



Latino Health at Risk: What the American Health Care Act Means for Latinos in Arizona

The cuts to health care proposed by Congress will affect millions of families across our nation. Latinos in Arizona will be particularly hard hit. Children, the elderly, the disabled and other vulnerable people will suffer serious losses to coverage and access to care.

Access to quality health coverage and care is essential to living a healthy life. The Affordable Care Act (ACA, also known as Obamacare), has helped provide coverage to 20 million Americans, including 6 million Latinos* since implementation of the law in 2013.

These gains have been especially important to the Latino community. The uninsured rate for Latino adults under age 65 has declined by over 40 percent—from 43.2 percent in 2010 to 24.5 percent in 2016—the largest decline of any demographic group.¹ At the same time, the Latino child uninsured rate (7.5 percent) is at its lowest rate ever recorded.² Increasing health coverage

has also helped Latinos access health care services. In a national survey, three-quarters of previously uninsured U.S-born Latinos and Blacks said they used their coverage to visit a doctor, hospital, or other health care provider or pay for prescription drugs—care that most said they would not have been able to access or afford before getting insurance.³

This historic progress is now under attack. In early May 2017, the House of Representatives passed the American Health Care Act (AHCA), a bill that aims to repeal and replace the ACA, and to cut and restructure the Medicaid program. While these cuts would have a significant effect nationally, it is worthwhile to examine

*The terms “Hispanic” and “Latino” are used interchangeably by the U.S. Census Bureau to refer to people of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race.

the effects at a state level. For example, given the size of the Latino population in Arizona—1 in 3 Arizonans identify as Latino—any changes affecting that population could reverberate through the entire state in several ways.⁴ This fact sheet shows how proposed cuts would affect the tens of thousands of Latinos in the state who have gained coverage in recent years.

Arizona Latinos will be hard hit if the American Health Care Act becomes law

The ACA made historic improvements in health coverage for Latinos. Between 2013 and 2015, the uninsured rate of non-elderly Latinos in Arizona declined from 30 percent to 17 percent.⁵ The rate of uninsured Latino children in Arizona dropped from 15.1 percent to 10.6 percent during this period.⁶

Proposed Medicaid cuts will fall heavily on Latinos in Arizona

Medicaid is a federal-state partnership that provides quality health coverage to low-income children and families, the elderly, and the disabled. The AHCA severely undermines this partnership. Under the AHCA's Medicaid caps, the state of Arizona would lose an estimated \$19 billion in federal Medicaid funding, forcing the state to restrict Medicaid benefits, cut coverage, or both.⁷ Further, the repeal of the state's Medicaid expansion program, along with severe cuts to the traditional program, would severely cripple the

state's ability to provide adequate health care for its residents. These cuts would be especially devastating to Latinos, who tend to work in low-wage, part-time, or hourly sectors of the economy that are less likely to provide job-based insurance. Nationally, one-third of Latinos are covered by Medicaid, including over half (56 percent) of Latino children.⁸

- » About 927,100 Latinos in Arizona have Medicaid coverage, called AHCCCS in Arizona, comprising 56 percent of non-elderly enrollees.⁹
- » About 60 percent of children with Medicaid or CHIP coverage in Arizona (called KidsCare) are Hispanic/Latino.¹⁰
- » Arizona is one of 32 states, including Washington, DC, that expanded Medicaid coverage to cover working adults with low incomes. As of March 2016, 109,603 Arizona residents were newly-eligible Medicaid expansion enrollees, and the latest census data show that 46 percent of the newly-eligible Medicaid expansion population in Arizona is Latino.¹¹

Proposed cuts and changes in marketplace premium credits and subsidies will harm Arizona's Latinos

For individuals and families with incomes that are above Medicaid's income limits who do not have coverage through their jobs, ACA's marketplace plans are an important source of coverage. Need-based financial assistance is available at a sliding

scale to help low- and middle-income families pay for marketplace premiums, with the amount of assistance pegged to their income level and where they live. There are also subsidies available to lower-income people to help cover deductibles and co-pays. In Arizona, 79 percent of all marketplace enrollees received financial assistance to make premiums more affordable, and 51 percent also received subsidies that helped lower their out-of-pocket health care costs like deductibles and co-pays.¹²

The AHCA would dramatically cut the funding available for financial assistance, and change the program so assistance would no longer be based on financial need, but rather on a person's age—even if that person does not have financial need. Cost-sharing subsidies would be eliminated entirely. Most Latino marketplace enrollees would see much higher out-of-pocket costs, threatening their ability to afford coverage.

- » In Arizona, more than 34,000 marketplace enrollees indicated they were Latino in 2017. The actual number is likely much higher, as one-third of enrollees did not indicate a race/ethnicity. Among enrollees who did indicate a race/ethnicity, 53 percent identified as Latino.¹³

- » Most Latinos enrolled through the marketplace would see higher costs. For example, in Maricopa County, where the median income for a Latino individual is \$23,049,¹⁴ a 27-year-old with an income of \$20,000 would pay \$2,460 more annually in premiums after credits under the AHCA than under ACA; a 60-year-old with the same income would pay \$15,490 more under this bill.¹⁵

Arizona's Latinos have much to lose under the AHCA

Under the ACA, millions of Latino families across the country, and tens of thousands in Arizona, have finally attained quality health coverage that they would otherwise not be able to afford. Yet, the actions of the Republican-led House of Representatives make it clear that they aim to reverse course on this progress, rescind the promise of the Medicaid program to cover those with low incomes and disabilities, and strip away the right to health care from millions. The data make it clear that the AHCA does not offer better, more affordable health care options—but instead, threatens the well-being and financial stability of millions of our nation's working families, including many in Arizona.

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Endnotes

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