LATINO CAUCUS

Executive Summary
For Health

In 2003, nearly 6.6 million people in California were without health insurance coverage for at least part of the year.[1] Of these, more than 3.7 million were without coverage for the entire year, or more. Despite these staggering numbers, the California's overall rate of uninsurance has remained constant while nationally, uninsurance rates have risen.
Currently Latino's represent 35% (approximately 12 million) of California's population, making Latinos the largest minority group in the state. Among California's Latino populations 44% are immigrants. Although there is a significant presence of Latino's in California and the numbers continue to increase, Latinos face specific challenges in their health status. These challenges include the highest uninsurance rate in the state, a disproportionate lack of health care access, and a number of health disparities.

In California, Latinos have the highest rate of uninsurance. 1 in 3 Latinos do not have health insurance. It is a common misperception that the majority of people without health insurance are unemployed. In California employment based health insurance is not as readily accessible to Latinos as it is to non-Latinos. Latinos are disproportionately employed in industries that don't offer insurance such as agriculture, services, garment and construction. Almost three in five working poor families are headed by a Latino in California. Latinos also face a number of health disparities that place them at a disadvantage:

Diabetes is one of the leading causes of death among Latinos.
Latinos are disproportionately represented among those who are obese.
Cardiovascular disease is the leading cause of death among Latinos in California and nationwide.
Latina women in California have the highest risk of developing cervical cancer.
Limited English proficiency further prevents Latinos from accessing health care services, as well as from receiving quality care.

Together, all these factors undermine the health, well-being and economic security of Latinos by delaying the diagnosis and treatment of critical health conditions, which often results in high rates of disease and death and high health care costs.

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[1] "The State of Health Insurance in California – Findings from the 2003 California Health Interview Survey" UCLA Center for Health Policy Research. [Hereafter cited by relevant page number]
1. U.S. Census 2003 data
2. NCLR, Hispanic Health in California: Key Challenges
3. PEW Hispanic Center, The Henry Kaiser Family Foundation, March 2004
4. Latino Coalition for a Healthy California, Latino Health Fact Sheet, January 2005
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The Latino Caucus should introduce legislation that will reduce barriers and make health care more accessible to the Latino community. Examples of some of the key areas are:

- Encourage that all employers provide health care benefits to all their employees
- Proper education to health care providers on communicating with the Latino community
- Simplify the enrollment and application process for state programs
- Increase diversity amongst health care professionals
- Increase minority enrollment at our Universities and Colleges
- Reach out to the Latino and immigrant community about health care programs and public charge

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Overview of Current Status

The growing presence of Latinos in California in the last 10 years has not been accompanied by an equivalent increase in the quality of and access to health care for this population. California Latinos comprise 11 million, 31% of California's population. California has become the most ethnically, linguistically and culturally diverse state in the nation. About 85% of this population growth is due to the direct result of growing numbers of Latinos and Asian & Pacific Islanders moving to California.

State and federal programs have had the greatest impact on Latino health insurance coverage rates. Medi-Cal is a well established state program that provides health insurance to the majority of Californians (24%) who do not have job based health insurance. The second largest public program is California's Healthy Families. This health coverage program assists 5.3% of the population. Of the children who are covered by Medi-Cal or Healthy Families, 46% have at least one parent who is also enrolled in one of the two programs. Latinos in particular, have been some of the most significant gainers from public health programs, but they remain far behind other groups in overall health-coverage.

Despite the current efforts to widen subsidized health insurance coverage in California, with programs such as Healthy Families, State Children's Health Insurance Program (SCHIP), Medi-cal and Medicare, many Latinos remain uninsured. Nearly 1 in 6 uninsured adults are eligible, but are not enrolled in Medi-Care and/or Healthy Families. The complicated process of applying to the different public heath programs discourages Latino families from accessing health care. Another obstacle to medical care for Latino Families is the shortage of culturally appropriate services. If there is no language translation or Spanish speaking providers it is very difficult to navigate the health care system. The lack of Latino physicians in California is a growing concern. Latino physicians represent only 4.8% of California's physician world, although Latinos statewide represent nearly 30% of the population.

Other barriers that prevent Latino families from accessing quality health care are immigration status and those families that live in rural areas. In California about 48% of the 3 million noncitizen Latinos under the age of 65 are uninsured.

Sadly, the majority of people who lack health coverage in our state are those who represent an ethnic group, Latinos being the highest uninsured at a rate of 28.3%. In addition to being the highest ethnic group that is uninsured, Latinos also face particular health disparities that place them at a greater disadvantage.

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A more coordinated effort is necessary to increase health insurance rates among Latinos, while also addressing the larger socioeconomic, cultural and political issues that prevent Latino from accessing health services.

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Legislative Programs and Efforts

Universal health care is a priority for Latinos, this includes affordable and accessible primary, preventive and emergency room health care this is culturally competent. Although many Latinos are eligible for public health insurance and services, misconceptions regarding eligibility, stigma and quality of care, along with language and cultural barriers, often deter Latinos from enrolling and utilizing these programs. If you factor in the complicated application and enrollment process to the public health insurance system, you loose even more families.

