Alternative Policy Solutions for Expanding Health Insurance Coverage to Undocumented Californians

Wednesday, March 23, 2016 1:00PM to 2:30PM
Round Table Briefing Capitol Building, Room 126
Sacramento, California

The California Program on Access to Care (CPAC) will convene an expert panel and discuss policy solutions for expanding access to health insurance coverage for undocumented Californians. The session will provide an overview of national and state trends in access and utilization of health services among undocumented adults, present estimates of California’s uninsured undocumented adult population, and detail three emerging policy options. CPAC aims to enable productive discussion about the opportunities and challenges of financially and politically feasible strategies for expanding health insurance coverage to the remaining uninsured.

Welcome and Introductions

Perfecto Muñoz, Senior Policy Analyst, California Program on Access to Care, University of California, Berkeley

Presentations

Health for All: A Focus on Undocumented Uninsured Adults
Moderator: Richard Figueroa, MBA, Director of Prevention and the Affordable Care Act, The California Endowment

California’s Undocumented: Trends in Coverage, Access to Care, and Utilization
Arturo Vargas Bustamante, PhD, MPP, Associate Professor, UCLA School of Public Health

Challenges for Farm Labor Contractors to Provide Care for Farmworkers
Guadalupe (Lupe) Sandoval, Executive Director, California Farm Labor Contractor Association

The Role of Local Farmworker Initiatives in Expanding Health Insurance Coverage
Joel Diringer, JD, MPH, CEO, Diringer and Associates

Alternative Funding Sources for Covering the Undocumented Uninsured
Lucien Wulsin, Director Emeritus, Insure the Uninsured Project (ITUP)

Round Table Discussion
Moderator: Richard Figueroa, MBA, Director of Prevention and the Affordable Care Act, The California Endowment

Co-sponsored by The California Latino Legislative Caucus and The California Endowment
Policy Solutions for Expanding Health Insurance Coverage To Undocumented Californians

Richard Figueroa
The CA Endowment
March 23, 2016
Current California Landscape

- Millions of Californians have gained health coverage through Medi-Cal, Covered California and other private insurance. Medi-Cal now has 13 million enrollees, about 1/3 of all Californians.

- Governor Brown and the Legislature agreed to extend access to full-scope Medi-Cal to all low-income children regardless of immigration status.

- Counties across the state are expanding their indigent care programs.
Who Are the Remaining Uninsured?

- Upwards of 3 million Californians

- Nearly 2/3 of the remaining uninsured are Latinos

- Over half of the uninsured speak Spanish at home, (both alone and in addition to English)

- Over 1 million Californians are locked out of health coverage due to immigration status
What Are The Barriers To Enroll Them?

Especially on affordability, some folks will need more help:

- Uninsured, undocumented adult immigrants aren’t eligible for Medi-Cal or Covered CA

- Those in “family glitch”: family members of workers with employer based coverage affordable for just themselves

- Some over 400% federal poverty level (typically older, in high-cost areas) don’t have affordability guarantee

- Those in Exchange income levels who find monthly premiums/cost sharing still a burden and may/may not decline coverage.
How The Remaining Uninsured Receive Care: Our Current Safety-Net

Uninsured live sicker, die younger, and are one emergency from financial ruin.

- Emergency Rooms: But only to stabilize emergencies; bills and debt afterwards
- Private providers: clinics, hospital charity care
- Counties as the final safety-net option:
  - Counties have a “17000” obligation to provide basic care
  - How, what and to whom they provide care and services varies, especially based on income & immigration status.
  - Amidst 58 counties, 12 have public hospitals;
  - Eleven counties have clinics, or contract with private providers; or are a hybrid
  - Thirty-five small rural counties are in the County Medical Service Program (CMSP)
Progress for County Safety-Net Programs

- There is a recent trend toward expanding access to the undocumented: Sacramento, Contra Costa, Monterey, and 35 rural counties in CMSP have expanded their eligibility to include a limited benefit to the undocumented. Fresno County, after suing to not serve the undocumented, has established a program to fill a gap in specialty care for the undocumented.

- Some counties are enhancing their safety-net, with programs like My Health LA and Healthy SF, and most recently in Santa Clara.

- The new Medi-Cal Section 1115 Waiver achieves more flexibility with federal safety net funds by creating a new program called the Global Payment Program (GPP) which includes a strong financial incentive & imperative for public hospital counties to provide preventive & primary care services and coverage-like services to the remaining uninsured. One year of GPP funding is committed, but other years of funding likely through the waiver.

