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The Honorable Rick Perry  
Governor of the State of Texas  
Office of the Governor  
P.O. Box 12428  
Austin, Texas 78711-2428

Dear Governor Perry:

On behalf of the Texas Chapter of the American Academy of HIV Medicine, its members, and the patients we serve, we write to express our thoughts on and concerns with the proposed reforms of the Protection and Affordable Care Act of 2010 (ACA), and the decisions being made by your administration concerning its implementation here in Texas.

As an organization of front-line HIV care providers we are concerned with the letter you sent to Secretary of Health and Human Services Kathleen Sebelius dated July, 9, 2012 expressing the intention to oppose the expansion of the Medicaid program and the Private Insurance exchange in the state of Texas.

The Medicaid expansion represents the opportunity for the state to cover thousands of HIV patients with the 100 percent of the expansion being paid for by the federal government for the first three years, and 90 percent thereafter. This is a huge opportunity for the state fiscally. Medicaid provides health coverage to 40 percent of people with HIV/AIDS in care in the U.S., and some initial estimates suggest that as many as 70 percent of uninsured HIV positive individuals will be eligible for inclusion in Medicaid expansion in 2014. Currently, many of HIV patients lack coverage of any sort, resulting in frequent hospitalizations, and intensive interventions due to advancement of their disease. However, when HIV patients are in regular medical care from a qualified provider and maintain consistent treatment, the disease can be controlled in a similar manner to many chronic conditions. They can live productive lives, and the state can avoid more expensive medical interventions associated with inadequate care and treatment.

Furthermore, we are also concerned with the letter's stated refusal by the state to organize a Private Insurance Exchange. If the State of Texas does not choose to create and organize an exchange, the federal government will establish one within the state instead. The Supreme Court also upheld the individual mandate for all citizens to purchase coverage. The ACA provides for tax credits to help individuals comply with the individual mandate of purchasing insurance through the exchange. However, the tax credits are only available to those household above 133% of federal poverty level (FPL). The intention of the law was that the Medicaid expansion would cover all those individuals under 133% FPL. If the state chooses not to accept the Medicaid expansion, the individual mandate will still be in affect for all citizens in the state. But those under 133% FPL (the poorest of the poor) will be left without any assistance in purchasing coverage, but with a mandate to attain it nonetheless. As providers, we are very concern with the burden this places on our most at-risk patients.

Nevertheless, the ACA is not a perfect law, and the system it creates will not be a panacea for all even if fully implemented. AS providers of care, we are extremely concerned about the reimbursement rates available to physicians for Medicaid patients. Historically, Medicaid payment rates are significantly lower than private insurance and Medicare. Although we see the need for more patients with coverage, we also have the need for reimbursement that covers the true cost of providing medical care.

There are other concerns we have with the implementation of the ACA provisions, such as ensuring all private plans have adequate formularies for treatment of HIV patients, ensuring the HIV providers are included in patient networks under all private plans and Medicaid, and the confluence of the Ryan White program with these new systems of coverage and care.

Ultimately, what we hope to petition for with this letter is an open public discussion between decision-makers in the state and stakeholders in those decision on all of these issues. We are concerned with the top-down nature of the decisions that were conveyed in the letter sent to Secretary Sebelius.

It is our understanding that HHS has placed no time frame or specific process upon the decision to expand the state Medicaid program. Before the decision is made final in whatever process the federal government will decide upon, we would like to have the opportunity to weigh in with the office of the Governor and the legislature on behalf of ourselves as care providers and our patients. We also urge your administration to pursue a cost-analysis of the benefit to the state of accepting the expansion versus rejecting it. We expect that after the state does so, the expansion will represent a good deal for the state's health budget, an opportunity to reduce the fiscal burden of uncompensated care in the state, and an opportunity for thousands of HIV patients to receive health coverage and care who did not have access to it before.

We also request that HIV providers, and HIV patients, and other stakeholder groups be included in an open public process for input on the other crucial decision and issues that have been mentioned in this letter. The citizens, care providers, and patient populations of the state of Texas should have an opportunity for input with the Administration on such important matters.

We would like to request a meeting with a member of your staff at your earliest convenience to discuss these matters further. You may contact us through our chapter chairman, Trew Deckard, at (EMAIL) or (phone). Thank you for your consideration of these requests. We look forward to hearing from you.

Sincerely,

Trew Deckard, AAHIVS  
Chair, Texas Chapter, American Academy of HIV Medicine