Currently the California Health Insurance Reliability Act of 2005 would provide health insurance to Californians. CHIRA would cover all Californians under a single health plan that is administered and funded through the state. The program would be financed with current government health funding, a payroll tax, and other taxes that would replace the need for premiums. If passed, this bill would impact the Latino children and families greatly, since Latinos comprise more than half of the State's 6 million uninsured, approximately 3 million persons.

In this past Legislative cycle there were several pieces of legislation introduced by members of the California Legislature that would address some of the most challenging issues facing the Latino community. Legislation was introduced that would simply the application process for children applying through the Child Health and Disability Prevention Gateway. ***(AB 624, Montañez).*** The impact of this bill on the Latino community is that Latino children are two times as likely to be uninsured than any other ethnic group. The uninsured rate of Latino children between the ages of 0 to 17 is 38%.

In 2005, AB 772 (Chan) was introduced that would establish the California Healthy Kids Program to provide health care coverage to all children from birth to 21 years of age. This bill would expand eligibility by allowing children with family incomes up to 300% of the federal poverty level to qualify. The impact of this bill on the Latino community is half of the children born in California are Latinos and two-thirds of children eligible yet not enrolled in Medi-Cal or Healthy Families are Latinos.

In 2003, SB2 (Burton) sought to force businesses with more than fifty employees into providing health benefits or paying into a State-run fund that would provide contracted coverage. The bill was criticized for potentially imposing significant costs on small businesses. Although the Legislature initially passed the bill, it was repealed by voters in

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2004. Opponents of SB2 succeeded by less than 1% of votes, suggesting that the concept of "pay or play" may still be a viable way of bringing more complete health coverage to California.

In 2005, AB1670 (Nation and Richman) was introduced, requiring all Californians to have some sort of health insurance. The driving principle was that maintaining some level of health insurance would prevent bankruptcy from medical costs. A major benefit of the bill was that it would have, in theory, established complete health coverage for California, unlike the current voluntary system which allows employers and individuals to "opt out and…therefore cannot achieve universal coverage."[2] Opponents of this bill claim that the high-deductibles (up to $20,000 for a family of four) of basic health insurance, which for low-income families would have to be covered by the State, would require unrealistic increases in taxes.

Some of these measures were unfortunately vetoed by the Governor. However, it is efforts such as these that need to be continuously supported to ensure that our Legislative body is enhancing and promoting the health and well-being of Latino low income, immigrant, rural and non-English speaking communities in California.

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[2] pp 68

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Private Sector Programs and Efforts

The California Endowment is a private statewide health foundation whose mission is to expand access to affordable, quality health care for underserved individuals and communities, and to promote fundamental improvements in the health status of all Californians. The California Endowment has concentrated its efforts on three main issue areas: Access to health, culturally competent health systems and community health and the elimination of health disparities all of which target Latino communities.

Kaiser Permanente also serves one of the most diverse communities in the world. Kaiser has developed several different programs that address the issues of cultural and linguistic care. The membership that Kaiser serves speaks over 80 different languages. The National Diversity Council at Kaiser Permanente has played an important role in advancing culturally competent care - health care that acknowledges cultural diversity in the clinical setting, respects members' beliefs and practices, and ensures that cultural needs are considered and respected at every point of contact. Kaiser Permanente has established "Centers of Excellence," innovative clinical models that respond to the health needs of specific populations. The San Francisco Center of Excellence provides primary care in Spanish and Chinese, as well as onsite services by interpreters proficient in other languages and dialects. These Centers of Excellence also exist in West Los Angeles and addresses the health concerns of the African American community as well as one in Colorado that address the health concerns of the Latino community.

Blue Shield Foundation of California has also extended its efforts by providing 6.6 million in grants to eight community organizations from Santa Rosa to San Diego that directly addresses the needs of those without healthcare coverage. The grants will help many low-income residents stay insured and will help subsidize care for California children and families that lack insurance. The uninsured rate of Latino children between the ages of 0 to 17 is 38%. Many Latino families live in families with limited incomes, so programs such as the Blue Shield Foundation directly impact the Latino community.

There is a need for more private sector programs that provide affordable and accessible health care to Latinos in California. The existence of these programs is crucial in California to help relieve the strain on our already fragile health care system.

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Recommended Policy Actions and Goals

The need to provide adequate, accessible and quality healthcare to Latinos will continue to be a growing concern in California. In order to improve the current disadvantages faced by the Latino community it is imperative that Legislation be introduced that will address the issues of the Latino community.

The legislature should focus in particular on provisions that will:

- Expand health care to all residents of California regardless of their socioeconomic status.
- Provide appropriate and adequate cultural and linguistic services to patients; written material in various languages, bilingual staff and physicians
- Encourage employers to provide health benefits to all of their employees.
- Effort to reach out to the Latino and immigrant communities about health care programs.
- Educating the Latino community understand the misconceptions regarding eligibility for Medicaid and Medi-cal, and helping simplify the application and enrollment process.
- Improving the recruitment, retention, and academic advancement of future Latino healthcare professionals

Other efforts that could close the gap between Latinos and access to healthcare are:

Outreach:

- Considering the large portion of the Latino population that utilizes State-run health care programs, it is important to increase outreach efforts to this community. Many parents whose uninsured children are eligible for such programs persist in believing that they are not eligible.
  In 2003, fully one third of uninsured Medi-Cal-eligible children had parents who did not believe that their children qualified for such coverage.
  In 2003, one third of uninsured but Healthy Families-eligible children had parents who either didn't know that the program existed or believed that their children were not eligible.

