



California Pan-Ethnic Health Network

Health Care Reform: Opportunities for California

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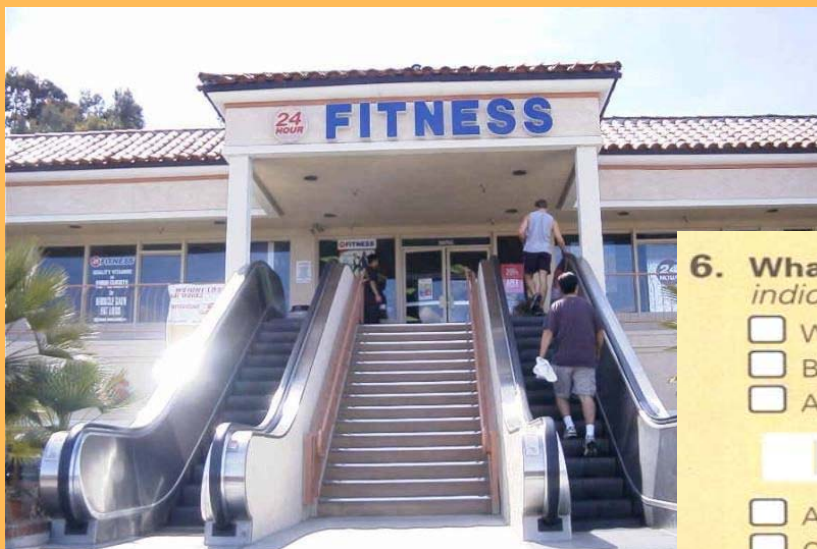
CPEHN: Together We're Stronger



Eliminating Health Disparities

IMPORTANTE: Puede obtener la ayuda de un intérprete o ayuda de un intérprete o preguntar acerca de información XXXX-XXXX-XXXX. Alguien que habla español puede llamar al 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，電話號碼如左。如需更多協助，請致電保險部熱線 1-800-927-4357。



6. What is this person's race? Mark one or more races to indicate what this person considers himself/herself to be.

- White
- Black, African Am., or Negro
- American Indian or Alaska Native — Print name of enrolled or principal tribe. ➤

- | | | |
|--|---|--|
| <input type="checkbox"/> Asian Indian | <input type="checkbox"/> Japanese | <input type="checkbox"/> Native Hawaiian |
| <input type="checkbox"/> Chinese | <input type="checkbox"/> Korean | <input type="checkbox"/> Guamanian or Chamorro |
| <input type="checkbox"/> Filipino | <input type="checkbox"/> Vietnamese | <input type="checkbox"/> Samoan |
| <input type="checkbox"/> Other Asian — Print race. ➤ | <input type="checkbox"/> Other Pacific Islander — Print race. ➤ | |

Who Benefits from the ACA?

National/State Benefits:

Nationally...

