Health Insurance Access and Participation Among **Latinos in Iowa**

Latinos are the largest and fastest growing population group in Iowa. Between 2000 and 2013, there was a 104.7 percent increase in the Latino population in Iowa[1]. In 2013, Latinos made up 5.5% of Iowa's population, and are projected to comprise 12.4% of Iowa's population by 2040[1]. Among all population groups in the U.S., health insurance plays a critical role in people's access to health care, their health outcomes, and protecting against expected and unexpected health care costs. The Health Insurance Marketplace, an outcome of the 2010 Patient Protection and Affordable Care Act, has led to a significant increase in the percentage of individuals who have health insurance coverage who previously did not have health insurance. Among the Latino population, the percent of uninsured working adults dropped from 36% in the U.S. in 2013 to 23% in 2014.[2] In states such as Iowa that expanded Medicaid eligibility, the rate decreased even greater–from 35% to 17%.[2] However, even though a larger proportion of the Latino population has health insurance coverage, there remains a significant portion of the Latino population, including those who are immigrants, who continue to face barriers in obtaining health insurance. This brief provides information about the importance of health insurance, current available insurance options, and persistent barriers many Latinos face in regard to accessing health insurance.

Importance of Health Insurance

Health insurance provides physical, mental, and financial protection to individuals and families for expected and unexpected health conditions. When people do not have health insurance, or have inadequate health insurance, the consequences effect not only individuals, but also effects their families and the community as a whole.

Health insurance coverage directly influences if, how, and when individuals access health care. Individuals who do not have health insurance are at higher risk of poor health outcomes.[3] Uninsured individuals are more likely to delay treatment and rely on "expensive, medically avoidable treatments" when receiving care.[4]

Health Insurance Coverage and Healthcare Access among Latinos in Iowa

In 2012, 24 percent of the Iowa Latino population was uninsured, compared to 8.4 percent of Iowa's total population.[1] Additionally, Latinos who are immigrants remain at high risk for being uninsured.[5] Based on the 1996 Personal and Work Opportunity Reconciliation Act (PRWORA, commonly referred to as 'welfare reform'), most immigrants must be residents of the US for 5 years before they qualify for federally funded health insurance programs like Medicaid. Additionally, immigrants face challenges of language and cultural differences as well as documentation status which contribute to potential access or quality of care.[6]

In Iowa State University's (ISU) 2011 study of 98 rural Latino immigrant families, only 52 percent of mothers reported having a primary health care provider and 89 percent responded that health clinics or Medicaid were their usual source of health care. Nearly 85 percent reported that either they or a member of their family had been covered by a Medicaid program and only 15.3 percent had been covered by private insurance in the last year.[7]

Studies show that Latino children in Iowa are less likely to have a regular source of medical care than other children, and Latino parents are less likely of any racial/ethnic group to report that they think their child needs medical care.[8] This may be caused by a lack of health literacy, differences in cultural health beliefs, access to culturally competent health care services[9] and educational materials, as well as concerns related to documentation status or finances. About 10 percent of Latino children in a 2010 study by the University of Iowa (U of I) Public Policy Center needed medical care but could not access care over the course of a year.[8] Although 42 percent of the Latino children in the study were covered by private insurance, almost 37 percent of the parents of insured Latino children reported that health-related costs not covered by their insurance were a problem. Latino parents are the most likely of any racial/ethnic group to report needing to delay necessary health care for their child because of the cost.[8]

Patient Protection and Affordable Care Act (ACA)

The ACA provides changes to the health insurance market, including new protections and benefits for everyone, including the currently-insured. Some of the provisions started in 2010 with the enactment of the ACA, others went into effect starting January 1, 2014.[10]

Major provisions of this law include:[10]

- individuals are mandated to have health insurance or pay a fine, unless they meet certain specified exemptions
- providers can no longer deny coverage due to pre-existing health conditions
- plans must meet quality standards, including coverage of 10 essential benefits, including preventive care and wellness coverage

- no lifetime or annual limits on the dollar amount paid by providers on health benefits
- a person cannot be charged a higher premium due to health status or based on gender
- young adults can remain on parents' policies until age 26
- an online marketplace provides a single point of entry to determine eligibility to purchase public and private insurance

ACA Individual Mandate and Exemptions

The ACA's individual mandate requires all citizens and lawful immigrants to obtain minimum essential health insurance coverage. Those who choose not to get insurance will pay a tax penalty unless they meet certain exemptions. When filing 2014 taxes, individuals without coverage, will pay a penalty up to $285 per family or one percent of a family's income, whichever dollar amount is greater. The penalty will increase until 2016, at which time penalties will be based on cost of living.[10] There is a portion of the population exempt from this penalty, including:[10]

