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Mayor Stoney asks for investigation after bombshell report on Bon Secours

Richmond Mayor Levar Stoney shared a statement on Tuesday afternoon calling for an investigation into the use of a lucrative drug program by Bon Secours following a NYT investigation.

By: WTVR CBS 6 Web Staff Posted at 3:47 PM, Sep 27, 2022 and last updated 6:31 PM, Sep 27, 2022

RICHMOND, Va. -- Richmond Mayor Levar Stoney shared a statement on Tuesday afternoon calling for an investigation into the use of a lucrative drug program by Bon Secours following an investigation from the New York Times over the weekend.

"We strive to build equity into everything we do, and expect organizations serving our community to share those values," Stoney said in a tweet.

Also included in Stoney's tweet was a full request for an investigation made to Xavier Becerra, the Secretary of the Department of Health and Human Services.

The story, which was initially reported by the New York Times on Saturday, cited many former and current employees of Richmond Community Hospital alleging its owner Bon Secours has slashed resources from the hospital over the years.

<u>The article</u> outlined diminishing support for Richmond Community came as Catholic-based Bon Secours utilized the hospital to rake in hundreds of millions of dollars in profits through a lucrative drug program called 340B.

The law allows non-profit hospitals that avoid paying taxes, like Bon Secours, which serves low-income communities, to buy medication for half the cost while still billing patients and insurance companies close to full price.

The goal is to incentivize Bon Secours to use those savings to invest back into the facility and the disadvantaged area that it serves.

However, sources told the New York Times that much of the money saved through the program does not go toward those efforts as Richmond Community Hospital lacks basic tools and resources to treat patients.

Some healthcare workers said the circumstances have placed them in positions of not being able to care for patients in dire need properly.

CBS 6 Problem Solver Tyler Layne <u>spoke with some Richmonders about the story</u> on Monday. One woman, who said her family member relies on Bon Secours for infusions that are critical to that person's health, said the report "felt like a punch in the gut".

Virginia Senator Tim Kaine also commented on the story, saying that the Richmond Community Hospital is "an absolutely critical program," and "the thought that somebody might be using this program as a profit center as opposed to really helping people was very troubling."

"Free clinics, community health centers, many hospitals who provide care to the poor and folks who really need health care, they rely on this program to bring down the cost of prescription drugs for the most-needy communities in Virginia and throughout the country," Kaine said.

This is a developing story, so anyone with more information can <u>email newstips@wtvr.com to</u> send a tip.

MoneyWatch

Millions of Americans to lose Medicaid coverage starting next year

By Irina Ivanova

Updated on: December 28, 2022 / 12:05 PM / MoneyWatch

Millions of Americans gained Medicaid coverage during the pandemic. Starting next year, millions are likely to lose it.

The mammoth <u>spending bill</u> passed by Congress would allow states to kick some people off Medicaid starting in April. Millions would become uninsured, according to estimates from the administration and several health care nonprofits.

The Kaiser Family Foundation estimates that 15 million to 18 million people will lose Medicaid coverage — or about 1 in 5 people currently in the program. A December <u>study</u> by the centrist Urban Institute also estimated that 18 million people are set to lose Medicaid coverage next year and in 2024, leaving 3.8 million people without health insurance.

"The reality is that millions of people are going to lose Medicaid coverage," said Jennifer Tolbert, the foundation's associate director of the program on Medicaid and the uninsured.

Public health emergency

Since the <u>coronavirus</u> first struck in 2020, enrollment in Medicaid — the health insurance program for low-income people — has swelled by 20 million, to nearly 84 million people, according to <u>KFF</u>. That's by design: When the administration first declared the public health emergency (PHE), it also barred states from kicking people off Medicaid.

In a normal year, many people enroll in Medicaid and many others leave as their income or circumstances change. States run routine checks on Medicaid members to make sure they're still eligible for the program, and throw out anyone who isn't. The public health emergency halted that process.

"There are lots of reasons people move on and off Medicaid, but what the PHE has done is, for the last few years, no one has moved off Medicaid," Tolbert said.

The spending bill would allow states to start kicking people off starting April 1. The federal government will also wind down extra funds given to states for the added enrolees over the next year under the proposal.

"Unwinding the pandemic Medicaid continuous coverage provision is likely to be extremely challenging, and states have significant work to do to protect people from losing health coverage," Allison Orris, senior fellow at the liberal-leaning Center on Budget and Policy Priorities, said in a recent blog post.

Before states remove Medicaid members, they are required to check patients' eligibility and notify people if they're losing coverage.

"What the state is required to do is use available electronic data sources to assess whether the person is still eligible for Medicaid. They will check things lke residency, do they still live in the state, what their current income and family situation is, and. based on that, do they still meet the eligibility requirements," Tolbert said.

However, she added, it's not unusual for people who are eligible for Medicaid to nonetheless get dropped from the program because of language barriers or administrative oversight. "Maybe at their annual renewal they missed a notice to provide documentation, or they didn't know how to provide documentation," she said.

Advocates have also raised concerns about how states will notify enrolees if they are being kicked off the program and what their options are. The effort will be particularly challenging for some of the country's poorest people, who may not have a stable home address or access to internet or phone services to check their status.

When will people lose coverage?

The omnibus spending bill allows states to drop people from Medicaid starting April 1, but many will likely take longer. The Centers for Medicare and Medicaid has recommended that states take a full year to re-evaluate everyone in the program — although states are not required to follow that guidance.

"Moving these people off Medicaid isn't going to happen on day one," said Chris Meekins, an analyst with Raymond James who follows health care. "I expect red states have taken steps already to identify who they believe most likely to be ineligible, to target those people first," he said.

Many people who lose Medicaid will be able to find other health insurance, such as through an employer, the Affordable Care Act marketplace or, in the case of kids, the Children's Health Insurance Program. But about 5 million will remain uninsured — a potentially devastating situation.

"Those individuals don't really have anywhere else to go to get coverage," Tolbert said. "Because they remain eligible for Medicaid... they cannot go to the marketplace and get coverage."

Even if those people eventually re-enroll in the program, experts fear that going without health insurance for months could be disruptive for anyone with ongoing health care issues.

"Maybe you go to your doctor's office and find out you don't have coverage, and you can't get services that day because you need to reapply" for Medicaid, Tolbert said.

Health care advocates urge people who are on Medicaid to make sure their contact information is up to date on their accounts and that they check the mail frequently to keep an eye on their eligibility status as that April 1 date nears.

The spending bill also frees up additional funds to pay for more stable health insurance coverage for children in low-income households, by requiring states to keep those children on Medicaid for at least a year once they've enrolled.

The Associated Press contributed reporting.