HEALTH CARE REFORM FOR A DIVERSE NATION

The Voices of California's Communities of Color

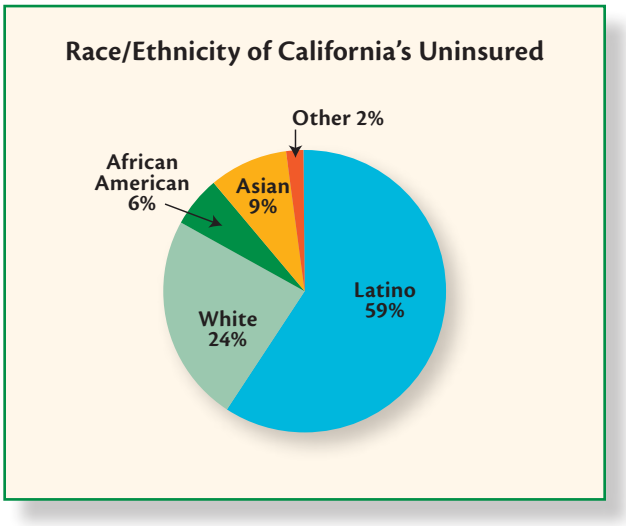
Having Our Say!

Communities of Color's Stake in Health Care Reform

Health Care Reform for a Diverse Nation: The Voices of California's Communities of Color

Introduction

As the summer heats up, so has the debate around national health care reform. While our leadership in Washington works to reach a consensus, there is one point of unanimous agreement — our current system is broken. Despite spending $2 trillion annually on health care, over 46 million Americans are uninsured.[1] Communities of color bear the brunt of this failure, comprising 55% of our nation's uninsured, although they make up only 34% of the population.[2] In California the disparity is starker, with 75% of the state's uninsured comprised of people of color.[3]



Our current situation is not irreversible. We have the solutions to create a system that works for everyone. The goal of this policy brief is to put forward a set of health care reform recommendations that are by and for California's low-income communities of color. Drawing from our work with our communities and our experience with California's attempt at health care reform in 2007, the Having Our Say coalition examines some of the health reform policies that have the most impact on our communities, highlighting proposals that expand access to care, eliminate health disparities, and promote primary prevention. We also discuss the impact an individual mandate would have on our communities. The analysis in the brief specifically focuses on the more than 3 million Californians who are uninsured and making less than 300% of the Federal Poverty Level (FPL), 80% of whom are from communities of color.[4]

Expanding Access to Health Care

In the United States our access to health care is inextricably linked to health insurance. The majority of Americans receive their health insurance through their employers, with only a small percentage purchasing insurance on their own. The remainder of the insured receives coverage through government programs including Medicaid, the State Children's Health Insurance Program (SCHIP), Medicare, and military veteran's coverage.

This patchwork system of health care coverage is failing California's diverse communities. Of California's 6.6 million uninsured, 75% are communities of color.[5] By expanding public programs, requiring employers to pay their fair share, creating a public insurer option, and strengthening our safety net — national health care reform has the potential to fill in the gaps and make health insurance accessible to all Californians.

Expanding Public Programs

Our public programs reflect our country's commitment to ensuring that our most vulnerable populations — the low-income, children, elderly, and veterans — are able to get the health care they need. However, fragmentation and complicated eligibility requirements have left many low-income Californians uninsured. Any health care reform proposal that serves to adequately address the needs of communities of color must prioritize the expansion of public programs in order to help reduce racial and ethnic health disparities.

Of the over 3 million low-income uninsured in California, the majority of these individuals are barred from participating in public programs due to federal restrictions in eligibility rules. For example, 2 million low-income Californians are not eligible for Medi-Cal (California's Medicaid) or Healthy Families (California's SCHIP), although they are citizens and permanent residents. This is most likely due to Medi-Cal's exclusion of childless adults, which leaves out a very vulnerable population — over 50% of these adults make less than $16,300 a year.[6] The remaining one million low-income uninsured Californians are not eligible for coverage through a public program due to immigration status.[7]

Recommendations:

