

HEALTH CARE REFORM WHAT IT MEANS FOR YOU?



La Fe Policy Research
and Education Center



HEALTH CARE FOR LATINO FAMILIES

- Seniors
- Uninsured
- Subsidies /Premium Credits: Individuals/Family
- Pre-existing Conditions
- Young Adults
- Health Care Workforce
- Small Business
- Community Health Centers
- Timeline
- Key Questions & Answers
- Impact on Latinos



IF YOU ARE A SENIOR...

- **Strengthens Medicare** - Extends Medicare by an additional 12 more yrs.
- **Reduce Medicare Donut Hole** - Provides \$250 tax free rebate in 2010 for Seniors who hit the donut hole.
- **Free Preventive Care**- No co-pay or deductible under Medicare by Jan 1, 2011. (Check-ups, Cancer Screening, & Immunizations)
- **Discount on Drugs**- 50% discount on brand name drugs by 2011 if you hit the donut hole.
- **New Incentive for Hospitals** - To improve quality of care.



IF YOU ARE UNINSURED....

2010: 133% of FPL by monthly income & family size			
1 person	2 people	3 people	4 people
\$1200	\$1615	\$2029	\$2444

- **Expands Medicaid** – Up to 133% FPL including all adults
 - Effective 2014: States required to expand program
- **Tax Health Care Subsidies** - Individuals between 133-400% FPL effective 2014
 - Subsidies will be determined by IRS
 - \$43,320 (Individual@ 400%FPL) & \$88,200 (family of 4 @ 400%FPL)
- **Health Exchanges** - Government-regulated marketplace of insurance plans with different tiers, or levels of coverage, offered to individuals without health care insurance or to small companies.

WHAT IS THE NUMBER OF INDIVIDUALS ELIGIBLE FOR HELP UNDER THE NEW HEALTH REFORM LAW?

	Eligible for Medicaid	Eligible for Subsidies	Total Eligible
Black	329,100	260,100	589,200
Latino	1,695,800	1,260,700	2,956,500
White	952,400	1,000,200	1,952,600
Asian	105,900	110,800	216,700
Native American & Alaska Native	9,600	9,700	19,300
Native Hawaiian & Other Pacific Islander	1,700	1,700	3,400
All Populations *	3,094,500	2,643,300	5,737,800

Source: Families USA; * Numbers may not add up due to rounding

IF YOU ARE A WORKING FAMILY...

Individual Premium Credits

Premium credits to eligible individuals and families with incomes between 133-400% FPL to purchase insurance through the Exchanges. **62% of Texans will be eligible for Tax credit.**

- **Up to 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

Affordable Care Act: Max premium contribution for Family of Four- Families USA

Income		Max Premium Contribution	
% of Poverty	Dollars	Annual	Mnly
100%	\$22,050	\$217	\$37
150%	\$33,075	\$1,323	\$110
200%	\$44,100	\$2778	\$232
250%	\$55,125	\$4438	\$370
300%	\$66,150	\$6284	\$524
350%	\$77,175	\$7332	\$611
400%	\$88,200	\$8379	\$698



IF YOU HAVE A PRE-EXISTING CONDITION...

Under new health reform law, **20.7% of Texans with a diagnosed pre-existing condition**, cannot be denied coverage, charged a higher premium, or solid a policy that excludes coverage of essential health benefits.

High Risk Pool (Pre-existing Condition Insurance Plan)

- Effective July 1, 2010 the federal government established High Risk Pools for Texans since Texas opted out
- **Eligible**
 - U.S. Citizens or Legal Permanent Residents
 - Have been uninsured for at least 6 months
 - Have problems getting insurance due to pre-existing condition
- **Coverage**
 - Primary and specialty care
 - Hospital care
 - Prescription drugs
- **Cost**
 - Monthly Premium
 - \$2500 deductible
 - \$25 co-pay after deductible
 - \$4-\$30 for prescriptions
 - Out-of-pocket cost can't exceed \$5950



IF YOU ARE A YOUNG ADULT...

- **Extends Coverage to Young Adult up to age 26**

- Effective Sept 23rd, 2010 - Parents can cover their children up to age 26 even if no longer living with them, not a dependent on tax returns, no longer in school, and applies to unmarried and married children



HEALTH CARE WORKFORCE

Rates	Health Care Workforce	Nurses
<p>Increase Medicaid payments in fee-for-service Primary care (PC) services provided by primary care doctors (family medicine, general internal medicine or pediatric medicine) to 100% of the Medicare payment rates for 2013 and 2014.</p> <p>States will receive 100% federal financing for the increased payment rates.</p> <p>(Effective January 1, 2013)</p>	<p>Increase the number of Graduate Medical Education (GME) training positions by redistributing to primary care and general surgery and to states with the lowest resident physician-to-population ratios (Effective July 1, 2011);</p> <p>Increase flexibility in laws & regulations that govern GME funding to promote training in outpatient settings (Effective July 1, 2010);</p> <p>Increase workforce supply and support training of health professionals through scholarships and loans; support primary care training and capacity building; provide state grants to providers in medically underserved areas; train and recruit providers to serve in rural areas;</p> <p>Establish a public health workforce loan repayment program; provide medical residents with training in preventive medicine and public health; promote training of a diverse workforce; and promote cultural competency training of health care professionals.</p>	<p>\$2 billion increase in funding for nursing programs.</p> <p>These initiatives will provide grants for: diversity, retention, student and faculty loan programs/ loan forgiveness, scholarships, and Nurse training programs.</p> <p>Creating a career ladder to nursing and the National Nurse Service Corps</p> <p>(Fiscal year 2010)</p>