- those who cannot find affordable coverage, defined as the lowest cost plan available is more than eight percent of a household's income or an individual did not file a tax return due to low income
- those who apply for a hardship exemption due to unexpected circumstances like natural disaster or bankruptcy
- those who have been uninsured for less than 3 months
- members of a federally recognized tribe
- members of a religious group that objects to health coverage
- individuals who are incarcerated

Health Insurance Marketplace

As a provision of the ACA, every state has a health insurance marketplace, also called an exchange. The marketplace is an online platform that allows users to compare available plans, apply for financial assistance, and purchase health insurance.[10] Iowa has a state-federal partnership health insurance marketplace. The Federally-facilitated marketplace is housed on healthcare.gov. Iowa regulates the insurance plans available on the marketplace and has a primary role in consumer education and outreach.[11] About 17% of the uninsured speak Spanish as their primary or preferred language. The Marketplace website (CuidadoDeSalud.gov) and application is available in Spanish. Consumers can find local assistance in understanding the marketplace and application process in their preferred language online (localhelp.healthcare.gov). The marketplace provides one point of entry for determining eligibility for insurance options, private and public insurance plans offered in the marketplace. All health coverage plans must cover the 10 essential benefits, but are categorized into 4 metal levels based on the level of coverage provided by the insurance company. The plans are Bronze, Silver (considered standard level), Gold, and Platinum, with Bronze providing 60% of medical costs and Platinum providing the most coverage at 90%. Individuals and families can only sign up for health insurance coverage during an open enrollment period, usually November 15-February 15. Health insurance can be purchased or changed outside of the open enrollment period if a person has a qualifying event (e.g., marriage, divorce, birth of child. loss of health insurance).[10]

Financial Assistance

In 2012, the poverty rate for Iowa's Latino population was 26%, twice the rate of Iowa's population (12.7%) as a whole.[1] Federal or state financial health care assistance programs that can help families who have low income require applicants to:[10]

- be living in Iowa[11]
- be a US citizen or legal alien
- provide a social security number
- provide information on finances and family size
- NOT have other health insurance

Families and individuals that meet these qualifications may qualify for financial assistance through a variety of insurance options (listed in the table below) if they earn up to 400% of the federal poverty level (FPL). Hawk-i is Iowa's version of the nationwide Children's Health Insurance Program (CHIP) that provides affordable health insurance to low income youth.[11] Medicaid is a nationwide program providing health insurance to specific groups of people based on their income.[10] Iowa Health and Wellness Plan (IHAWP) started January 1, 2014 and replaces IowaCare. IHAWP expands free insurance to adults ages 19 – 64 through the Iowa Wellness Plan (individuals with income up to and including 100% of FPL will enroll in Medicaid) and the Iowa Marketplace Choice Plan (individuals with income 101% up to and including 133% FPL will choose a Marketplace plan, but Medicaid will pay the premium).[11] Individuals that do not qualify for a public insurance plan may reduce the cost of their insurance if they qualify for a premium tax credit (income at or below 400% FPL) or cost-sharing reductions (income at or below 250% of the FPL) through the health coverage offered in the Health Insurance Marketplace. The premium tax credit means the federal government will pay part of the premium costs to make it more affordable.[10] Individuals can select to have this paid in advance (monthly cost is less) or paid later (get funds as credit on tax return). The cost-sharing reductions mean the federal government will help pay some of the out-of-pocket costs like deductibles, copayments, and coinsurance. The cost-sharing reductions are only available if enrolled in a Silver plan from the Marketplace.[10]

Table: Available Financial Assistance for Health Insurance

hawk-i	
Age Requirement	Under 19 years old
Income Requirement	Family income of 302% FPL or less
Medicaid	
Age Requirement	Child under 21 years old Parent of children under 18 years old Pregnant woman 65 years and older Any age with disability or breast or cervical cancer
Income Requirement	Family income of 100% FPL or less
Iowa Health and Wellness Plan (IHAWP)	
Iowa Wellness Plan	
Age Requirement	Adult between 19-64
Income Requirement	Family income of 100% FPL or less
Marketplace Choice	
Age Requirement	Adults between 19-64
Income Requirement	Family income between 101% to 133% FPL
Iowa Health Insurance Marketplace	
Premium Tax Credit	
Income Requirements	Family income between 100% to 400% FPL
Cost-Sharing Reductions	
Income Requirements	Family income of 250% FPL or less

In 2012, the poverty rate for Iowa's Latino population was 26%, twice the rate of Iowa's population as a whole.

