



# Health Care Reform Legislative Priorities: Addressing Latino Health Insurance Disparities

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Health is everybody's business, but not everyone understands the complexity of our health care system or its relationship to inequalities and disparities. Reform in Texas must speak to and work towards: a) **Affordability** given Texas diverse population's socio-economic conditions and their elasticity to afford health insurance, b) **Health Disparities and Inequalities** troubling low-income and communities of color in Texas, and c) **Accessibility** of health care that includes strengthening and improving social safety nets, expanding the number of health professionals of color and reinvesting in health care resources and infrastructure.

## A. Changing Demographics of Texas

Of the 23 million Texans, one in three is Latino (36.5%). It is projected that the Latino growth will continue increasing as much as 85% by 2040 to become the largest racial/ethnic population.

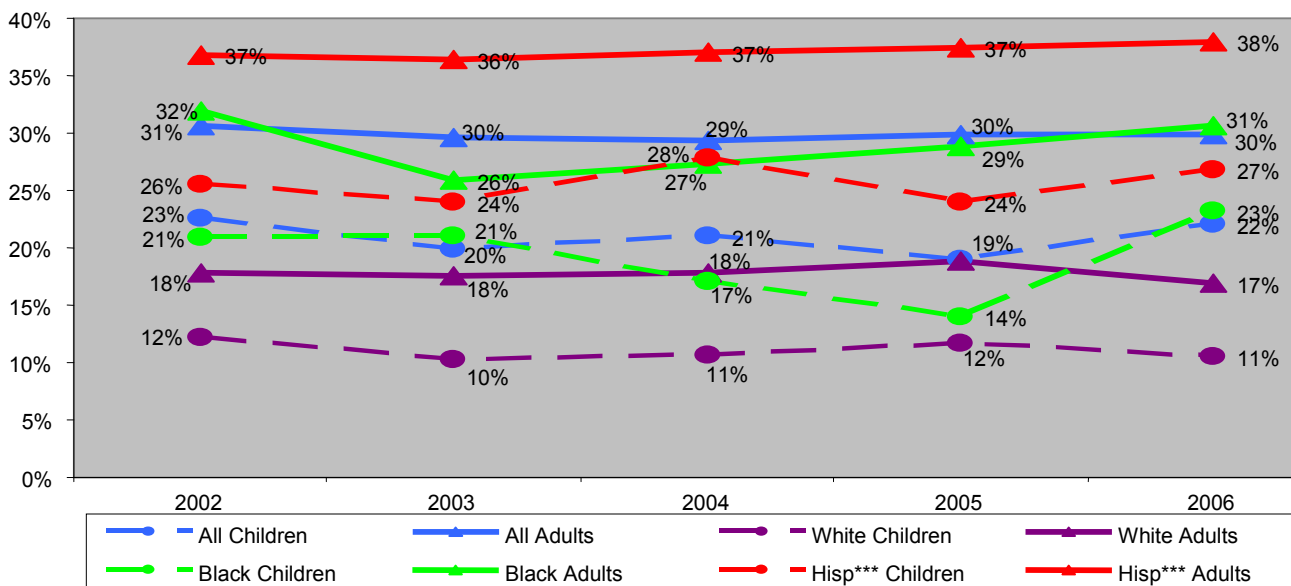
- **Age**– A young and growing population - median age 26.6 and the under 18 population comprise 45% of all children.
- **Education**- Latinos are more likely to have less than a high school diploma (45%) compared to Blacks (16.7%) and Whites (19%).
- **Household Income**- One of four Latino households make less than the state's household median income. The median household income of Texas Latinos has declined since 2004.
- **Labor**- Latino labor force participation is 67% compared to Whites (66 %) and Blacks (69%) in Texas. Latino's are heavily employed in low-wage jobs and in small businesses.
- **Poverty**- One-third of the Texas population that lives in poverty is Latino. For a family of 4 who make the Federal Poverty Level's annual income (\$20,000), it is estimated they are earning 46% less than a living wage. Latinas who are head of household with children under 18 in Texas have a one in two chance of living in poverty.
- **Immigration**-Latino citizenship 70%, while 6% and 24% are identified as naturalized and not-a-citizen respectively.

