

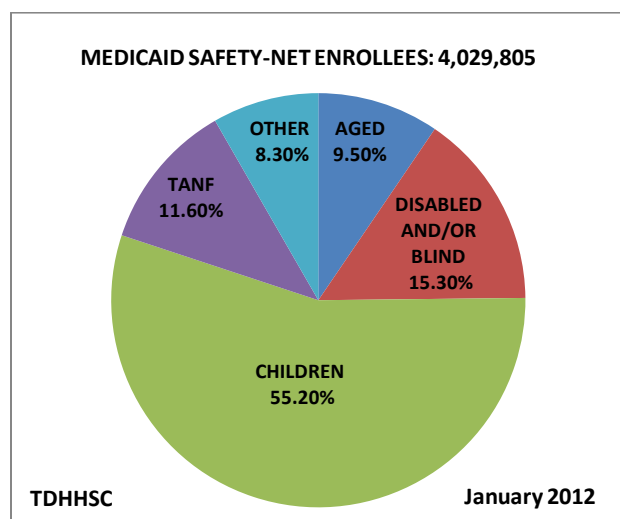


## Latinos and Texas Affordable Care Act Politics

La Fe Policy Research and Education Center, 1313 Guadalupe St, Ste 102, San Antonio, TX 78207,

Our *Bienestar*<sup>1</sup> and effective implementation of the Affordable Care Act (ACA) are important to the health and economic future of Texas. The Governors' and legislative leaders' 'no' position on implementing the ACA in Texas<sup>2</sup> lacks in **compassion, ignores abundant objective facts, and perpetuates injustice**. If their position succeeds, it will be particularly harmful to 3.6 million (36%) uninsured Latinos.<sup>3</sup>

**Compassion:** Texas already has one of the most stringent Medicaid programs in the country, yet in 2010, the 82<sup>nd</sup> Legislative Session leaders further cut and underfunded Medicaid.<sup>4</sup> This was accomplished while also failing to use the States' Rainy Day Fund to minimize the health and financial damage to the most vulnerable; children, seniors and the disabled that comprise 80% of Medicaid safety-net enrollees.



These shortsighted decisions heighten our national decade-old standing as the state with the most uninsured and underinsured population the country. The majority (68%) are working Texans who are unable to afford purchasing health insurance coverage.<sup>5</sup>

Failure to implement the Medicaid expansion and the Health Care Exchange will mean millions of uninsured Texans, particularly a disproportionate number of Latinos, will continue to be at-risk for poor health and financial consequences.

On the other hand:

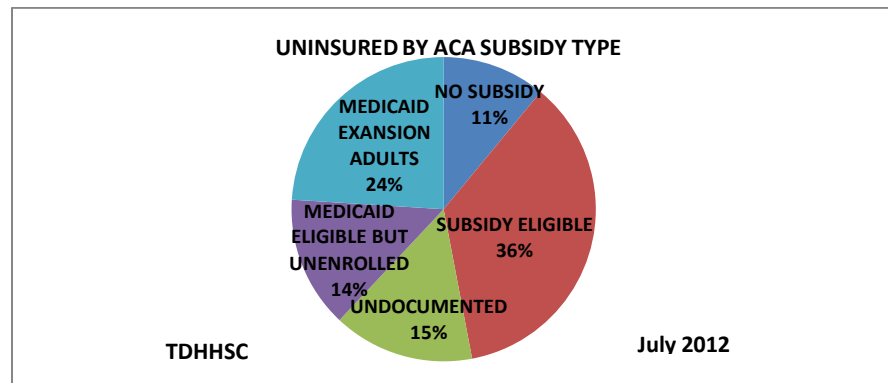
- ACA-supported expansion will enable strengthening our Medicaid program.
- An estimated one million additional adult Texans with poverty level incomes will be insured.
- The ACA will cover 100 percent of the Medicaid expansion costs over the first three years, and no less than 90 percent after that.
- The Health Insurance Exchange will help an estimated 2.5 million uninsured low to middle-income Texans to purchase coverage through the Health Insurance Exchange.