Increasing Coverage:

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- Expanding coverage for children is a simple solution that builds upon the existing commitment of most legislators to provide health care to all children.
  According to the UCLA Center for Health Policy Institute: "measures that would cover adults are more challenging, both fiscally and politically…The dialogue created by [SB2], [AB1670], and the single-payer system [State-run, universal health care] offer an opportunity to engage the public in a fruitful discussion and begin building a political consensus on the direction that California should take to cover all of its residents.

Future Research:

- The relationship between education levels and/or age and health care coverage in the Latino community needs to be further examined. Specifically, while Latinos are more likely to opt-out of job-based insurance programs, it is also true that a large percentage of the Latino population (35%) is under 25 and that the 18-25 y/o age group is less likely than any other to opt out of job-based coverage. While Latinos are less likely to be covered by job-based insurance programs, it is also true that when such programs are available, they are less likely to opt-in. Reasons for low employer-based health care enrollment vis-à-vis other underserved ethnic groups need to be routed out.

- **Issue:** ***Lack of Access to Providers in Underserved Areas***

Many areas of California (particularly inner-city and very rural areas) face troubling and persistent shortages of providers. Access to physicians is especially problematic. Financial considerations, combined with cultural and linguistic barriers, make it difficult for young physicians, who are repaying medical student loans, to practice in many underserved areas.

In response to this problem, the Legislature in 2002 passed the California Physician Corps Loan Repayment Program (later renamed to honor the late Steve Thompson). In addition to earning a salary, physicians selected for the program will be eligible for medical school loan repayment grants of up to $105,000 in exchange for a three-year service commitment in a medically underserved area of the state. The recipients work in a variety of underserved areas all over the state, from community clinics in downtown Los Angeles, to farm worker health clinics in the Central Valley, to rural health facilities in Northern California. Eligible practice settings include community health centers, migrant health centers, and public housing centers.

This program not only places physicians in underserved areas, which are disproportionately communities of color, but it also helps place linguistically and culturally competent physicians in these underserved areas. One of the considerations in

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qualifying for the program is fluency in a Medi-Cal threshold language. About 93% of the awardees spoke a Medi-Cal threshold language, primarily Spanish.

- ***GOAL: Increase funding for programs that aim to increase culturally appropriate providers in underserved areas.*** This will help to improve Latinos' access to linguistically and culturally appropriate medical care.
- ***Access to non-emergency care in Medi-Cal.*** Latinos comprise a disproportionate share of the uninsured population, making them more likely to enroll in Medi-Cal. Because of this, the problem caused by physician undersupply in the program fall especially hard on Latino communities.

  Accessing a provider in Medi-Cal continues to get worse as provider rates decrease in real terms and providers face administrative hurdles. Generally, Medi-Cal enrollees have less access to primary care physicians than other insured groups. More than 60% of Medi-Cal recipients report difficulty finding a doctor Access is even worse for specialty care. This lack of access to a provider forces Medi-Cal enrollees to seek care in overcrowded Emergency Departments (EDs.) Medi-Cal enrollees are 15% of the population, yet comprise almost 30% of ED visits.

- Medi-Cal Provider Rates. Many providers do not participate in the Medi-Cal program because rates do not cover the cost of providing care. The problem has become worse over the last few years as the costs of providing care have increased while reimbursement rates have remained the same. To compound the problem, providers are not able to shift the costs of providing Medi-Cal services as much because they are getting squeezed from private payors as well.

  Medi-Cal provider reimbursement rates are the lowest in the nation, yet DHS went forward with a temporary 5% provider rate reduction on January 1, 2006.

- Provider Enrollment. Low provider participation in Medi-Cal due to low reimbursement rates and administrative burdens is the primary reason that Medi-Cal enrollees lack access to providers.

  At the same time that low-income families are not able to find a provider in the Medi-Cal program, there are a huge number of providers with pending applications. According to the latest available data from the Department of Health Services, there are about 11,000 providers (about 7,000 physicians) waiting to be enrolled in Medi-Cal.

- **GOAL:** ***Support legislation to increase provider participation in Medi-Cal.*** Increasing provider participation in Medi-Cal is the best way to ensure that Medi-Cal families have timely access to non-emergency care. There are a variety of

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approaches to increase provider participation in the Medi-Cal program, from increasing provider reimbursement rates to creating a more administratively efficient program, to ensuring that all willing providers are enrolled in a timely manner.

For example, SB 770 (Romero), was introduced last year to help clear the backlogs and make sure that physicians are available to Medi-Cal families as soon as possible by shortening the time DHS has to process physician applications.

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