Focus on Equity: Communities of Color in a Post-ACA California

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CPEHN: Together We’re Stronger
Eliminating Health Disparities

IMPORTANT: You can get help from an interpreter or ask for information by calling 1-800-927-4357. (Spanish)

重要提示：您與您的醫生或保險公司交流資料，請先致電您的保險公司，電話號碼如需更多協助，請致電保險部熱線 1-800...
Overview

- Access to Health Coverage
  - Remaining Uninsured
- Delivery System Reforms
  - Why Equity Matters: The Quadruple Aim
  - Quality Improvement Initiatives
- Mental Health Parity & Integration
- CPEHN Policy solutions
Access to Health Coverage
Pre-ACA: 6.5 million Californians without health insurance in 2013…

A majority of communities of color make up 77% of the uninsured in California.
Communities of color have the most to gain from the ACA (67%)…

CPEHN, Medi-Cal Expansion: What’s at Stake for Communities of Color, 2013
Who Enrolled in Medi-Cal 2014-15?

- 2.7 million enrolled in 2014
- 780,000 enrolled in 2015 to date

- Medi-Cal enrollment grew from 7.6 mill to 11.3 mill between 2012-14 (~1/3 of CA’s pop.)
- Enrollment of communities of color held steady
- Better data needed to know how many are new enrollees versus renewals
Who Enrolled in Covered CA 2014-15?

- In Covered California
  - 1.4 million enrolled in 2014
  - 500,000 enrolled in 2015

- Latinos were 37% of enrolled in 2015 up from 31% in OE1
- African-Americans were 4% of enrolled in 2015 up from 3% in OE1
- APIs were 18% enrolled in 2015 down from 23% in OE1
Without Health4All disparities in access to care will persist!

Communities of color will make up 87% of the uninsured, 2019

Source: Laurel Lucia, Miranda Dietz, Ken Jacobs, Xiao Chen, and Gerald F. Kominski: Which Californians will Lack Health Insurance under the Affordable Care Act? January 2015
Remaining Uninsured in 2019
Uninsured Californians under age 65
Total: 3,380,000

Assumes lower take-up rates

- Eligible for Subsidies in Covered CA (14%)
- Eligible for Medi-Cal (28%)
- Non-subsidy Eligible Citizens and Legal Immigrants (14%)
- Not Eligible due to Immigration Status (44%)

Source: Laurel Lucia, Miranda Dietz, Ken Jacobs, Xiao Chen, and Gerald F. Kominski: Which Californians will Lack Health Insurance under the Affordable Care Act? January 2015
Who are the Remaining Uninsured?

- ~2 million:
  - Citizens or legal residents
    - Limited English Proficient (50%)
    - Latino (74%)
    - Residents of LA County (33%)
    - Lack of Affordable Coverage (14%)

- ~1.5 million undocumented immigrants:
  - Currently 20% of the uninsured, up to 50% by 2019

Source: Laurel Lucia, Miranda Dietz, Ken Jacobs, Xiao Chen, and Gerald F. Kominski: Which Californians will Lack Health Insurance under the Affordable Care Act? January 2015
Delivery System Reforms: Why Equity Matters
Per Capita Total Current Health Care Expenditures, U.S. and Selected Countries, 2009

<table>
<thead>
<tr>
<th>Country</th>
<th>Expenditure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austria</td>
<td>$4,045</td>
</tr>
<tr>
<td>Belgium</td>
<td>$3,946</td>
</tr>
<tr>
<td>Canada</td>
<td>$4,139</td>
</tr>
<tr>
<td>Denmark</td>
<td>$4,185</td>
</tr>
<tr>
<td>Finland</td>
<td>$3,053</td>
</tr>
<tr>
<td>France</td>
<td>$3,872</td>
</tr>
<tr>
<td>Germany</td>
<td>$4,072</td>
</tr>
<tr>
<td>Iceland</td>
<td>$3,538</td>
</tr>
<tr>
<td>Ireland</td>
<td>$3,609</td>
</tr>
<tr>
<td>Italy</td>
<td>$3,020</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>$4,808</td>
</tr>
<tr>
<td>Netherlands*</td>
<td>$4,585</td>
</tr>
<tr>
<td>New Zealand</td>
<td>$2,983</td>
</tr>
<tr>
<td>Norway*</td>
<td>$5,128</td>
</tr>
<tr>
<td>Spain</td>
<td>$2,982</td>
</tr>
<tr>
<td>Sweden</td>
<td>$3,562</td>
</tr>
<tr>
<td>Switzerland</td>
<td>$5,144</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>$3,111</td>
</tr>
<tr>
<td>United States</td>
<td>$7,598</td>
</tr>
</tbody>
</table>