HEALTH CARE WORKFORCE

Rates	Health Care Workforce	Nurses
<p>10% bonus payment to primary care physicians in Medicare from 2011 through 2015.</p> <p>(Effective for 5 years beginning January 1, 2011)</p>	<p>Establish Teaching Health Centers, (Community-based, ambulatory patient care centers, including FQHC) that are eligible for Medicare payments for the expenses associated with operating primary care residency programs. (Initial appropriation in fiscal year 2010)</p> <p>Ensure the availability of residency programs in rural and underserved areas.</p> <p>Establish a training program for oral health professionals. (Funds appropriated for 6 years begins in fiscal year 2010)</p> <p>Support Community Health Workers (Promotoras) by providing additional grant funding to states, public health departments, free health clinics, hospitals, and CHCs.</p>	<p>Grants for up to 3 years to employ and provide training to family nurse practitioners who provide Primary Care in FQHCs and nurse-managed health clinics.</p> <p>(Funds appropriated for 5 years beginning in fiscal year 2011)</p>



IF YOU ARE A SMALL BUSINESS....

Affordable Care Act (ACA) Sm. Business Tax Credits

Jan 1, 2010 to 2013

- **35% tax credit** for small business w/ less than 25 workers, annual wage below \$50,000 and contribute 50% to premium
- **Less than 10 workers** with annual wage of less than \$25,000 tax credit of 100% *except* Nonprofits who will receive 25% tax credit.

2014 or later

- **50% tax credit** for sm. business who purchase coverage via Exchange

503,537 minority-owned small businesses in Texas will stand to benefit .

Distribution of Tax Credits to Sm. Business under ACA

Under 10	10-24	25-99	100 - 499	500 or more	Non-Wkin g	Total
29.1%	10.8%	13%	10.1%	33.2%	3.8%	100%
11,438,900 39.9%	Firm Size w/less than 25 workers					
15,149,200 52.9%	Firm Size w/ <100 workers					

Health Insurance Mandates

- **Less than 50 workers:** Businesses with less than 50 workers are EXEMPT.
- **More than 50 workers:** Must provide health care coverage. Penalty : \$2000 per uninsured FTE (excludes first 30 workers) effective 2014. No penalty will apply to PTE

COMMUNITY HEALTH CENTERS


ARRA

- 2.9 million new patients & 1 million uninsured will be served nationally in 2 years of ARRA.

ARRA impact in Texas:

- Total awards- **\$116,047,677**
(Yr 1)
- Economic impact-**\$212,177,979**
(Yr 1 multiplier effect)
- Projected new/ retained jobs- **876**
- Estimated new patients- **205,365**
- South Texas awarded the most amount of money.

Affordability Care Act

- \$11 billion for community health centers and
 - \$1.5 billion to the National Health Service Corps over five years
 - Support school-based health centers and nurse-managed health clinics
 - Establish Teaching Health Centers
 - Delivery system reform: Several pilot and demonstration programs will reorganize the health care delivery system that will be prime opportunities for CHC.
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HEALTH CARE REFORM IMPLEMENTATION TIMELINE

2010

Extend Dependent Coverage to Young Adults (up to 26)

Ending Pre-existing condition for kids

High Risk Pool for uninsurable individuals w/ pre-existing conditions

2010

Small Business Tax

Rebuilding Primary Care Workforce

Strengthen & Invest in Community Health Centers

2010

Prescription Drug Discount

Free Preventative Care for Seniors on Medicare

Payments to Rural Health Providers

2010

Expand coverage for Early Retirees

Regulating Annual Limits on Ins. Coverage

Prohibit Rescinding coverage & lifetime bans

HEALTH CARE REFORM IMPLEMENTATION TIMELINE

2011

**Insurance must pay 80-85¢
of every \$1 on medical services**

**Medicare for Primary
Care**

**Teaching Health
Centers**

2014

Individual & Employer Mandates

Expand Medicaid to 133% FPL

2014

Health Exchange operating

Premium & Cost-Sharing Subsidies

2014

**Can't be denied for Pre-
existing conditions**

**Guaranteed Availability
of Insurance**

**No Annual Limits on
Coverage**

FAQ ON HEALTH REFORM...

- ***What happens if a state does not implement the health reform law?***
 - If states are unable or unwilling to establish key provision of health care reform the feds will step in and perform those duties.
- ***Will I be forced to purchased health insurance?***
 - Under the new health reform law individuals and employers will be mandated to offer or purchase insurance starting in 2014. But some exemptions will apply such as: financial constraints, small business with less than 10 workers, and or religion.



SUMMARY: WHAT IT MEANS FOR LATINOS

- *Latinos are the most uninsured population in the country.*
- *The Health Care Affordability Act will reduce by thousands the number of uninsured Latinos, and help many more who are underinsured.*
- *It will increase access to quality health care for the whole family - children, adults and seniors.*
- *Medicare, Medicaid, Health Insurance Exchange, and Private Health Insurance will provide Latinos with 'choices' to meet their health needs.*
- *It will provide health and financial security.*