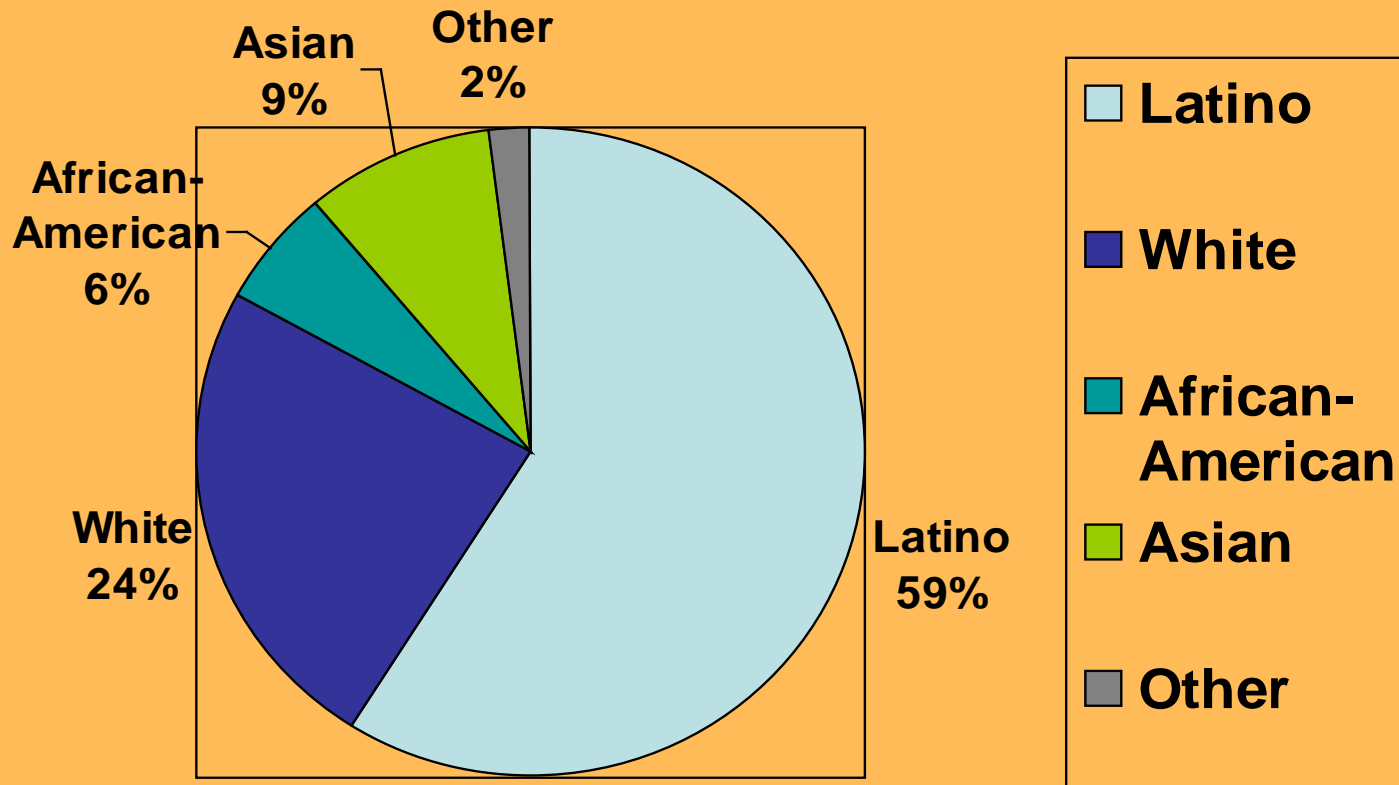
- 32 million people will gain access to health coverage by 2019 (Congressional Budget Office)

In California...

- The law will ensure affordable coverage options for an estimated **4.7 million** Californians who are uninsured either through Medi-Cal or the Health Benefit Exchange

California's Uninsured

- Nearly three-quarters (74%) of California's uninsured are from communities of color