^OECD estimate.
*Break in series.

Notes: Amounts in U.S.$ Purchasing Power Parity, see http://www.oecd.org/ std/ppp; includes only countries over $2,500. OECD defines Total Current Expenditures on Health as the sum of expenditures on personal health care, preventive and public health services, and health administration and health insurance; it excludes investment.

Distribution of National Health Expenditures, by Type of Service (in Billions), 2010

- Hospital Care, $814.0 (31.4%)
- Other Health Spending, $407.6 (15.7%)
- Physician/Clinical Services, $515.5 (19.9%)
- Other Personal Health Care, $384.2 (14.8%)
- Prescription Drugs, $259.1 (10.0%)
- Nursing Care Facilities & Continuing Care Retirement Communities, $143.1 (5.5%)
- Home Health Care, $70.2 (2.7%)

NHE Total Expenditures: $2,593.6 billion

Note: Other Personal Health Care includes, for example, dental and other professional health services, durable medical equipment, etc. Other Health Spending includes, for example, administration and net cost of private health insurance, public health activity, research, and structures and equipment, etc.

<table>
<thead>
<tr>
<th>Health Care Quality and Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>➢ Health care mainly paid as fees-for-services</td>
</tr>
<tr>
<td>➢ More visits &amp; admissions = more fees</td>
</tr>
<tr>
<td>➢ Payment is for volume, not quality outcomes or “value”</td>
</tr>
<tr>
<td>➢ “Perverse incentives” against improved quality and reduced costs</td>
</tr>
<tr>
<td>➢ Fragmentation, duplication, and waste</td>
</tr>
</tbody>
</table>
Why Health Equity Matters...

- Income is a better predictor of poor health than health coverage

- Nationally and in California, institutional racism in the form of...
  - Housing segregation
  - Employment discrimination
  - Unequal wages and other discriminatory practices

...has created persistent inequalities that lead to poorer health outcomes and limit opportunities for communities of color in our state.
Communities of Color

Communities of Color represented 58% of California’s population in 2009. Communities of Color include all non-white population.

Nevada County had the fewest non-white residents in relation to total population (10%), while Imperial County had the most (86%).

Life Expectancy

In California, life expectancy can vary dramatically. White men (76.9 years) live about seven years longer than African American men (70.2 years).

Life Expectancy at Birth

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Men</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>76.9</td>
<td>81.7</td>
</tr>
<tr>
<td>Latino</td>
<td>80.3</td>
<td>85.8</td>
</tr>
<tr>
<td>African American</td>
<td>70.2</td>
<td>76.4</td>
</tr>
<tr>
<td>Native Hawaiian/Pacific Islander</td>
<td>83.3</td>
<td>88.6</td>
</tr>
<tr>
<td>American Indian/Alaska Native</td>
<td>75</td>
<td>79.9</td>
</tr>
</tbody>
</table>


California Population by Race/Ethnicity

- **0.2%** Other
- **0.4%** American Indian/Alaska Native
- **2.6%** Two or More Races
- **37.6%** Latino
- **40.1%** White
- **5.8%** African American
- **12.8%** Asian
- **0.3%** Native Hawaiian/Pacific Islander

SOURCE: 2010 Census
Why Health Equity Matters

- Health disparities are costly
  - 30% of direct medical costs for Blacks, Hispanics, and Asian Americans are excess costs due to health inequities
  - The U.S. economy loses an estimated $309 billion per year due to the direct and indirect costs of disparities

- The ACA provides various incentives for health care delivery systems to reduce costs and improve quality

What is the Quadruple Aim?