- All of these efforts are bridges to a statewide solution.
Health Access

Counties that provide at least some non-emergency care for undocumented immigrants

Counties which decided in 2015 to start providing some safety-net health services for undocumented immigrants

Counties that do not provide non-emergency care for undocumented immigrants
California’s Latest Steps to Expand Access

- Continuing California's coverage of "Deferred Action for Parents of Americans" (DAPA) immigrants under the "PRUCOL" category would have the impact of expanding the category of immigrants covered by state-funded Medi-Cal. This was affirmed in the new state budget but is on hold by the federal court.

- Winning full Medicaid (Medi-Cal) coverage for all children at or under 266% FPL-regardless of immigration status. This is an $132 million state General Fund annual commitment to fully cover an estimated 170,000 children beginning no earlier than May 2016.

- Pending for this year, Senate Bill 10 (Lara) would expand Medi-Cal to all adults regardless of immigration status, and would seek a federal waiver to allow undocumented adults to buy into Covered California with their own money.
#Health4All Campaign
Taking The Next Steps: What We Believe

- ALL Californians, regardless of immigration status, should have access to affordable preventive health care.
- Access to health coverage is a basic human right.
- Our health care system works best when everyone participates. A health care system that excludes anyone, hurts everyone.
- It’s up to us to finish the job here in California and make sure everyone has access to health coverage they need.
Core Messages

- **Investing in California:** Undocumented Californians are an economic engine for the state. An overwhelming percentage work and pay taxes. They are an economic asset. Investing in them is investing in our state.

- **Prevention Makes Economic Sense:** Emergency room treatment is an expensive substitute for preventive care. It makes economic sense to invest in preventive services that minimize the risk of chronic disease and more chronic treatment later on.

- **Increasing Access to Affordable Care is the Responsible Thing to do:** Everyone—regardless of ability to pay or immigration status—should have access to affordable health care. After Obamacare, the remaining uninsured, including the undocumented, should have access to affordable care, including a comprehensive set of preventive services and a health home.
How: Outreach Campaign

• Changing the Narrative
• Spanish Media Partnership: Univision, Telemundo and La Opinion
• Media Advocacy
• Statewide “Boots on the Ground”
For Questions and Comments, Contact:

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The California Endowment
rfigueroa@calendow.org

#Health4All
California’s Undocumented: Trends in Coverage, Access to Care, and Utilization

Arturo Vargas Bustamante, PhD, MPP
Associate Professor
avb@ucla.edu
Overview

5 facts about undocumented immigrants nationwide and in California

Trends in healthcare access, utilization and insurance coverage

Recent policy developments and policy options to cover the undocumented:

Medi-Cal Expansion for Undocumented Immigrants Participation in Covered California

Unauthorized immigrants 11.2 million (26.3%)

Legal immigrants 31.4 million (73.7%)

Naturalized citizens 17.8 million (41.8%)

Legal permanent residents 11.7 million (27.4%)

Temporary legal residents 1.9 million (4.5% of foreign-born residents)

Total U.S. Foreign-born Population: 42.5 million

Source: Pew Research Center
Fact 1: The number of undocumented immigrants in the country has stabilized since the Great Recession.
Fact 2: Mexicans are the majority of the undocumented, but their share of the total population is in decline.

**Mexican Unauthorized Immigrant Population Declines Since 2007 Peak**

*In millions*

Source: Pew Research Center
Fact 3: The majority (73%) of undocumented immigrants in the U.S. are employed.

Unauthorized Immigrants in the U.S. Labor Force, 1995-2012

In millions

Source: Center for American Progress and Pew Research Center
Fact 4: Undocumented immigrants pay taxes and subsidize U.S. citizens through Medicare and Social Security

Medicare Hospital Insurance Trust Fund Per Capita Contributions And Expenditures, 2009, All Immigrants, Noncitizen Immigrants, And US-Born

Undocumented Immigrants Pay More of Their Income in State & Local Taxes Than the Richest 1%

Average effective state and local tax rate, nationally

8% | 5.4%
---|---
Undocumented Immigrants | Top 1%

Source: Institute on Taxation and Economic Policy
Fact 5: Few states host the majority of undocumented immigrants in the U.S..

