The ACA and Health Inequities

Brian Smedley, Ph.D.
Vice President and Director, Health Policy Institute
Joint Center for Political and Economic Studies

April 2014
Many racial and ethnic minority groups – particularly American Indians, African Americans, Pacific Islanders, and some Asian Americans and Latinos – have higher rates of disease and disability than national averages.

African Americans and American Indians have high rates of infant mortality, even when socioeconomic differences are taken into account.

African Americans, American Indians, and other experience high rates of premature mortality.
Number and Proportion of all Quality Measures for Which Members of Selected Groups Experienced Better, Same, or Worse Quality of Care Compared with Reference Group


<table>
<thead>
<tr>
<th>Comparison</th>
<th>Worse</th>
<th>Same</th>
<th>Better</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black vs. Asian vs. Al/AN vs Hispanic vs. Hispanic vs. NH White vs. NH High Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Black vs. White</td>
<td>82</td>
<td>80</td>
<td>81</td>
</tr>
<tr>
<td>Asian vs. White</td>
<td>42</td>
<td>62</td>
<td>43</td>
</tr>
<tr>
<td>AI/AN vs. White</td>
<td>37</td>
<td>66</td>
<td>12</td>
</tr>
<tr>
<td>Hispanic vs. NH</td>
<td>75</td>
<td>37</td>
<td>37</td>
</tr>
<tr>
<td>Poor vs. High</td>
<td>64</td>
<td>5</td>
<td>5</td>
</tr>
</tbody>
</table>

(n=191) (n=165) (n=111) (n=178) (n=106)
Examples of Health Care Quality Gaps
AHRQ, National Healthcare Disparities Report, 2008

- African Americans have higher rates of hospital admissions for lower extremity amputations than whites
- Asian Americans are less likely than Whites to get care for an injury or illness as soon as wanted
- American Indian and Alaska Native women are twice as likely as whites to lack prenatal care
- Parents of Hispanic children are twice as likely as whites to report problems communicating with health care providers
The Economic Burden of Health Inequalities in the United States
(www.jointcenter.org/hpi)

- Direct medical costs of health inequalities
- Indirect costs of health inequalities
- Costs of premature death
Between 2003 and 2006, 30.6% of direct medical care expenditures for African Americans, Asians, and Hispanics were excess costs due to health inequalities.

Eliminating health inequalities for minorities would have reduced direct medical care expenditures by $229.4 billion for the years 2003–2006.

Between 2003 and 2006 the combined costs of health inequalities and premature death were $1.24 trillion.
Patient Protection and Affordable Care Act of 2010: Addressing Health Equity for Racially and Ethnically Diverse Populations

www.jointcenter.org/hpi
Insurance coverage expansions

- Expand Medicaid income eligibility to 133% of FPL (some states have set eligibility well below 20% of FPL).
- Employers with 50 or more employees must offer coverage or pay a penalty for FTEs receiving tax credit to purchase insurance.
- Small employers with fewer than 25 employees are eligible for tax credit to purchase insurance (among workers in small firms, 57% of Hispanics, 40% of African Americans, 40% of American Indians, and 36% of Asian Americans are uninsured).
Improving Access to Health Care:

- Doubles funding to expand Community Health Centers.
- Funds to expand oral and behavioral health care services in CHCs.
- Expands funding for National Health Service Corps.
- Increases Medicaid payments for primary care services to 100% of Medicare payment rates for 2013 and 2014.
- Authorizes funds for school–based health centers, nurse–managed health clinics, and Community Health Teams to support medical homes.
Data Collection and Reporting

- Require that population surveys collect and report data on race, ethnicity and primary language
- Collect and report disparities in Medicaid and CHIP
- Monitor health disparities trends in federally-funded programs
Implications of PPACA for Addressing Health Inequalities in the United States (continued)

Other Important Provisions:

- Reauthorizes Titles VII and VIII, health workforce programs to increase diversity and improve the distribution of providers
- Authorizes cultural competence education and organizational support
- Increases investments in health disparities research
- Establishes Prevention and Public Health Fund
Beyond the ACA: More Must be Done
The ACA is a Necessary, but not Sufficient, First Step

- Must find ways to cover the many millions of people who will not gain coverage (e.g., legal immigrants ineligible for Medicaid)
- Must ensure that U.S. health workforce reflects the diversity of the population
- Must better align health care resources where they’re needed
- Must address concentrated poverty and the heavy concentration of health risks in communities of color