## B. Texas's Health Insurance Disparities

### The Uninsured

Hispanics represent 59% of the State's total uninsured population. Their uninsured rate is 34% and remains twice that of White Non-Hispanic after adjusting for Non-Citizen, i.e. 29% versus 15%. Hispanics and Blacks are experiencing increases in the number of uninsured – children have jumped to 27% and 23% respectively in 2006 compared to a decline to 11% for White Non-Hispanics. Higher percentages of uninsured are shown among adults – 38% Hispanic, 31% Blacks, and 17% White Non-Hispanic.

Texas Uninsured Adults\* and Children\*\* by Race/Ethnicity; 2002-2006



Source: U.S. Census Bureau Current Population Survey; 2003-2007

\*Adults are individuals 19-64 \*\*Children are individuals 0-18 \*\*\*Hispanic includes only native and naturalized citizens

## Latino Health Insurance Disparities

The health insurance disparities for Hispanics and Blacks are particularly disturbing in that they persist when compared to the same level of education as Whites (Table 1) or whether the groups are similarly employed or unemployed.

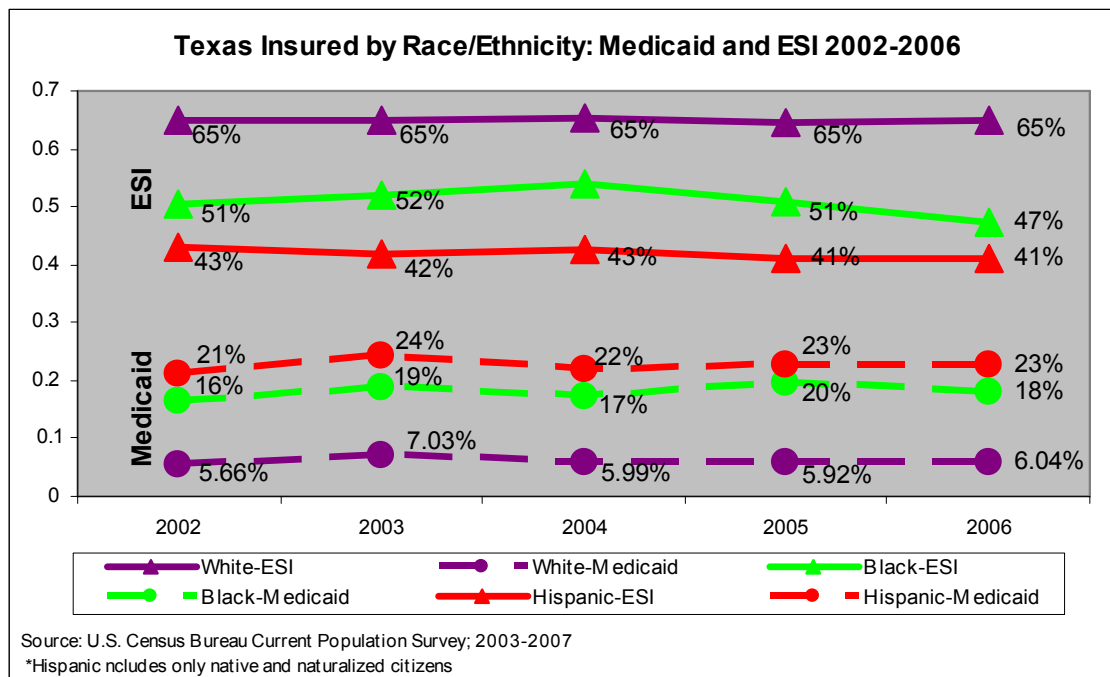
**Texas Uninsured by Race/Ethnicity and Educational Attainment**

Education	Texas	White	Hispanic	Black
No high school diploma	42%	22%	36%	28%
High school or equivalent	30%	19%	41%	36%
Some college, less than 4-yr degree	20%	13%	29%	23%
Bachelor's degree or higher	9%	5%	16%	15%

Note: Percentages reflect individual racial/ethnic and educational attainment sub groups and will not add to 100%

### The Insured

Enrollment in Medicaid has fluctuated very little for the period 2002 – 2006, generally holding steady for all the racial/ethnic groups. Hispanic enrollment in Medicaid is 23% compared to Blacks (18%) and Whites (6%). Blacks are represented at a level higher than their percent representation of the States population, 18% compared to 11%. Among Hispanics only a 41% have Employer Sponsored Insurance (ESI) compared to 47% for Blacks, and 65% for Whites.



