The ACA and Its Impact on Hispanics & Immigrants in IN

Immigrant Welcome Center
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The Law is BIG
The Law is Complex

Government Regulation of Health Plans in House Healthcare Reform Bill

Prepared by Leading Edge Policy & Strategy, LLC on behalf of the U.S. Chamber of Commerce
Health Reform: A Tug-'O-War Among Multiple Views & Interests
Result?
A Compromise Product
The ACA’s Major Goals

• Expand **access** to coverage (to ~32 M)
• Emphasize **prevention** and **wellness**
• Bend the **cost** curve
• Improve **quality** (do the right thing at the right time and do it right)
Key Coverage Provisions

• Maintains an employer-based system and private market

• Requires most people to have insurance ("individual mandate")

• Requires health insurance exchanges ("the Marketplace")

• Permits Medicaid expansion to provide coverage to low-income residents

• Enacts health insurance reforms
Individual Responsibility (Mandate)

Most people must have health insurance, beginning in 2014.

Penalty for those who do not have coverage--greater of:
- A flat fee of $95 in 2014;
- $325 in 2015; and
- $695 in 2016

OR the following percent of taxable income: 1% in 2014; 2% in 2015; 2.5% in 2016 and beyond.

Exceptions: Financial hardship (if the cost exceeds 8% of income), religious objections, American Indians, undocumented immigrants, low-income people in states that don’t expand Medicaid.
Insurance Reforms
(Consumer Protections)

"Cover Everybody"

Prohibits:
- Preexisting condition exclusions
- Dropping people from coverage ("rescinding" coverage)
- Discrimination based on health status
- Annual and lifetime caps on coverage costs

Requires:
- Guaranteed issue/guaranteed renewal
- Premium rating rules
- Non-discrimination in benefits
- Mental health and substance abuse services parity
The ACA is Already at Work in Indiana
More Coverage; Better & More Affordable Coverage

> 62,000 young adults gained coverage by staying on their parents’ plan

>85,000 Hoosiers saved over $60 M in prescription drug costs in 2012 alone (savings of $702/beneficiary)

> 1.5 M Hoosiers with private insurance gained coverage for preventive care with no cost-share

> 2.2 M Hoosiers no longer have to worry about lifetime caps on coverage; annual caps are fully barred in 2014

> 17,000 Hoosiers saved over $3.8 M in 2012 alone due to insurance rate increase requests that were denied in whole or in part (savings of $223/beneficiary)
Four Main Ways ACA Will Impact Consumers

Half will get insurance through job

One-third will get coverage through government programs (Medicare; Medicaid)

One in ten will buy private insurance on their own

But – roughly 300,000 low-income Hoosiers may have no coverage opportunities at all because Indiana is not expanding Medicaid (at least for now)
Coverage in the Workplace

ACA will require larger companies (50+) to cover full-time workers or pay a penalty (starting in 2015)

No penalty for smaller employers (<50), but Small Business Health Insurance Options (SHOP) Exchange will encourage coverage

- Tax break up to 50% of premiums (<25)
- Insurers can no longer inflate rates if some employees are sick
Coverage Through Government Programs

Not much will change for seniors on Medicare
- ACA helping to close donut hole, lowering Rx drug costs
- ACA now providing free preventive care

Due to 2012 Supreme Court ruling, Indiana is not expanding Medicaid
- Denies coverage to 350,000 Hoosiers age 19-64 with incomes ≤ 133% FPL ($15,281 - single adult; $31,321 - family of four)
- IN is one of 21 states not likely to expand

Healthy Indiana Plan (HIP) as a vehicle to expand coverage:
- Recent extension through 2014 does not address expansion
- Eligibility lowered to 100% FPL for enrollees
- Annual/lifetime caps; 12 month lock-out; not all EHB benefits
- Over 50,000 currently on HIP waiting list
## Federal Poverty Guidelines (2013)

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ACA Promotional Materials for the Hispanic Community

- Hispanic Americans represent one-third of the nation’s uninsured and often have higher rates serious disease
- Hispanic women are almost twice as likely to die from cervical cancer as non-Hispanic white women
- Hispanic Americans are twice as likely to have diabetes than non-Hispanic whites of similar age
- Hispanics tend to use prenatal and preventive services at lower rates than non-Hispanic whites

Coverage for Hispanics Under the ACA

Can’t be denied coverage due to a pre-existing condition
- 17.9% of Hispanics in Indiana will gain access to coverage

But, many will still be without affordable options
- Over half (57%) of Indiana’s non-elderly, uninsured Hispanics have incomes below the new Medicaid limit (138% FPL)  
  Source – KFF
- Most of these individuals will be denied coverage without Medicaid expansion (no deadline for IN to decide, but FFP decreases)

Others are eligible for tax subsidies in the Marketplace
- This applies to over one-third (38%) of Indiana’s uninsured, non-elderly Hispanic population
- Naturalized citizens will have the same access and requirements for affordable coverage as U.S.-born citizens
What About Non-Citizen Hispanics?

