back Better" plan; proposal details due out by end of April; Congress will then develop bill language
- Broader goal: secure existing social contract and update/add to it for 21st century
- Main focus: invest in public programs that help families in need and strengthen the economic foundation for low- and middle-income families, such as child care, elder care, paid family and medical leave
- Anticipated cost: ~\$2 trillion
- Paid for by increasing taxes on super-wealthy individuals and families

American Family Plan: Possible/Likely Health Care Provisions

- Make ACA improvements under American Rescue Plan permanent
- Include a new “Medicare buy-in” option for people who buy their own insurance coverage on ACA marketplaces.
- Lower Medicare eligibility age (to 60 or 55?)
- Regulate prescription drug prices in various ways to lower costs.
- Mandate that Medicare negotiate prescription drug prices with drug companies (estimated savings = \$500 billion), and allow private insurers and employers plans to use the system too.
- Reinvest prescription drug savings back into Medicare to provide new dental, vision, and hearing benefits.

What Happened in the NYS Budget Deal

- Broader context: Various landmark progressive steps were taken re:
 - funding of public schools and universities
 - assistance to renters and mortgage holders
 - assistance to small businesses
 - assistance to undocumented essential workers
 - raising taxes on corporations
 - raising income taxes on millionaires and billionaires
- No similar breakthroughs on public health or health care despite one year of a serious pandemic – mostly, the status quo was maintained.

State Budget and Health Care: Failures

- No elimination of Gov. Cuomo's Medicaid Global Spending Cap – it was extended for an additional year.
- No special public health insurance coverage for undocumented immigrants who have had COVID-19 so they can get ongoing care.
- No salary increases for home care workers.
- No new initiatives to address health disparities despite a pandemic that has revealed them for all to see.

State Budget and Health Care: Successes

- Elimination of all premiums (medical, dental, vision) for those enrolled in the state's Essential Plan (a special insurance program for low-income people who don't qualify for Medicaid.)
- Delay of implementation of plans to remove pharmacy benefits from Medicaid Managed Care health plans and have the state provide it directly instead. Moving ahead with this change would have inadvertently threatened the financial stability of community health centers and other safety net providers via the federal government's "340B Prescription Drug Program".

State Budget and Health Care: Restorations of Cuts Proposed by Governor

- No across-the-board Medicaid rate cut to health care providers and health plans.
- No denial of Indigent Care Pool funds to public hospitals.
- No cuts in special funding for financially unstable safety net hospitals.
- No cuts in “Article VI” public health matching grants to NYC.
- No cuts to general public health funding to counties.
- No cuts to special adult home programs.
- No elimination of “prescriber prevails” standards. (Would have allowed insurers to deny coverage of some drugs to Medicaid patients.)

Advocates Priorities for Rest of 2021 NYS Legislative Session: Universal Health Care

- Policy goal: Create a “Medicare-for-All” like program covering all New Yorkers through a unified publicly-funded, publicly-administered health insurance program to replace job-based coverage and private insurance.
- Legislation: “New York Health Act” (S.5474 Rivera, A.6058 Gottfried)
- Updated version introduced in March, with a majority of co-sponsors in each chamber.
- Assembly goal: Pass again as a one-house bill after a two-year hiatus.
- Senate goal: Move bill out of Health Committee and along through the committee process, ideally to the point of a possible floor vote.

Advocates Priorities for Rest of 2021 NYS Legislative Session: Patient Medical Debt Protection

- Policy goals: Eliminate unfair hospital billing and litigation practices against patients.
- Legislation: “Patient Medical Debt Protection Act” (S.6757A Rivera, A.8639A Gottfried)
- Bill provisions:
 - Require hospitals to provide patients with one itemized bill that includes all services from all providers.
 - Reduce interest rates hospitals can charge patients on unpaid medical bills from the commercial rate (currently about 9%) to the U.S. Treasury Rate (currently around 1%).
 - Bar uninsured patients from being charged for facility fees.
 - Standardize patient financial liability waiver forms.
 - Require all hospitals to use a standard hospital financial assistance policy and application process prepared by the state.
 - Bar hospitals from using contracts to stop insurance carriers from reporting cost data to the state.