



HEALTH EQUITY *and the* AFFORDABLE CARE ACT

How the ACA Can Help to Advance Racial/Ethnic Health Equity in Colorado

» Racial/ethnic minorities make up more than 346,000 of Colorado's 829,000¹ uninsured residents. Not only are racial/ethnic minorities less likely than the general population to have insurance and access to health care, they also suffer worse health outcomes in areas including life expectancy, infant mortality, rates of chronic disease and self-reported health status.² The 2010 Patient Protection and Affordable Care Act (ACA)³ can help Colorado reduce these health disparities by expanding access to care, bolstering public health and prevention programs, and improving the health care safety net.

The law provides funding that can be used to reduce disparities. It also provides a roadmap of strategies that target the complex social, economic and environmental factors that contribute to disparities. The table on pages 2 and 3 briefly summarizes the ACA provisions that advance health equity, including those related to health care coverage, delivery and payment reform, and areas specific to disparities, such as data collection and cultural competence. It also looks at what Colorado has done in these areas to achieve health equity, and summarizes lessons learned in Colorado and other states.

» This brief summarizes the full report, *How the Affordable Care Act Can Help to Advance Racial and Ethnic Equity in Colorado*, which is available at www.coloradotruster.org.

HEALTH EQUITY AND THE ACA

ACA PROVISIONS

IN COLORADO

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MEDICAID	<p>Extends Medicaid coverage to individuals earning up to 133 percent of the Federal Poverty Level (FPL) (\$14,856 a year in 2012). Each state must pay 5 percent of cost by 2017 and 10 percent by 2020.</p> <p>Approximately 39 percent of people who would be newly eligible under expanded Medicaid programs are racial/ethnic minorities.</p>	<p>The 2009 Colorado Health Care Affordability Act, expanded coverage in 2012 to 10,000 childless adults earning 10 percent of FPL.</p> <p>Child Health Plan <i>Plus</i> coverage was extended to 250 percent of FPL for children and pregnant women, and Medicaid coverage to 106 percent of FPL for parents, covering 130,000 previously uninsured Coloradans.</p> <p>In Colorado, Hispanics, American Indians and non-Hispanic blacks are more likely to live at or below the poverty level than whites and Asians.</p>
HEALTH INSURANCE EXCHANGE	<p>Requires states by 2014 to have an operational health benefits exchange that allows individuals, families and employers to buy health coverage.</p> <p>Subsidies and tax credits will be available to individuals and families with incomes between 133 and 400 percent of FPL. Nationally, nearly half of the uninsured adults who will be eligible for subsidies to purchase through the exchange are racial/ethnic minorities.</p>	<p>The Colorado Health Benefit Exchange (COHBE) is scheduled to be operational in fall 2013, offering insurance plans to nearly a million Coloradans, including individual plans for 620,000 people and employer plans for 340,000.</p> <p>COHBE is developing relationships with community-based organizations, health navigators (who help patients understand and maneuver through the health system) and nonprofits to facilitate communication and outreach in racial/ethnic minority communities.</p>