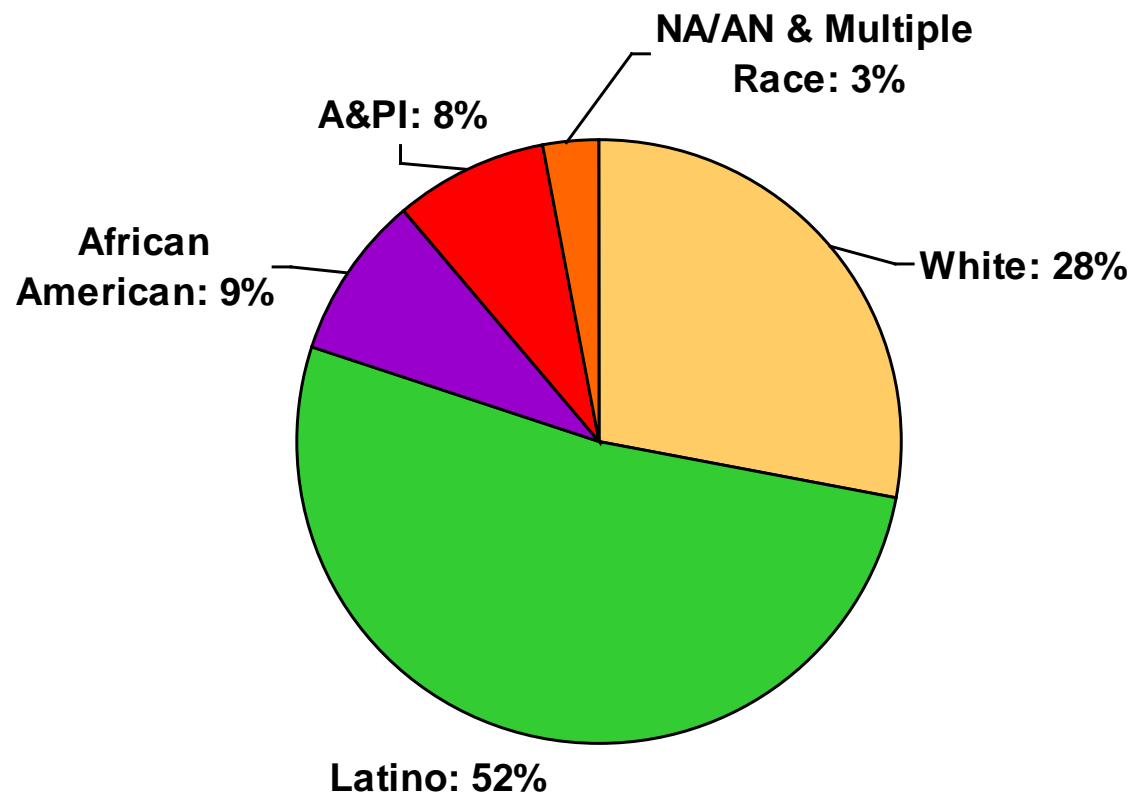
Major Provisions of the ACA

Expands Access

- Increases Medicaid eligibility to 133% FPL (\$14,400/\$29,327) and allows states to cover parents and childless adults
- Requires primary care provider payments be at least 100% of Medicare in 2013 and 2014
- Provides \$11 billion in additional funds for community clinics
- Protects state health programs
- Permanently reauthorizes the Indian Health Care Improvement Act

Medi-Cal Expansion

- Of the 4.1 million nonelderly adults, 72% (~3 million) will be people of color (2013)



Medi-Cal Expansion

- Of the 4.1 million nonelderly adults, 36% (~1.5 million) will speak English less than very well (2019)

Spanish	Chinese	Vietnamese	Korean	Other Asian Languages	Other non-Asian Languages
1,291,008	94,464	47,232	31,488	15,744	94,464

Promotes Health Equity and Prevention

- Establishes Offices of Minority Health (OMH) in federal agencies
- Standardizes data collection for race, ethnicity and primary language
- Establishes the prevention and Public Health Trust Fund
- Requires Medicare & private insurers to provide free preventive services
- Increases funding for school-based health centers
- Requires nutrition labeling for large restaurant chains

Makes small reforms in the Employer-sponsored coverage

- **Large employers: 50 FTE or more**
 - Must provide health insurance or pay a fine (2014)
 - \$2,000 for every FTE beyond first 30
 - \$3,000 if coverage offered but not affordable (ie. employee eligible for tax credit subsidies in the Exchange)
 - No penalty for part-time workers (30 hours or less)
- **Small employers: fewer than 50 FTE**
 - 50 FTE or less = exempt from mandate
 - 25 FTE or less, average wage less than \$50,000 eligible for tax credits to encourage them to offer coverage (2010)
 - 35% tax credit 2010-2013
 - 50% tax credit 2014 if purchase in the Exchange
 - Non-profits also qualify, 25% (2010-2013) and 35% (2014)

Reforms the private insurance market

- Prohibition on lifetime limits (2010), annual limits (2014)
- No Rescissions (2010)
- Children up to age 26 allowed to be on parent's plan (2010)
- Free preventive services (2011-12)
- Required to report and reimburse Medical/Loss Ratio (2012)
- Must provide standardized summary of benefits and coverage (2012)
- Guaranteed issue (2014)
- Prohibition on pre-existing condition exclusions, children (2010), others (2014)
- Sets up the state and/or federal Health Benefit Exchanges

What is the Health Benefit Exchange?