Unauthorized Immigrant Population, by State, 2012

Source: Pew Research Center
California overview

One in four undocumented immigrants in the U.S. lives in California

Source: Public Policy Institute of California
California overview

One in three undocumented immigrants in California lived in Los Angeles County in 2013

<table>
<thead>
<tr>
<th>County</th>
<th># Undocumented</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles</td>
<td>814,000</td>
</tr>
<tr>
<td>Orange</td>
<td>247,500</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>183,500</td>
</tr>
<tr>
<td>San Diego</td>
<td>170,000</td>
</tr>
<tr>
<td>Alameda</td>
<td>129,000</td>
</tr>
<tr>
<td>Riverside</td>
<td>124,000</td>
</tr>
<tr>
<td>California</td>
<td>2,667,000</td>
</tr>
</tbody>
</table>

Source: Public Policy Institute of California
Access to Care

Comparing immigrants from Mexico living in California:

Documented immigrants (76%) are more likely to report at least one doctor visit in the previous year compared to undocumented immigrants (56%, p<0.01)

Documented immigrants (68%) are significantly more likely to have a usual place to go when sick than undocumented immigrants (47%, p<0.01)

Differences in emergency room use are NOT significant.

Source: Vargas Bustamante, Fang, et al
Access to Care

Since the rollout of the ACA almost **two million** Californians have gained health insurance coverage.

Undocumented immigrants are ineligible to enroll in ACA-sponsored programs: **Covered California or Medi-Cal**

If present trends continue, California’s’s undocumented adults will continue to **rely on safety net services**.
Policy Developments

Medi-Cal expansion for undocumented immigrants

In 2012: Deferred Action for Childhood Arrivals (DACA)
In 2014: extended eligibility (DAPA) but expansion is pending the Supreme Court decision

<table>
<thead>
<tr>
<th>California</th>
<th>High estimate</th>
<th># Enrollees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # undocumented</td>
<td>3,035,000</td>
<td>-</td>
</tr>
<tr>
<td>Eligible for DACA (2012)</td>
<td>358,000</td>
<td>195,000</td>
</tr>
<tr>
<td>Eligible for DACA and DAPA (2014)</td>
<td>1,214,000</td>
<td>Enrollment pending</td>
</tr>
<tr>
<td>Undocumented uninsured</td>
<td>1,490,000</td>
<td>-</td>
</tr>
</tbody>
</table>

Source: Public Policy Institute of California
Policy Developments

In the 2015-2016 budget (SB75) expanded Medi-Cal to undocumented children (170,000 Californian children)

Policy proposals (active bills for future years):

- Allow income-eligible, undocumented adults to qualify for full Medi-Cal benefits

- Allow undocumented immigrants above the Medi-Cal threshold to purchase insurance in Covered California
Policy Developments

Half of undocumented immigrants would be eligible for Medi-Cal since they earn less than 138% the FPL.

Source: Public Policy Institute of California
Eligibility would vary geographically

<table>
<thead>
<tr>
<th>County</th>
<th>Under 138% FPL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles</td>
<td>58%</td>
</tr>
<tr>
<td>Orange</td>
<td>52%</td>
</tr>
<tr>
<td>Santa Clara</td>
<td>36%</td>
</tr>
<tr>
<td>San Diego</td>
<td>47%</td>
</tr>
<tr>
<td>Alameda</td>
<td>38%</td>
</tr>
<tr>
<td><strong>California</strong></td>
<td><strong>51%</strong></td>
</tr>
</tbody>
</table>

Source: Public Policy Institute of California
Policy Developments

Open Covered California to undocumented immigrants

Targets undocumented immigrants with *incomes above* Medi-Cal eligibility threshold

Federal waiver would allow undocumented immigrants to *purchase coverage at full price*

Undocumented immigrants with incomes 138-500% FPL would be ineligible for federal subsidies
Policy Developments

90% of enrollees in Covered California receive subsidies

Undocumented immigrants would **NOT have incentives** to join unless they are sick

**Scenario for Monterey County:**

<table>
<thead>
<tr>
<th></th>
<th>Bronze Plan</th>
<th>Monthly premium</th>
<th>% income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single adult, 25 years</td>
<td></td>
<td>$231</td>
<td>11.6</td>
</tr>
<tr>
<td>Monthly income of $2000 per month</td>
<td>Silver Plan</td>
<td>$331</td>
<td>16.6</td>
</tr>
<tr>
<td>Family of 4, 2 adults (age 35), 2 children</td>
<td>Bronze Plan</td>
<td>$575</td>
<td>14.4</td>
</tr>
<tr>
<td>Monthly income of $4000 per month</td>
<td>Silver Plan</td>
<td>$819</td>
<td>20.5</td>
</tr>
</tbody>
</table>

Source: Public Policy Institute of California
Outlook

Innovations at the local level:

- MyHealth LA: medical home for undocumented immigrants

- Healthy San Francisco: public health plan open to undocumented immigrants

Innovations from the private sector:

- Western Growers: Provides insurance for California workers in Mexico
Sources

Pew Research Center “Unauthorized Immigrant Totals Rise in 7 States, Fall in 14”, Washington DC, 2014

