

OVERVIEW

GOV.'S

COUNCIL

DISABIL.

SPEC. ED



TONY KNOWLES, GOVERNOR
State of Alaska

GOVERNOR'S COUNCIL ON DISABILITIES AND SPECIAL EDUCATION

P.O. Box 240249 • Anchorage, Alaska 99524-0249 • Phone: 907-269-8990 • Fax: 907-269-8995

GCDSE presentation to the House HESS Committee

Honorable Committee Member:

The Governor's Council on Disabilities and Special Education respectfully asks that, as a member of the House Health, Education & Social Services Committee, you take into account the following when considering any change to the State Medicaid Program.

- ◆ Persons with disabilities often require ongoing services simply to maintain the functional ability necessary to live independently, but health care delivery often focuses on a cure rather than long-term supports.
- ◆ Medicaid is often the only health insurance available to a child or adult with severe disabilities since private insurance is unavailable to many individuals with disabilities.
- ◆ The cost of providing services in a person's home has been shown to cost less than building centralized facilities.
- ◆ The cost of providing proactive, preventive health care is usually much less than the cost of providing emergency services.

Attached you will find a brief white paper on how individuals with disabilities require access to Medicaid for health coverage which backs up the statements made above. Our fellow Alaskans must be supported in maintaining good health and having their health needs addressed. The Council recognizes that the cost of health care for everyone is increasing and that Alaska faces some difficult choices now and in the future. Please consider carefully the potential future costs both financially and in human suffering of any reduction in health care to Alaskans with disabilities.

The need for health care will remain even if access to supports is reduced.

Respectfully yours,

Nikki Kinne
Chair of the Governor's Council on
Disabilities and Special Education

Individuals with disabilities use health care differently than individuals without disabilities. "The 'medical model', around which the U. S. health care system is structured, focuses on curing and improving health status and fails to consider the long-term service needs associated with many disabilities. Persons with disabilities often require ongoing services simply to maintain the functional ability necessary to pursue independence. In addition, the onset of both initial and secondary disabilities could be deterred or avoided if preventive services were promoted and available on a regular basis." (National Council on Disability, 1993, pg 9). It is essential to recognize that an individual is more than a disability and deserves access to the health services generally available to the non-disabled population. People with disabilities need providers and interventions that focus on their overall health, taking disability and environmental factors into consideration. Improving the primary condition and preventing secondary conditions are at the root of providing health supports for individuals with disabilities. Proactive medical supports are absolutely necessary to avoid medical emergencies that often cost far more than it costs for preventive medical supports.

Although over 60 percent of persons with a disability have private health insurance, this coverage remains unobtainable for many in the disability community. (National Council on Disability, 1993, pg 17) In fact, private health insurance is even becoming a luxury for the healthy as insurers find ways to exclude persons who show any risk of incurring medical expenses. Preexisting-condition exclusions have important, and often detrimental, consequences for persons with disabilities. Preexisting-condition exclusions are used to reduce an insurer's expected first-year medical claims expense. While health insurance may be offered to an individual with a disability, it may not cover a condition that existed prior to the time the individual sought coverage. For example, a person with multiple sclerosis may be able to obtain private health insurance, but services related to multiple sclerosis may be uncovered for a year. Because the individual cannot remain uncovered for services related to the disability for an entire year, the person may need to stay on publicly funded insurance.

The most common preexisting-condition limitations are exclusions for certain services and waiting periods. Although these provisions are legal and are considered by insurers to constitute sound business practice, they essentially discriminate against persons with disabilities. Even when insurance companies don't exclude pre-existing conditions, insurance policies often limit or restrict many services needed for independence by people with disabilities, "...assistive devices and personal assistance, are rarely covered by insurance; if these services are covered, the coverage is often restricted in amount, duration, and scope. In addition, the preventive care necessary to avoid the onset of secondary disability is often excluded from coverage." (National Council on Disability, 1993, pg 10). The end result is that the person may have to utilize Medicaid for health coverage, instead of being able to use private insurance.

The number of people living in Alaska with a disability is growing and the need for supports and services will also continue to grow. Medicaid Home and Community Based Care services are serving a growing number of people. These services on average are less expensive to provide than institutional care. In FY01 approximately \$110 million

was used for waiver expenditures and nursing home expenditures combined. Nursing homes would have cost approximately \$190 million without the waivers.(Division of Medical Assistance, 2001. pg 6 This means that the Medicaid program has been able to provide long term care services to far more people for the money available than if nursing home usage had kept growing.

Some ideas for addressing issues involving health and wellness of people with disabilities in a fiscally responsible way are:

- 1) Expanding the availability and capacity of private health insurance providers to meet the needs of individuals with disabilities.
- 2) Examining systems issues that prohibit health and wellness opportunities particularly related to environmental accessibility and accommodation, including issues of discrimination, and financial affordability.
- 3) Creating consumer-based materials that educate persons with disabilities on how to practice health promoting activities and behaviors, how to find and utilize community health and wellness resources, and how to advocate for access to health and wellness promotion opportunities.
- 4) Increasing the capacities of health and wellness providers to respond to the health and wellness needs of persons with disabilities, including education related to the need for and benefits of health and wellness promotion practices and for specific information about "best practices" in this area. (Health and Wellness Among Persons with Disability, Rehabilitation research and Training Center Health and Wellness Consortium, pg 6)

References

National Council on Disability, (1993). Sharing the risk and ensuring independence: A disability perspective on access to health insurance and health related services. A report to the President and the Congress of the United States.

Rehabilitation Research and Training Center. Health and Wellness Among Persons with Disability

State of Alaska, Division of Medical Assistance, (2001). Annual Report