**Ignoring the Facts:** For those of us fortunate to have private health insurance or Medicare; our share of the premium and out-of-pocket costs are continually rising. Access to private health coverage and service benefits through an employer has been decreasing for nearly a decade. Texans have one of the lowest rates (49%) of employer-based health insurance coverage in the country. Among Latinos it's only 34%.<sup>6</sup>

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Our state also has some of the highest health care costs in the country, yet overall health care quality ranks 50<sup>th</sup> in the nation.<sup>7</sup> Houston, with its mega world-renowned medical center complex has twice the national average of its residents with poor or fair health.<sup>8</sup>

Texas taxpayers are already paying through higher health insurance premiums (over \$1,017 more per family)<sup>9</sup> and costly use for their care in local public and private hospitals (over \$11 billion) for the states nearly 6 million uninsured.<sup>10</sup> The ACA's Medicaid expansion and Health Insurance Exchange subsidies would have the largest impact in helping reduce both the state's 24.6% uninsured rate, and the taxpayers current hidden costs for uncompensated care.



The ACA currently benefits thousands of Texans because it:

- Eliminates pre-existing conditions as a barrier to health insurance coverage.
- Expands preventive care for women and seniors, low and middle-income seniors with increased access to affordable drugs.
- Allows parents to enroll and keep their children's health insurance coverage through age 26.
- Expands access to comprehensive primary health care to the uninsured and under-insured through community health centers.

While the ACA is on a path to address problems of access, quality and cost problems in our current system, it will not be overnight or easy after decades of entrenched political and health industry interests. Arguably it's a central factor why the U.S. spends \$9,790 per capita on health care compared to an average of \$3,192 per capita among other industrialized nations that insure nearly all of its citizens.<sup>11</sup> However, our overall populations' health ranks lower than most of the comparing nations.<sup>12</sup>

We must not forget that access to affordable health care is essential because without it, opportunities to learn, work, earn a living wage and create wealth, and be a productive citizen are all diminished. Health insurance coverage matters because of its association with better health results. To date, Medicaid,<sup>13</sup> Medicare<sup>14</sup> and the VA<sup>15</sup> health systems have demonstrated their worth with lower costs and better quality care compared to the private health sector.

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**Injustice:** To not work cooperatively in effectively implementing the ACA is an injustice. The ACA will first begin to create an equal opportunity to gain access to quality health care. The disparities, inequalities, and the costly way our health care system functions are extensively documented. Second, health prevention is a priority that reduces poor health-risks and maintains good health. Third, improving cost-effective quality care in the management of chronic health conditions is a major priority.

Among Latinos, national polls demonstrate their strong support for the ACA.<sup>16</sup> Our values are aligned with the historic decision to reform health care. In Texas, we represent 37% of the population and over 58% of the states' uninsured.<sup>17</sup> The inequity in Latino insurance coverage persists at twice that of non-Latino Whites with comparable higher education level.<sup>18</sup>

Research indicates that the shift to a Latino-majority state also means a shift to greater incidence and prevalence of higher costs chronic disease.<sup>19</sup> Not seeking preventive care, prevalence of chronic health conditions, excessive emergency room use, lost work productivity and related financial insecurity are disparities and inequities targeted to be addressed through the ACA.

Unfortunately, the high costs of health care dominate the political and policy discussions. Sound-bites such as Obama-Care, government control of your health care, socialized medicine get most of the media attention. At best, this is hypocritical because the VA health system and Medicare are forms of socialized medicine with high marks for providing quality health care; shouldn't we therefore, be calling for their elimination along with the ACA's repeal!

The sound-bite and media message "we must control health care costs" is similar to "we must control the border", both are false messages because they are short-sighted and primarily impact the victims and the powerless. Too many Texas political leaders are rich in biased ideology and political rhetoric which has little to do with reasonably objective conservative or liberal values on policy positions.

As a result, Texas takes a minimalist investment approach to education and health. The minimal human capital investments and unfair tax and budget policies appear to have become the 'normal' for Texas as further evidenced by deteriorating roads and highways, and public recreation areas.<sup>20</sup> The politics and policies that favor the few are a central message why it's okay to be a low pay and poor income state – most of us may have a job, but many just get by day to day. For the average Texan, it creates a high-risk environment for poor health and financial insecurity.