EMPLOYER REQUIREMENTS	<p>Requires firms with 200 or more employees to automatically provide insurance to full-time workers by 2014. Companies with 50+ employees must offer insurance to full-time employees or pay a penalty. Firms with fewer than 25 employees and average wage of \$50,000 or less are eligible for tax credits to help provide insurance.</p>	<p>In 2008, only one-third of Colorado businesses with fewer than 25 employees offered insurance, compared to 56 percent with 25-50 employees and 98 percent with 50 or more employees.</p> <p>Only 5 percent of Colorado small businesses have applied for tax credits. Surveys show less than half of small companies nationwide are familiar with the credits, indicating the need for more outreach and education.</p> <p>Approximately 46,400 small businesses in Colorado are minority owned,⁴ and of the state's 534,500 small business employees, approximately 20 percent are Hispanic or non-Hispanic black.</p>
DELIVERY AND PAYMENT REFORM	<p>Creates new center to test strategies to improve quality and contain costs in Medicare, Medicaid and children's public health programs.</p> <p>Includes incentives for providers to practice evidence-based care, monitor quality and create strategies focused on patients with poor health outcomes.</p> <p>Encourages reform of the health care delivery system through development and use of patient-centered medical homes; allows states to establish medical homes.</p> <p>Provides funding for new community health teams.</p>	<p>Colorado's Accountable Care Collaborative has a goal of improving Medicaid clients' health and reducing costs by shifting payment from fee-for-service to a regional outcomes-based model of care that pays providers a pre-set fee for each patient.</p> <p>The Colorado Multi-payer Patient-centered Medical Home Pilot was designed to show medical homes can focus care on patients, improve health outcomes and decrease costs. Results included decreased emergency department visits and some payer returns on investment, as well as some obstacles, showing that strong commitment from a variety of stakeholders is needed to make medical homes successful.</p>
SAFETY NET	<p>Expands services for the 20 million individuals who receive care at community health centers (CHCs) across the United States – two-thirds of whom are racial/ethnic minorities.</p> <p>Designates \$11 million to expand capacity and improve facilities of existing CHCs.</p> <p>Promotes consortia of providers – CHCs, hospital, health systems – to coordinate care for vulnerable populations.</p> <p>Includes grants for community-based, interdisciplinary health teams to improve care for patients on both Medicare and Medicaid.</p>	<p>In 2010, three Colorado federally qualified health centers received more than \$60.5 million in capital development grants through the ACA for renovations and new facilities.</p> <p>CHCs also received more than \$7.5 million in federal funding to expand services and meet the increased need for affordable health care during the economic downturn.</p>
PUBLIC HEALTH AND PREVENTION	<p>Provides funding to coordinate public health policies across multiple federal agencies and disciplines, address public health concerns, provide education campaigns about breast and oral health, and employ community health workers to promote positive health behaviors at clinics, hospitals, health centers and public health departments.</p> <p>Funding will support public health programs to reduce disparities in reproductive health among racial/ethnic minorities, who experience poorer birth outcomes and higher rates of sexually transmitted diseases than the general population.</p>	<p>The Denver Health and Hospital Authority received an ACA Community Transformation Grant to focus on cardiovascular disease prevention efforts in targeted Denver communities, including screening for disease, addressing social determinants of obesity, working with housing developments to reduce children's tobacco exposure, and collaborating with Denver Public Schools to make more places safe for physical activity.</p> <p>Colorado received a five-year funding stream in 2011 for Maternal, Infant and Early Childhood Home Visiting prevention programs, which have expanded services to some of Colorado's highest-need counties.</p>