- **Standardize Medicaid and SCHIP eligibility requirements.** Eligibility for Medicaid and SCHIP should be based solely on income (500% FPL for Medicaid and 300% FPL for SCHIP), regardless of parental, or immigration status. This includes:
  - **Covering lawfully present immigrants under Medicaid.** Lawfully present immigrants contribute to our economy through their hard work and taxes. Eliminating the five year waiting period for Medicaid will allow these communities to access health care when they need it and save money in the long-term.
  - **Covering single, childless adults under Medicaid.** Expanding Medicaid coverage to include childless adults who make less than 300% FPL will reduce the number of uninsured in California by almost half (44%).[8]
  - **Covering parents under SCHIP.** Research has shown that children are more likely to be insured and get health care if their parents are insured. [9] To ensure children get the care they need, SCHIP should provide coverage for low-income parents as well.
  - **Covering all children.** Children of color are more likely to lack health insurance.[10] Ensuring that all children, regardless of immigration status, have access to affordable, comprehensive health coverage is an investment in our future. Having insurance will mean that our children will be healthier, which in turn will result in increased educational attainment and long-term cost savings by reducing emergency room visits and the incidence of chronic diseases.[11]
- **Modernize the Federal Poverty Level guidelines.** The current Federal Poverty Levels — which determine eligibility for services such as Medicaid, food stamps, and cash assistance — are outdated. The Federal Poverty Level needs to reflect current basic needs and geographic differences.

Ensuring Employers Pay Their Fair Share

The majority of Americans with private health insurance receive it through their or a family member's employer. As a result, the higher rate of uninsurance among communities of color is in large part due to lower rates of job-based insurance, which in California covers 67% of Whites but only 35% of Latinos and 41% of American Indians/Alaska Natives.[12] These workers are either not offered employer-based coverage, not eligible for the coverage offered by their employer (most part-time workers), or cannot afford the coverage offered. The last scenario is becoming increasingly common as employers are responding to rising health care expenses by shifting more of the cost to their employees. In particular, small employers have had a difficult time keeping up with rising premiums and health care costs.

Recommendations:

- **Require all employers to pay their fair share for health coverage.** With over 40% of low-income uninsured working in firms that have 10 employees or less, health care reform should strengthen the existing base of coverage by requiring all employers to share in the responsibility of providing or paying for health coverage, and help small employers to do so.
- **Ensure access to employer-based health coverage for all workers and their families.** No distinction should be made among workers based on immigration, part-time, seasonal, or temporary status. All workers and family members should have linked eligibility for coverage without burdensome paperwork or documentation requirements for individuals and their dependents.

Creating a Public Insurer Option

One of the heated debates in health reform is whether there should be a government option for health insurance. Allowing individuals and employers the option to purchase government-supported insurance is an important way of expanding coverage for the uninsured and controlling the rising cost of health care. Health care inflation is due to numerous factors, but a public plan option will help ensure that industry profit-seeking is not one such cause. A public plan can model the reduction of

administrative cost and provision of quality care in a way that can set the bar for private insurers while providing an affordable alternative to individuals priced out of the market. If the cost of health insurance cannot be brought under control it will be increasingly difficult for anyone, especially communities of color, to find affordable health coverage.

These efforts should also be supplemented by the creation of a national exchange that allows consumers to compare both private and government health insurance products, and helps ensure transparency and fair competition.

"Public plans like Medicaid and Medicare have a proven track record of controlling costs while providing access to care for low-income communities of color. A public plan option can set similar benchmarks for inclusive, quality care while encouraging private plans to have the same high standards."

— *Janette Robinson Flint*
Executive Director
Black Women for Wellness

Recommendations:

- **Create a public insurer option.** A public plan option must be included in health care reform to provide an affordable alternative for health coverage and help control the rising cost of health care. A public insurer option will also work to hold the insurance industry accountable for providing quality, affordable care.
- **Make the public option accessible to everyone.** Every American, regardless of immigration status, should be allowed to purchase insurance through the public plan and be eligible for subsidies based solely on income.
- **Require plans in a national exchange to provide quality, comprehensive care.** Mandatory minimum coverage benefits must be enforced for all health insurers so that the public option can compete effectively with private plans. Insurance products eligible for purchase through a national exchange must meet basic requirements for providing comprehensive, culturally and linguistically appropriate care.
- **Ensure a seamless administrative process.** To ensure full access to health coverage in the national exchange, information about participating health plans must be provided in a manner that is understandable to people with low-health literacy and limited English proficiency. In addition, there should not be burdensome paperwork or documentation requirements to apply and qualify for coverage and insurance subsidies.

Preserving the Safety Net

Public hospitals, community health centers, and government clinics — referred to collectively as safety-net providers — have traditionally been the primary source of care for the uninsured and Medi-Cal populations. With communities of color making up over 70% of the client population that relies on the safety net for their usual source of care, these institutions are on the forefront of providing cultural and linguistic services and have worked hard to win the trust of their diverse patient base.[13] In addition, public hospitals in California and across the nation rely on the federal Disproportionate Share Hospital (DSH) program, which provides funding to treat a significant portion of the uninsured. Continued support of the safety net is critical, as many of the newly insured and the remaining uninsured will continue to depend on public hospitals and community clinics for health care services.