Public Policy Institute of California, “Undocumented Immigrants: Just the Facts”, San Francisco CA, 2014


California’s Undocumented: Trends in Coverage, Access to Care, and Utilization

Arturo Vargas Bustamante, PhD, MPP
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"Challenges for Farm Labor Contractors to Provide Affordable Care for Farmworkers"

Guadalupe Sandoval
Executive Director
California Farm Labor Contractor Association
Overview

• The agricultural workforce and contractors
• Offering Affordable Care
• Providing Affordable Care

• Credits:
  • Don Villarejo – Presentation to CFLCA 2012
  • Susan Gabbard, JBS International: Presentation to Ag Labor Issues Forum, April 2015
  • Daniel Carrol, US DOL, National Agricultural Workers Survey
Farmworker Population

In 2012 California had:
- 363,000 farm workers
- 172,000 hired workers
- 191,000 contract workers

In the previous 10 years:
- Hired labor decreased by 8 percent
- Contract labor grew by 26 percent

Source: Bureau of Labor Statistics
California Labor Expenditures

According to the 2012 Census of Agriculture, California crop producers spent:
- $8 billion on labor
- $5 billion on direct hires
- $3 billion on contract labor

California has higher contract labor expenditures
California: from hiring workers directly to hiring via FLCs

CA: Average Crop & Crop Support Employment, 1993-2012
Supply Shocks\textsuperscript{1}

- More difficult to cross U.S.-Mexico border because of new U.S. laws and more border enforcement
- More expensive to hire smugglers to cross U.S.-Mexico border
- Reduced incentive for Mexican citizens to migrate to U.S. because of:
  - Increasing economic growth in Mexico
  - Improved social programs
  - Decreased birth rates
- More immigration enforcement in U.S. interior

\textsuperscript{1}Fan, M., Gabbard, S., Pena, A.A., & Perloff, J.M. (2015). Why Do Fewer Agricultural Workers Migrate Now?
Migrant Farmworkers Trend

Source: National Agricultural Workers Survey
Health Insurance Coverage Trends

Source: National Agricultural Workers Survey
Sources of Farmworker Health Insurance

- One-third of California farmworkers reported having health insurance coverage in 2012
- Insurance was provided by:
  - Employer 20%
  - Government program 11%
  - Other sources 2%
  - Total 33%
## Health Care Visits in Last Two Years by Insurance Status, 2012

<table>
<thead>
<tr>
<th></th>
<th>Had a U.S. Health Care Visit in Last Two Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>All California farmworkers</td>
<td>53%</td>
</tr>
<tr>
<td>Uninsured California farmworkers</td>
<td>45%</td>
</tr>
<tr>
<td>Insured California farmworkers</td>
<td>72%</td>
</tr>
</tbody>
</table>

Source: National Agricultural Workers Survey
2015: ACA Mandate for Large Employers - Issues

- Many FLCs are ‘Large’, but only seasonally
- FLCs seeking ‘affordable’ compliant options
- Bronze coverage options, still relatively expensive for many FLCs and Growers
- Employee contributions are a major deterrent
- Additional expenses, such as AB 2757 may create further disincentive to provide affordable coverage
- Many ‘small’ FLCs – not impacted by ACA
- Many seasonal workers, never qualify for coverage
Potential and Actual Solutions

• Truly affordable health insurance plans
• Growers willing to cover the additional expense
• Low or no cost to workers
• Targeted enforcement of FLCs with joint liability
• Provide additional incentives to growers and FLCs
• How to incentivize more FLCs to go no, or low employee co-pay
CFLCA’s Role

- Continue to explore options and potential preferred insurance providers
- Continue to educate FLCs on the ACA mandate and options for compliance
- Emphasize the need for FLCs to improve total compensation package for employees – Recruitment and Retention tools for FLCs
- Encourage smaller FLCs to offer insurance benefits regardless of mandate
- Defeat presidential candidates opposed to immigrants
Thank you

- Please accept our requests to meet with you and/or your staff, 6th Annual Legislative Action Day, May 17.
Health Reform and California Farmworkers

Joel Diringer, JD, MPH

March 2016
Why is a healthy agricultural workforce important?

- A vibrant agricultural industry both promotes a healthy economy for rural California and enhances the state’s ability to preserve a rural culture and open space in the state’s surviving agricultural valleys.

- The United States needs a secure, dependable, healthy and domestic food supply.