**Good health is a financial asset** because it contributes significantly to individual and family financial security, and our state's economic growth. Chronic disease and lost productivity annually cost Texas \$17 and \$75 billion respectively,<sup>21</sup> whereas a \$1.00 investment in health prevention services results in an ROI (return on investment) of \$5.60.<sup>22</sup>

## Continue....Texas Latinos and the ACA

For the hard-working uninsured Texan, gaining insurance coverage becomes a gateway for basic access to quality health care, for increased opportunity to achieve financial security, and for progressive health improvements. For Latinos, the ACA is also a significant factor alongside education<sup>23</sup>, to reducing existing health and economic inequities.<sup>24</sup>

The Supreme Court decision reinforces that the ACA is the law of the land – let’s make it the law in Texas when the 83<sup>rd</sup> Legislative Session begins in January 2013. Expect nothing less than support for the ACA’s expansion of Medicaid and the Health Insurance Exchange from your legislative representative.

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<sup>1</sup> Bienestar is a perceived quality of life affected by factors as employment, health, housing, institutional and public policies, and other environmental conditions. It’s an affirmation of Latinos cultural experiences and holistic perspective on well-being.

<sup>2</sup> Texas Governor Rick Perry: Letter to the Honorable Kathleen Sebelius, Secretary, U.S. Department of Health and Human Services, July 9, 2012.

<sup>3</sup> U.S. Census Bureau, Current Population Survey, 2011.

<sup>4</sup> Major Medicaid-CHIP 2012-2013 State Budget Decisions: A Mix of Cuts, IOUs, “Efficiencies” and Gray Areas, Center for Public Policy Priorities, Policy Page, July 21, 2011.

<sup>5</sup> State Health Facts.Org, The Henry J. Kaiser Foundation, 2009-2010.

<sup>6</sup> Ibid.

<sup>7</sup> National Healthcare Quality Report, Agency for Healthcare Research and Quality, 2011.

<sup>8</sup> Health of Houston Survey 2010, The University of Texas School of Public Health, Institute for Health Policy, 2010

<sup>9</sup> Hidden Health Tax: Americans Pay a Premium, FamiliesUSA, 2009.

<sup>10</sup> Uncompensated Care in Texas: Moving Toward Uniform, Reliable and Transparent Data Measuring Residual Unreimbursed Uncompensated Care Costs, Texas Health and Human Services Commission, July 9, 2008.

<sup>11</sup> Explaining High Health Care Spending in the United States: An International Comparison of Supply, Utilization, Prices, and Quality, The Commonwealth Fund, May 2012.

<sup>12</sup> Ibid.

<sup>13</sup> The Oregon Health Insurance Experiment: Evidence from the First Year, The Oregon Health Study Group, NBER Working Paper No. 17190, Issued in July 2011.

<sup>14</sup> Medicare Beneficiaries Less Likely to Experience Cost- and Access-Related Problems than Adults with Private Coverage, The Commonwealth Fund, July 18, 2012.

<sup>15</sup> The Best Health Care System in American, Senior Veterans Service Alliance, Reviewed August 23, 2012, [http://www.veteransaidbenefit.org/va\\_healthcare\\_system.htm](http://www.veteransaidbenefit.org/va_healthcare_system.htm)

<sup>16</sup> The Supreme Court, Health Care Reform, and Latinos, Latino Decisions, March 30, 2012.

<sup>17</sup> U.S. Census Bureau, Current Population Survey, 2011.

<sup>18</sup> Texas Health Insurance Disparities: The Affordability Of Coverage, La Fe Policy Research and Education Center, April 2009.

<sup>19</sup> Population Change in Texas: Implications for Health, the Labor Force and Economic Development, Presentation by Steve H. Murdock, Hobby Center for the Study of Texas, Kaiser Foundation Health Journalists, Austin Texas, November 14, 2011.

<sup>20</sup> Report Care for America’s Infrastructure, ASCE Members Survey, September 2008.

<sup>21</sup> An Unhealthy America: The Economic Burden of Chronic Disease, The Milken Institute, October 2007.

<sup>22</sup> Prevention for a Healthier America: Investments in Disease Prevention Yield Significant Savings, Stronger Communities, Trust for a America’s Health, February 2009.

<sup>23</sup> Proposed Texas education cuts imperil Latino students’ future, Reviewed March 20, 2011, <http://borderzine.com/2011/03/proposed-texas-education-cuts-imperil-latino-students-future/>

<sup>24</sup> Texas Puts Latinos’ Health at Risk: How Opting Out of the Medicaid Expansion Will Affect the State’s Hispanics, Center for American Progress, Reviewed July 19, 2012.