Recommendation:

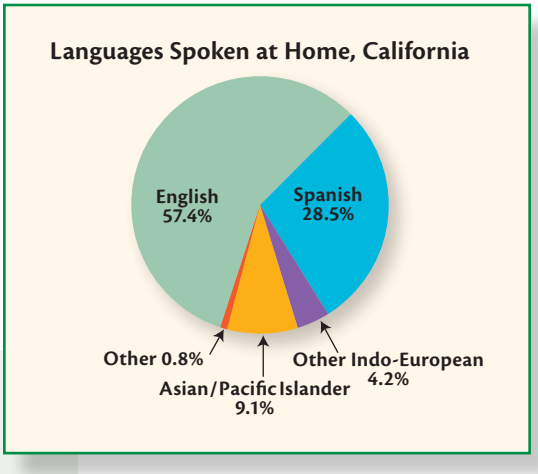
- **Preserve the safety net.** Any health care reform proposal that serves to address the inequalities and failures of our current system must ensure adequate funding to protect and strengthen our underfunded and overstretched safety net. Preservation of public hospitals, community health centers, and county clinics will enable low-income Californians to secure a medical home and access the primary and preventive care services they need.

Eliminating Health Disparities

Despite notable progress in the overall health of the nation, there are continuing disparities in the burden of illness, acute and chronic disease, injury, and mortality experienced by communities of color compared to the population as a whole. Our nation's growing diversity demands that we move away from a one-size-fits-all model of health care. Racial discrimination, stereotyping, and lack of culturally and linguistically competent care have led to growing rates of health disparities. We need the data to identify these disparities and allocate sufficient resources to eliminate racial and ethnic inequalities over the next decade.

Providing Culturally and Linguistically Appropriate Care

More than 20% of Americans speak a language other than English at home, and an estimated 24 million Americans speak English less than "very well."[14] In California these figures are more dramatic with 40% of the state's population speaking a language other than English at home.[15] For the expansion of health care coverage to be meaningful, it must include provisions to ensure care is delivered in a culturally and linguistically appropriate manner.



Recommendations:

- **Require all health insurers to provide culturally and linguistically appropriate services.** California recently enacted legislation, SB 853, that requires all of the state's health plans and insurers to collect race, ethnicity, and language data, and to provide interpreters and translated materials to their members who do not speak English well. This landmark legislation is a model for the country and should be replicated nationally.
- **Strengthen language access requirements in public programs.** Under Title VI of the Civil Rights Act, federal programs and providers that are federally funded must provide access to language services. But requirements can be vague and vary from state to state. More explicit requirements should be included in federal regulations.
- **Support language reimbursement systems.** Only 13 states and the District of Columbia have implemented systems to deliver and reimburse for interpreter services. Health care reform should encourage and support other states to set up similar systems, in addition to helping develop a national medical interpreter certification program.
- **Promote diversity in the workforce.** A diverse workforce in the health professions will improve communication between the doctor and patient and create a more culturally competent health care system. Physicians of color are also more likely to serve in communities of color and low-income communities, in both rural and urban areas.[16] Programs that train and recruit people of color in the medical and allied health professions must be adequately funded.

"SB 853 is a model for the rest of the country. For health care reform to be meaningful for communities of color it must include access to language services."

— *Ellen Wu*
Executive Director
California Pan-Ethnic Health Network

Protecting Women's Health

Women and girls face unique health care challenges that need to be addressed in any health care reform proposal. Young women and women of color disproportionately lack access to needed health care and are less likely than those with health insurance to seek preventive care services, which results in poor health outcomes and increased health care costs.[17] For example, while Latinas have a lower overall incidence of breast cancer, it is the leading cause of cancer death.[18] This is primarily due to the fact that Latinas are often diagnosed at a later stage. In order to combat these disparities health care reform must ensure that all women and girls can obtain health insurance, while creating standards of care that champion women's health. For health care to be truly accessible, these standards must include reproductive health care, including abortion and other basic primary care services for women.

Recommendation:

- **Require all benefit packages to include comprehensive reproductive health services.** Benefits in any health care plan should be determined using science and professionally established standards of care. Benefits should reflect the true demand and need for reproductive and maternal health services.

"In our trainings we often see young women who are uninsured because they are out of school and no longer qualify for their parent's insurance. These women are part of the workforce but do not get insurance through their employer, and cannot afford insurance on their own."

— *Marisol Franco*
Policy and Advocacy Manager
California Latinas for Reproductive Justice

Collecting and Analyzing Race, Ethnicity, and Language Data

Efforts to study disparities in utilization, quality, and health outcomes for people of color have been hampered by the lack of available data on race, ethnicity, and primary language. Poor collection and reporting of this data limits our ability to determine service quality, access, and effectiveness for populations affected by these differences. Government, health insurers, and providers must be held accountable for the quality of health care delivered to all patient populations.