Having health insurance coverage increases the likelihood for Texans to have regular access to a medical home for preventive primary care or when an unanticipated health care need arises. Access to a primary health care provider is the main entry point for acquiring preventive care, being able to receive health management attention for an acute care problem, and act as a coordinated gateway to more “insurance covered” specialized care if needed. In short, it should provide the “opportunity” to maintain good health and not add to the risk of financial health care debt. Further, the coverage costs should not be a barrier to individuals and families to pursue and retain individual and family financial security and self-sufficiency. The objective is to reduce disparities, not increase them.

There is abundant literature and research regarding ‘health care determinants’ and their relationship to health and health care disparities. The determinants include income, education, employment patterns, language, neighborhood environments, etc. which can assist state health and human service systems to better understand and improve their effectiveness in addressing the disparities in the populations they are serving.

## Health Care Reform Legislative Priorities

### ***C. Health Care Reform Principles: Increasing The Number of Latinos With Health Insurance***

For Texas, health care reform strategies, thus far, have been limited in scope and minimalist in vision and have had little impact on reducing the uninsured rate or strengthening and expanding health care safety nets. Furthermore, the social determinates of Texans, particularly among Hispanics, requires Texas policy-makers to be innovative in incorporating health disparities in their health care reforms strategies.

Pivotal to Texas's health care dialogue is the voices of Latinos given their stake in this health care crisis and its impacts to their *bienestar* (*well-being*). Thus, we believe that any health care reform at its current stage must reflect Latino health care values and needs by addressing:

- ***Affordability*** as Latinos are most likely to live in poverty, have lower education attainment, be uninsured and employed and work in small business. Hence, until some universal health care system is realized that can spread the risks and address rising health care cost we must strengthen the Employer Sponsored Insurance system (ESI). Enhancing and developing new insurance pools to increase access for small business and direct purchasers to affordable health care can be a useful mechanism for strengthening ESI. In addition, regulatory oversight of the health insurance markets in combination with increased consumer protection is needed to normalize the rising cost of health care currently not under the jurisdiction of the Texas Department of Insurance.
- ***Health Disparities***: Over the next decade, the prevalence of disease will shift from Whites to Latinos who are primarily young and of working age. Therefore, the socio-economic, health disparities and environmental circumstances of uninsured Hispanics must be considered to develop and implement effective policy solutions.
- ***Accessibility*** is vital to healthy outcomes and addressing health care challenges of Texas Latinos who are most likely to be uninsured and reside in underserved health care areas. Texas has taken fragmented approaches and has not invested in health care resources such as not capitalizing on federal matching funding for public health programs but opting to return millions back to the federal government; and not investing in efforts to improve health-care access to underserved areas by increasing the number of health professionals of color through a goal of reaching parity representation.

### ***D. Legislative Priorities***

***Priority 1: Due to uncontrolled health care costs, questionable health care quality, and the high number of uninsured and under-insured, a Universal Health Care Coverage plan or major reforms are inevitable. But until then, key health policy priorities must enhance current Medicaid and CHIP through:***

#### ***Strengthen Social Safety Nets by:***

- *Expanding health insurance coverage for adults and children, by increasing state funding of Medicaid and CHIP to maximize federal matching dollars.*
- *Expanding Medicaid coverage to all children regardless of their legal status, Immigrant Children Health Improvement Act (ICHIA), to health care resources for the health security and well-being of Texas.*