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DATA COLLECTION	Requires all federally funded health programs and population surveys to collect data on race, ethnicity and language.	<p>The Office of Health Disparities in the Colorado Department of Public Health and Environment issues periodic reports detailing indicators of health among communities of color in Colorado.</p> <p>The Colorado Health Access Survey tracks Coloradans' health care coverage, access and utilization every two years, including specific data on racial and ethnic minority populations.</p> <p>The Center for Improving Value in Health Care's All-Payer Claims Database (APCD) shows what public and private payers – health plans, Medicaid and Medicare – actually pay for health care services. APCD has fields for race data, but payers provide information only 40 percent percent of the time; it does not include ethnicity/language data because payers don't always collect it.</p>
CULTURAL COMPETENCE	<p>Includes five years of support for research and demonstration and education for health care professionals on how to provide care in a way that is mindful of patient's background, cultural beliefs and practices. Evidence-based educational materials will be disseminated via a web-based clearinghouse available to clinicians.</p> <p>Makes loan repayment available for some health care providers, giving preference to those with cultural competence training.</p>	<p>Approximately 17 percent of Coloradans speak a language other than English at home.⁵ Immigrants make up nearly 10 percent of state's population, including a large portion of Hispanic and Asian populations.⁶</p> <p>Many providers are dedicated to culturally competent treatment, although past attempts to legislate cultural competence measures have failed. A 2006 bill that would have required cultural competency training at education institutions that provide health care degrees was vetoed by Governor Bill Owens.</p>
WORKFORCE DEVELOPMENT	<p>Includes funding to train low-income individuals as home health aides and other health care paraprofessionals, investing in historically minority colleges, providing scholarships and loan forgiveness for primary care providers, and increasing use of a community health worker model.</p> <p>Includes strategies to recruit racial/ethnic minorities into health care provider and leadership roles.</p>	<p>Colorado's Recruiting and Retaining Youth of Color task force leads a statewide coalition to recruit minority youth interested in health professions through advocacy and technical assistance.</p> <p>Colorado's Interagency Health Disparities Leadership Council included strategies to increase workforce diversity in its 2008 strategic plan.</p> <p>Efforts to integrate Colorado's existing workforce diversity development strategies with ACA provisions may help increase diversity in the state. Gauging success of these efforts could provide guidance for future programs and policies.</p>
RESEARCH	<p>Promotes National Center on Minority Health and Health Disparities to institute status, giving it planning and coordinating power to conduct more intensive health disparities research.</p> <p>Creates the Patient-centered Outcomes Research Institute to help researchers examine differences in health outcomes based on race/ethnicity, determine factors that contribute to differences and recommend what can be done to address them.</p>	<p>The ACA does not support state-based research.</p> <p>Colorado policymakers, advocates and providers, however, could benefit from the knowledge, information and evidence-based practice forthcoming from the new institutes. Because the institutes have only just been established, no immediate impact can be expected.</p>
SOCIAL DETERMINANTS OF HEALTH	Charges the Community Preventive Services Task Force with developing new topic areas for health interventions that take into consideration social, economic and physical environments that affect health. The task force is also charged with reporting gaps in research and future priority areas to Congress.	Information from the Community Preventive Services Task Force provides health care stakeholders and policymakers with recommendations on programs, services and policies shown to improve public health in communities, worksites, schools and health plans.

» **Although racial/ethnic health disparities are complex,** the Affordable Care Act provides a policy roadmap to help move Colorado toward health equity. An inequitable health system affects not only those experiencing disparities but also the strength of the system as a whole. Experience from Massachusetts' implementation of its own health reform plan –

with similarities to the ACA – has demonstrated that momentum from health care reform can drive changes to eliminate disparities and leverage a health equity agenda. Achieving health equity in Colorado is possible, and the ACA provides means to help Colorado reach this goal.

» END NOTES

- ¹ Colorado Health Institute (CHI). *Uninsured on the Rise: What the 2011 Colorado Health Access Survey Tells us About Vulnerable Coloradans*. Denver, CO: CHI/Area Health Education Center Conversation Series; 2012.
- ² Andrulis D, Siddiqui N, Purtle J, Duchon L. *Patient Protection and Affordable Care Act of 2010: Advancing Health Equity for Racially and Ethnically Diverse Populations*. Washington, DC: Joint Center for Political and Economic Studies; 2010.
- ³ The Health Care and Education Reconciliation Act, made minor changes to the ACA and added some education components, including extending support for historically black colleges and other minority-serving institutions.
- ⁴ United States Small Business Administration Page. <http://archive.sba.gov/advo/research/profiles/09co.pdf>.
- ⁵ Migration Policy Institute Page. <http://www.migrationinformation.org/datahub/state.cfm?ID=CO>.
- ⁶ Colorado Office of Health Disparities. *Racial and Ethnic Health Disparities in Colorado 2009*. Denver, CO: Colorado Department of Public Health and Environment; 2009.



1600 SHERMAN STREET
DENVER, COLORADO 80203
WWW.COLORADOTRUST.ORG

PHONE: 303-837-1200
TOLL FREE: 888-847-9140
FAX: 303-839-9034