POPULATION

QUALITY

HEALTH

“EQUITY”

COST
Why Health Equity Matters

• Health care quality and access are suboptimal, especially for minority and low-income groups

• Communities of color will be the majority of the population by 2050

• Quality is improving; access and disparities are not improving

• Urgent attention is warranted to ensure continued improvements in quality and progress on reducing disparities
Improving Health Care Quality and Efficiency Under the ACA

The ACA invests in:

- **Prevention:**
  - Free Preventive Care
  - $15 billion Prevention and Public Health Fund
  - Free/low-cost preventive health coverage in Medicaid

- **Quality Care:**
  - Adoption of Electronic Health Records
  - Identifying and Fighting Health Disparities in federally funded programs
Improving Health Care Quality and Efficiency Under the ACA

The ACA Invests in:

- Delivery System/Finance Reform:
  - Center for Medicare & Medicaid Innovation established to begin testing new ways of delivering care to patients in Medicare, Medicaid, and CHIP
  - Hospital Value-Based Purchasing program (VBP) – P4P
  - Establishment of “Accountable Care Organizations”
  - Bundled Payments in Medicare
  - Paying Physicians Based on Value Not Volume
  - Community Care Transitions Program
  - Independent Payment Advisory Board
Mental Health Parity & Integration
Mental Health Parity & Integration

- In California over 2 million adults (8%) of the adult population have mental health needs, however the majority reported receiving inadequate treatment or no treatment.
- Over 70% of youth with mental health needs do not have access to services, even if they have health insurance.
- Several factors impact disparities in accessing mental health services including:
  - Age, gender, educational attainment, insurance status, race and ethnicity, sexual orientation, nativity, disability status and English proficiency.
Mental Health Parity & Integration

- The ACA added mental health and substance use coverage to coverage in individual and small group markets and extended parity law so benefits are supposed to be comparable to coverage for medical and surgical care.

- In 2014, mental health and substance use benefits were added as part of Medi-Cal.

- **Challenge:** Behavioral health care delivery in Medi-Cal is fragmented.
  - Medi-Cal managed care plans responsible for providing psychological services for mild-to-moderate depression, anxiety etc.
  - County mental health plans will continue provide psychological services for severe mental health issues.
  - Drug and alcohol treatment services divided between county-administered Drug Medi-Cal program and fee-for-service Medi-Cal.

Source: “Medi-Cal Managed Care: Raising the Bar for Quality and Outcomes,” by Carolina Coleman & John Connolly, Insure the Uninsured Project, January 2015
Policy Solutions
CPEHN Policy Priorities

- Maximize enrollment into health coverage programs for communities of color
- Expand health care for all
- Ensure delivery system reforms and payment incentive programs target the reduction of health disparities and promote health equity
- Collect, analyze and report health care quality measures by race, ethnicity, primary language, sexual orientation, gender identity and other factors
- Ensure equitable implementation of the new mental health benefit
- Integrate behavioral health and primary care to ensure greater access to culturally and linguistically appropriate services
- Translate consumer information and notices
- Ensure timely access to health care services for consumers in their native language
- Improve the social and environmental factors that impact health
- Work to ensure a diverse workforce that reflects the community
CPEHN Legislative Priorities

- **Expanding Access to Care**
  - SB 4 (Lara) Health4All

- **Strengthening Quality of Care**
  - AB 389 (Chau) Hospital Language Assistance Act
  - SB 137 (Hernandez) Up-to-date Provider Directories
  - SB 388 (Mitchell) Translated Summary of Benefits and Coverage
  - AB 1073 (Ting) Translated Prescription drug labels

- **Promoting Prevention**
  - SB 203/AB 1357 (Bloom) Soda Warning Labels/Soda Tax
Contact us at CPEHN

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- www.cpehn.org