#### ***Improve access to health care services by:***

- *Insuring more efficiency in private and public enrollment system particularly in the area of staff and computer systems.*
- *Eligibility system performance improvements must give high priority to speedy Medicaid and CHIP enrollment.*
- *Implement 12 months of continuous eligibility for children in Medicaid as we have for CHIP.*

#### ***Improve the States' capacity to increase the number of primary health care and dental professionals practicing in medical and dental underserved, and health professions shortage areas by:***

- *Developing strategies and incentives that will stimulate needed health care professionals to under served areas, e.g., consolidate and increase loan repayment programs.*
- *Create 'Health Improvement Zones' targeting the Border and Rural communities to target building stronger health professions development infrastructures, service collaborations', and increasing health insurance coverage.*

#### ***Improve access to "medical and dental home" by:***

- *Creating incentives to increase health promotion and prevention services, and effective coordination and management of chronic disease care.*
- *Increasing funding support for Community Health Centers (CHCs).*

#### ***Improve reimbursement for primary care providers and dentists.***

- *Begin applying annual inflation increases to Medicaid and CHIP provider payment rates, and implement a plan to bring rates up to Medicare levels.*

## Health Care Reform Legislative Priorities

**Policy Priority 2:** *If consumers are expected to take-on more responsibilities for their health care, they deserve as well, the consumer protections to handle these responsibilities. In Texas, the insurance regulatory process is nestled in the Texas Department of Insurance (TDI) that to date does not include regulatory oversight of health insurance companies. The sunset review process of TDI must be a tool in building comprehensive health care coverage for Texans by protecting health care consumer.*

- *Modify TDI's mission to include helping consumers access quality insurance and give TDI resources to fulfill that mission.*
- *Set standards on the proportion of premium dollars earned that must be spent on health care as opposed to profits and administration.*
- *Authorize TDI to review health insurance premium rates and reject those that are excessive and/or are not consistent with benefit package(s).*
- *Invest in Healthy Texas, a program that uses public funds to cover high-cost claims, lowering health insurance premiums for low-income workers.*
- *Restrict the degree to which insurers can use health status to price older and less healthy workers and employers out of accessing adequate health care coverage.*
- *Address the issue of individuals being denied health insurance coverage and/or asked to pay exorbitant insurance premiums for pre-existing conditions*

**Policy Priority 3:** *Prioritize Women and Families by developing strategies that understand that Latina bienestar is interdependent on access to and accessibility of culturally appropriate choices and opportunities for comprehensive and integrated access to a health care home – e.g. medical, reproductive and gynecological services. Health policies must eliminate not enhance or create barriers for women to have access to key health services such as*

- *Expanding Medicaid coverage to more Adults*
- *Increase effectiveness of the Women Health Program (WHP) by improving enrollment outreach to uninsured women, regardless of legal status, into the program.*
- *Improving transition of postpartum to WHP by streamlining the process for new mothers on Medicaid, after their 60 days termination, to healthcare service through WHP.*
- *Expand WHP to include teen mothers*
- *Reduce both teen and young adult unintended pregnancy through a balance and 'choice' approach to abstinence and medically accurate information regarding the effectiveness and safety of contraceptives.*

**La Fe Policy Research and Education Center (La Fe PREC)** is a non-profit organization established in January 2006, to engage in *policy analysis, education, leadership training, promoting civic involvement and advocacy* for system changes in health and social policies. We believe in Promoting Family and Community Well-Being through Knowledge, Trust, and Empowerment.

*Bienestar (well-being) is at the heart of La Fe PREC and affirms our cultural experience and holistic values. Bienestar defines a concept that advocates for equitable access to social, economic, and health and human resources for individuals and families in our community.*

**Our Vision:** Mexican American families have comprehensive access to health and human resources that are available, accessible, acceptable, and accountable to their health values, decisions, and needs that positively contribute to their health and Bienestar.

**Our Mission:** To improve the decision-making capacity of Mexican Americans leading to their increased involvement in system changes in health and social policies.

La Fe PREC is a component of **Centro de Salud Familiar- La Fe**, based in El Paso, Texas. La Fe is a multiple service organization with over 40 years of social justice, and direct service delivery experience in health care, social and mental health services, housing, economic development, and education.