- Organized marketplace for individuals and small businesses to purchase insurance, large business can be added in 2017
- Must be established by 2014
- Tax credits for those between 133%-400% FPL unless affordable employer coverage offered (less than 9.5% of income)

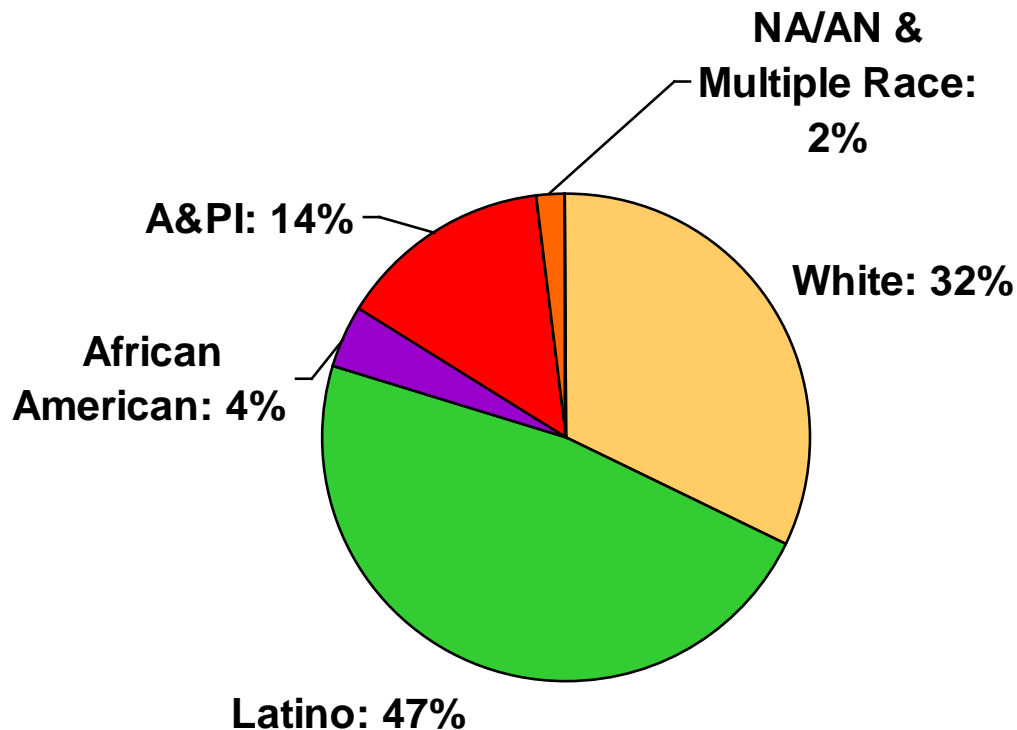
California first in the nation!!

Who's Eligible?

- 2.6 million uninsured Californians, newly eligible for coverage and tax credits.
- Citizens and legal permanent residents (LPRs), including those below 133% FPL if not eligible for Medicaid. Undocumented immigrants are excluded.
- Limited exemptions for financial, religious reasons, and undocumented immigrants.

Health Benefit Exchange

- Of the 2.6 million eligible for tax credits, 67% (~1.73 million) will be people of color (2013)



Health Benefit Exchange

- Of the 2.6 million eligible for tax credits, 40% (~1.06 million) will speak English less than very well (2019)

Spanish	Chinese	Vietnamese	Korean	Other Asian Languages	Other non-Asian Languages
355,000	31,000	13,000	9,000	4,000	31,000

Without multilingual enrollment efforts, language barriers may result in a difference of 110,000 fewer LEP individuals enrolled...

What kind of health coverage will be available?

- Must include at least the following services (DHHS to decide “essential health benefits” in 2012):
 - Ambulatory patient services
 - Emergency
 - Hospitalization
 - Maternity and newborn
 - Mental health & substance use disorder
 - Prescription drugs
 - Rehabilitative and habilitative
 - Laboratory
 - Preventive and wellness and chronic disease management
 - Pediatric services including oral and vision

Scope of Benefits

- Must offer 5 different tiers
 - Bronze benefits = 60% actuarial value
 - **Silver benefits = 70% actuarial value**
 - Gold benefits = 80% actuarial value
 - Platinum: benefits = 90% actuarial value
 - Catastrophic coverage offered for those 30 years or younger &/or those exempt from mandate
- Tax credit subsidy is based on taxpayer's monthly household income compared to monthly premium for Silver plan
- Limits on Out-of-Pocket Costs:
 - Individuals: \$5,950
 - Families: \$11,900