Difficulties Latino Families May Face Obtaining Health Insurance

Latino families face many obstacles when attempting to obtain health insurance. While other racial/ethnic minority groups historically have faced challenges and experienced low health insurance status, Latino enrollment in the Health Insurance Marketplace has been more difficult due to the number and accessibility of Spanish speaking Navigators to assist with enrollment. Additionally, Spanish speakers' lower access to technology (compared to fluent English speakers) in hand with the technical difficulties experienced by the Spanish language healthcare.gov website (CuidadoDeSalud.gov) resulted in fewer Latino enrollments in health insurance. Latino immigrant families with mixed documentation status experienced fear and misinformation related to ability to enroll without prosecution. An additional factor contributing to low Latino increases in enrollment was due to the Latino population being younger on average than the population as a whole.[17] In general, younger individuals are less likely to purchase coverage.[12] Finally, individuals and families may not have signed up for insurance due to ineligibility.[2]

Immigrants who have lawful residence status can only enroll in Medicaid and hawk-i after they have been in the United States for five or more years. Refugees, asylees, other humanitarian immigrants, and veterans and military families do not need to wait five years before enrolling in Medicaid.[10] Iowa waives the five-year-rule for pregnant women, children under age 19 for hawk-i benefits as well as children under age 21 for Medicaid benefits.[11]

Undocumented immigrants cannot purchase coverage through the insurance marketplace, but they are not required to have health insurance under the individual mandate. For those undocumented immigrants who wish to obtain health insurance, they may be able to apply through private insurance plans outside of the marketplace, but many private insurers may still require social security numbers making health insurance coverage difficult or impossible. However, family members who are U.S. citizens or lawfully present immigrants are eligible for coverage through Medicaid, hawk-i, and the Health Insurance Marketplace even if other members of the family are undocumented. Undocumented immigrants may apply for coverage on behalf of lawfully present/citizen family members.[10] This means that an undocumented parent may apply for hawk-i benefits for his/her citizen child.

The marketplace requires only citizen and immigration status documentation for the family members applying for coverage. Applicants are not required to provide citizenship or immigration status information for any family/household members who are not applying for coverage (e.g., a parent applying for a child). States may ask non- applicants for a Social Security number, but they are required to clearly indicate that providing this information is voluntary. States may not deny benefits because an application fails to provide SSNs of non-applicants in the family or household (as long as that person's income is not needed for computing tax credits).[13]

Undocumented youth with temporary permission to stay in the country under the Deferred Action for Childhood Arrivals program do not fall within the ACA's definition of "lawfully present immigrants" and are ineligible for Medicaid, hawk-i, and the Health Insurance Marketplace.[10] Iowa residents who are not United States citizens or "lawfully present" are ineligible to purchase insurance in the insurance marketplace, but they may shop for insurance outside the marketplace through any a state-licensed health insurance company or licensed agent or broker.[10] However, private insurers may require a Social Security number or other form of identification that unregistered immigrants may be unable to provide. For those unable to secure private or public coverage, care is available through free clinics and emergency rooms (which are required to screen and stabilize patients). Although these avenues for access are far from optimal, they do provide a very limited safety net for unregistered immigrants.

Immigrants who are ineligible for coverage through the Health Insurance Marketplace and who cannot purchase private insurance still need health care services. Immigrants and other Iowans who have low incomes must often utilize low-cost care available through community health centers. Additionally, up to 3 days of Medicaid can be obtained for emergency services if someone does not meet the requirements for citizenship, social security number, or alien status. Hospital emergency rooms are required to screen and stabilize all individuals, regardless of immigration and insurance status.[11]

Implications and Suggestions for the Future

Latinos are among Iowa's least insured and most impoverished populations.[1] The ACA offers a new avenue to insurance for individuals and families through the Health Insurance Marketplace and financial assistance through premium tax credits and cost-sharing subsidies. Financial assistance programs offer coverage for eligible individuals. During the first open enrollment period through the Health Insurance Marketplace, 15% of uninsured documented Latinos enrolled in health insurance. The enrollment of uninsured was lower relative to other minorities.[13] However, several barriers and difficulties facing Latino immigrants, as stated previously, likely kept many eligible individuals from obtaining health care coverage.

Outreach programs, including Extension, should focus resources on helping Latinos understand and become aware of the potential sources of coverage available to them and their families. Information about the Health Insurance Marketplace and availability of and eligibility for financial assistance should be shared through healthcare providers including free clinics, primary care provider's offices, and emergency rooms. Other non-medical points of dissemination include churches, community centers, Internet, and schools. It is important that information is understandable—avoiding medical jargon—, culturally relevant, and available in both English and Spanish. Information could be provided through posters and pamphlets available at points of common access to Latino families (e.g., grocery stores, schools, libraries, churches, laundry mats, restaurants), as well as through newspapers and newsletters published in both Spanish and English. Due to the prevalence of mixed documentation status among Latino immigrant families, outreach organizations should make special efforts to explain who is eligible for various health insurance options and to explain that unlawfully present parents can apply for health insurance on behalf of citizen or lawfully documented family members without fear of repercussion or deportation. Improving healthcare access among Iowa's Latino population will result in a healthier population, lower healthcare costs, and improved health for Iowa's population as a whole.

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