Non-citizen Hispanics will continue to face eligibility restrictions for health coverage under the ACA

- Nearly half (46%) of uninsured Hispanics are non-citizens – this includes lawfully-present and undocumented immigrants
- Roughly 4% have lived in the U.S. for < 5 years

Lawfully present immigrants in Indiana are currently subject to eligibility restrictions for Medicaid and CHIP, including five-year waiting period

- Exception - refugees, asylees, Cuban/Haitian entrants, victims of trafficking

Undocumented immigrants, including children and pregnant women, are only eligible for emergency Medicaid

These restrictions remain in place under the ACA
Non-Citizens and the Health Insurance Marketplace

Lawfully present immigrants will be able to purchase coverage and receive tax credits and lower co-pays, if eligible

- No waiting period for enrolling in Marketplace or for APTCs
- Subject to the individual mandate and related tax penalty (unless exempt)

Only family members in mixed status families who are U.S. citizens may be eligible for health coverage through the Marketplace

- Undocumented members are not eligible
Undocumented Immigrants and the Health Insurance Marketplace

- Ineligible for Medicaid today and will be ineligible for Medicaid and premium tax credits (in the Marketplace) under the ACA

- Prohibited from purchasing coverage in the Marketplace, even at full cost

- However, they will not be penalized or required to purchase health insurance

- The ACA does not prohibit undocumented immigrants from purchasing private health insurance outside the Marketplace

- They may still seek medical services at community health centers or safety-net hospitals
Individual Coverage: Health Insurance Marketplace

Major principles include:

- Competition for your business
- Apples to apples comparisons
- Can’t deny due to pre-ex; can’t charge women more; 3 to 1 limit on costs – old to young
- Prices that fit your budget – Bronze, Silver, Gold, Platinum
- Advance premium tax credits for those with incomes between 100% & 400% FPL ($11,490 to $45,960 for individual; $23,550 to $94,200 for family of four)
- EHBs – hospital and doctor visits; mental health/substance abuse; maternity/newborn care; Rx drugs
## Est. Monthly Premiums: Indianapolis
Single Person with Income at 250% Poverty Level ($28,725)

| AGE | 2nd Lowest Silver plan (70% coverage) | | Lowest Bronze Plan (60% coverage) | |
|-----|--|---|---|---|---|---|
|     | Est. Price | With Subsidy | Est. Price | With Subsidy |
| 25  | $232        | $193        | $196        | $157        |
| 40  | $295        | $193        | $250        | $148        |
| 60  | $626        | $193        | $531        | $ 97        |

Help Finding Coverage: Federal Navigators

Federal Navigators are trained and certified to provide:

- Consumer education, outreach and enrollment activities
- Services that address the needs of underserved and vulnerable populations
- Culturally and linguistically appropriate standards (CLAS)
- Disability access in compliance with federal and state standards

Indiana received $2.04 M to fund four Navigator organizations

- Information on how to get help will be posted on website

Enrollment website, with resources, videos, checklists is active

- Toll free, 24 hour, 7 day a week hotline: 1-800-318-2596
- Live web chat in English & Spanish; Language line to assist in over 150 languages
Help Finding Coverage: CACs; Indiana Navigators

Certified Application Counselors (CACs) are another federal source of in-person assistance, trained and certified to provide:

- Education and enrollment services; not required to provide outreach/referral
- Culturally appropriate services

HEA 1328 – requires anyone who provides enrollment services to individuals seeking public or private insurance to be trained and certified as:

- Indiana Navigators – for those providing direct assistance
- Application Organizations – organizations that employ them

Main Point: Help for you and your family in finding the right insurance products that fit your budget
Medicaid Expansion
The Economic Benefits of Medicaid Expansion


- Federal spending would generate up to $3.4 B in new economic activity from 2014-2020, which could finance over 30,000 jobs
- Spending will generate $108 M/yr. in state and local tax revenue
- Savings in annual health insurance premiums - $236/individual; $677/family

Implications if Indiana Chooses Not to Expand Coverage:

- Over 300,000 Hoosiers under 100% FPL will remain uninsured
- Roughly 36,500 more could lose HIP coverage after 2014
- Some employers could pay hundreds of thousands of dollars in additional taxes
- Some safety net hospitals in urban and rural counties will reduce services or close
- Our federal tax dollars will support expansion in other states
Resources

Covering Kids and Families of Indiana ACA Hub
www.ckfindiana.org/ACA

Indiana Department of Insurance – Indiana Navigators site
http://www.in.gov/idoi/

HealthCare.gov – official consumer site for Marketplace coverage (Toll-free: 1-800-318-2596)
www.cuidadodesalud.gov; www.healthcare.gov

CMS Health Insurance Marketplace – official professional site for Marketplace coverage

National Immigration Law Center – defending and advancing the rights of low-income immigrants and their families
http://nilc.org/

Kaiser Family Foundation’s Subsidy Calculator – to determine costs and eligibility for subsidies
www.kff.org/interactive/subsidy-calculator/

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Open Enrollment Begins October 1, 2013 (10/1/13 to 3/31/14)

Questions?

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