Tax Credit Subsidies - Individuals

- Tax credits for those between 133%-400% FPL without employer coverage
 - 100-133% FPL: 2% of income
 - 133-150% FPL: 3 – 4% of income
 - 150-200% FPL: 4 – 6.3% of income
 - 200-250% FPL: 6.3 – 8.05% of income
 - 250-300% FPL: 8.05 – 9.5% of income
 - 300-400% FPL: 9.5% of income

Supreme Court Decision

SCOTUS decision

- Upholds the individual mandate but clarifies that it is a tax (not a fee)
- Upholds the Medicaid expansion but...
- Allows individual states to opt out of the Medicaid expansion without risk of losing their current Medicaid funding

Hypotheticals

**State Implementation
Efforts Already Underway!**

California's Health Benefit Exchange

California establishes 1st Health Benefit Exchange

- **Includes Cultural and linguistic requirements & Board diversity**

AB 1602 (Perez): “The Board shall “ensure that the Exchange provides interpretation services in any language...[and] written information made available by the Exchange is made available in prevalent languages.”

SB 900 (Alquist/Steinberg): “The composition of the five-member board “shall reflect the cultural, ethnic and geographical diversity of the state.

First Health Exchange Board meeting April 2011!

Health Exchange Board Mission Approved

- Increase the number of insured Californians.
- Improve health care quality, lower costs.
- Reduce health disparities and promote prevention and wellness through an innovative, competitive marketplace that empowers consumers to choose the health plan and providers that give them the best value.

State Legislation Signed Into Law

- Eligibility and Enrollment:
 - AB 1296 (Bonilla)
 - Simplifies enrollment form
 - Translates enrollment forms into Medi-Cal Managed Care threshold languages
 - Enacts a stakeholder process to decide how race, ethnicity and language data will be collected
- Consumer Assistance:
 - AB 922 (Monning)
 - Creates a new office of consumer assistance
 - Guarantees culturally and linguistically appropriate assistance
 - Requires the state to contract with non-profits to provide assistance

Low Income Health Program

- Optional, county-level health care program for low income adults not eligible for Medicaid or SCHIP.
- 47 counties are participating; 7 applications are currently pending; 2 counties withdrew.
- As of Feb. 2012, 337,000 adults were enrolled in a LIHP program.
 - 53% are women; 66% are over 45 yrs; 84% below 133 FPL.
 - 18%: APIs; 12%: Black; 32%: Latino; 22%: white.
- Transition to other health options starting October 2013

Recent and Pending Implementation Activities

Health Benefit Exchange

- Board of Directors/monthly meetings
- Stakeholder workgroup
- Small group meetings
- Solicit additional input
- Exchange email distribution list
- www.healthexchange.ca.gov

Hot Topics in the Exchange:

- Eligibility and Enrollment
- Outreach, Marketing and Consumer Assistance
- Qualified Health Plans
- SHOP Exchange – for small businesses

Upcoming meetings:

- Aug. 23, Sept. 18, Oct. 16

Current Pending Legislation 2012

- Implementing the Medi-Cal Expansion
 - AB 43 (Monning): Ensures California is ready to enroll newly eligible individuals into Medi-Cal in 2014
- Integrating Applications for Health & Social Services
 - SB 970 (DeLeon): Streamlines applications for individuals interested in public programs, facilitating the "no wrong door" approach
- Protecting the Integrity of the Health Benefit Exchange
 - AB 1761 (Perez): Prohibits the offering of services on behalf of the Exchange by any individual or organization that does not have a valid agreement with the Exchange.
- Pre-enrollment in State Exchanges:
 - AB 714 (Bonilla): Pre-enrolls those who have an existing linkage with a limited public benefits program such as Family PACT and AIM, those aging off of coverage, etc.

What you can do:

Role of Health Educators

- Get Californians ready for coverage in 2014
 - Culture of coverage – “No Wrong Door”
 - Health literacy – ACA, APTC, MAGI/non-MAGI, Mandate, Exchange
- Conduct outreach and education
 - Partner with the Exchange, DHCS and MRMIB to ensure culturally and linguistically appropriate outreach and education
- Connect the newly eligible with other services
- Help to resolve complaints and dispel misinformation



CPEHN

California Pan-Ethnic Health Network

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