- To ensure a healthy and stable workforce for California’s $54 billion agricultural industry.
  - Tulare $7.3 billion
  - Kern $6.8 billion
  - Fresno $6.4 billion
  - Monterey $4.2 billion
California’s agricultural workforce

• Approximately 650,000 persons - more than a third of the nation’s farmworkers -- are employed in California

• Approximately 1.2 million Californians in farmworker families

• Nearly two-thirds are married, and over one-half have children

• Nearly all are foreign born, primarily from Mexico
California’s agricultural workforce

- Most (63+%) do not have work authorization

- Nearly all are very low-income

- 39 percent of Western US farmworkers work fewer than 180 days per year in agriculture

- An estimated 37 percent of farmworkers are employed by farm labor contractors who contract with growers to provide crews for particular operations, (e.g. pruning, harvesting, weeding, etc.)
Health of the agricultural workforce

• Pre - ACA:
  • 70% had no health insurance - fewer than 20% had employer supplied coverage
  • Coverage varies by income, immigration status and number of days worked in agriculture (NAWS)
  • In 2014, ag plans (United Ag, Western Growers and RFK) covered no more than 100,000 workers and dependents. Plus self-funded plans.

• Half of farmworkers used no health services in the Western US in the past year - of those who seek services 27% went to clinics; 48% to private providers; 1% to ERs. (NAWS)

• Nearly one in five male farmworkers had at least two of three risk factors for chronic disease: high serum cholesterol, high blood pressure, and obesity (CAWHS)

• The hazards of farm work lead to occupational injuries and diseases
Coverage options under ACA

- Employer provided coverage

- Medi-Cal or Covered CA subsidies for documented workers when not offered employer benefits.

- County indigent programs; Direct primary and preventive care provided by community and migrant health centers; emergency care at hospitals.

- Direct primary care provided to workers by large growers (e.g. Reiter).
Coverage options under ACA

Employer provided coverage:

- Ag plans waivers for capped benefits expired in 2014
  - Increased costs by 35% or more
  - Raised deductibles and co-pays

- Beginning 2016, “large employers” (50 or more FTEs) are required to offer adequate and affordable coverage;
  - seasonal workers (those that work customarily six month or less) are NOT considered full-time employees.

- Estimated CA ag employer spending on FW coverage: $130 million to $500 million - depending on length of coverage and cost of plan
Challenges to coverage

- Seasonality of employment
- Multiple employers
- Affordability of premiums, co-pays and deductibles
  - Low take-up; “illusory coverage”
- Large number of undocumented workers excluded from Covered CA and Medi-Cal (except for emergency)
- County indigent services generally exclude undocumented
Challenges to coverage

Estimated % of Farmworkers Covered under 2016 Employer Mandate

- 46% No coverage
- 21% Employer coverage during season only
- 12% Employer coverage + MC/CC during off season
- 2% No employer cov, but MC/CC eligible
- 20% Spouse coverage
Possible solutions for care and coverage

- Support expanded coverage for immigrant workers
  - For newly legalizing workers through immigration reform (DAPA - 1/3 of FWs might be eligible)
  - State supported coverage for undocumented through Covered CA and Medi-Cal and/or county programs
- Re-establish and augment state funding for outreach and preventive and primary services at farmworker clinics
- Maintain current employer based coverage where possible through legislative and regulatory changes such as:
  - Allowing first dollar coverage for preventive, primary and RX services while limiting other coverage
Possible solutions for care and coverage

- Alternative models:
  - Farmworker plan that aggregates employer and employee contributions and state funding (Medi-Cal) for full year coverage and care through migrant health centers
    - Requires ACA section 1332 waiver and possibly Medi-Cal waiver
    - Possible pilot on a regional basis
  
- Direct health services by employer, with wrap-around coverage
Options for Financing Medi-Cal Coverage for the Undocumented

Lucien Wulsin
Insure the Uninsured Project
March 20, 2016
www.itup.org
Step 1 (State)

- Combine state programs
  - Emergency Medi-Cal and AIM
  - GHPP and CCS
  - Breast Cancer Control and Screening
  - ADAP
  - Family PACT
  - CHDP
  - Private hospital DSH and DSH supplement
  - Prop 99
Step 2 (Local)

- Add in local resources (adjust for wide variability among the counties)
  - GPP
  - SB 12 (Maddy)
  - Behavioral health
  - Move from 80/20 split to 60/40 sharing or
  - Create a local match
Step 3 (Federal)

- Add in federal resources for safety net care to the uninsured
  - FQHC uncompensated care funds
  - GPP and private sector DSH
  - Emergency Medi-Cal
Step 4 (employers)

- Add in employer and employee contributions
  - Employer buy in option
  - Healthy San Francisco style pay or play
  - Small low wage business tax credit