Recommendations:

- **Require the collection and analysis of data by race, ethnicity, and language.** All federal and state agencies, health care delivery systems, and public health departments need to collect and analyze their data by race, ethnicity, and language. This information is critical to understanding the population served, targeting limited resources most cost-effectively, and developing culturally appropriate interventions.
- **Prioritize and allocate resources to eliminate health disparities.** Government agencies, health plans, and providers must use race, ethnicity, and primary language data to target programs and funding to eliminate racial and ethnic disparities. There should also be continued data collection and analysis to assess the effectiveness of the interventions.
- **Support state health surveys.** State health surveys should be implemented to obtain critical information about the health of the population and subpopulations. The California Health Interview Survey conducted out of UCLA's Center for Health Policy Research has been an invaluable source of such data and is a model that should be replicated in every state with federal support.

Advancing Primary Prevention

Health is about more than having access to care — it is also about the opportunities we are afforded and the places where we live and work. Unfortunately, low-income people of color are more likely to live in neighborhoods that lack the basic infrastructure for health, such as access to safe parks and fresh fruits and vegetables. In addition, these communities are disproportionately impacted by pollution, traffic, and crime. The fact that people of color live in environments that promote poor health in part explains the higher rates of obesity, diabetes, asthma, and other chronic diseases we experience. By creating communities that promote health, and prioritizing those in greatest need, we will be giving everyone the opportunity to live a healthier life.

"As the Central Valley faces some of the nation's highest rates of obesity, uninsurance, and poor air quality, we need a comprehensive approach to creating environments for our communities to thrive. We're hopeful that national health care reform will help us achieve our goals."

— *Jennifer Lopez*
Outreach Facilitator
Get Moving Kern
Central California Regional Obesity Prevention Program

Recommendations:

- **Assess health in all policies.** We need to start analyzing all policies through a health lens to ensure that decisions such as our transportation, housing, and environmental practices improve, rather than harm our communities' health.
- **Invest in building healthy communities.** Resources need to be targeted to low-income communities and areas with the highest need to ensure that every neighborhood is safe, has affordable housing, promotes physical activity, and has access to nutritious foods.
- **Fully fund community-based prevention services and programs.** Prevention, screening, and education services by clinics and community organizations are critical. Education and outreach is most effective when conducted by members of the community, as demonstrated by the successful community health worker programs.
- **Apply an excise tax on sweetened beverages.** Soda and sweetened beverage consumption is a significant contributor to the obesity epidemic. Taxing these drinks will help fund health care reform efforts while reducing consumption of countless empty calories by our children.

Requiring Individuals to Purchase Insurance

An individual mandate is often proposed as an option to achieving universal coverage. However, requiring individuals to buy health coverage will not necessarily increase access to health care. For example, if insurance is not affordable, consumers will be forced to choose between paying for basic necessities like food and housing *or* purchasing health insurance they cannot afford. Moreover, California's current insurance market is saturated with cheap, high-deductible plans that offer little access to prevention and primary care. In the current market, without meaningful oversight and regulation of the insurance market, low-income individuals may end up buying cheap but inadequate coverage leaving families with a false sense of security. Finally, an individual mandate, in any form, could have a particular detrimental impact on immigrant communities who may lack affordable insurance options and be confused by the new requirement.

Recommendations:

- **Guarantee affordable, comprehensive health coverage.** Meaningful health care reform must include adequate subsidies for individuals and families making less than 500% FPL. There should also be a limit on all out-of-pocket costs and defined minimum benefit packages to ensure that everyone can afford to purchase health coverage that provides comprehensive care.
- **Include insurance market reforms.** All health insurance products must meet basic requirements for comprehensive coverage and must not discriminate based on pre-existing condition or need.

Conclusion

Our nation's future prosperity depends on the outcome of the current health care reform debate. We must seize this historic opportunity to create a health care system that works for everyone. Addressing issues of coverage is just part of the equation. We must also ensure that health coverage results in care that serves everyone and includes everyone, taking into account their cultural and linguistic backgrounds and prioritizing the elimination of health disparities. Accepting the status quo cannot be an option. The time for national health care reform has come, let us now ensure that it is inclusive of and meets the needs of all our nation's diverse communities.

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The Having Our Say Coalition

Having Our Say is a statewide coalition working to ensure that health care reform efforts address the needs of communities of color and that solutions provide equal access to coverage and services for all Californians. For more information about the coalition, please go to **www.cpehn.org**.

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