

A PROFILE OF LATINO HEALTH INSURANCE GAINS UNDER THE AFFORDABLE CARE ACT

The stakes are high for Latinos* when it comes to the fate of health care reform.† The expansion of health coverage under the Affordable Care Act (ACA) will substantially increase the number of insured Americans, and new estimates project that the largest increases in rates of insurance will be among Hispanics. Although the law is not a panacea for Hispanic health care access, it is a step forward that will benefit millions in the community. As the nation waits for the outcome of the U.S. Supreme Court challenge to the law, NCLR examines the potential gains in Latino health coverage that hang in the balance of the Court's decision.

A simulation by the Urban Institute modeled the major health coverage expansions under the ACA as if they had been fully implemented in 2011, measuring the changes in insurance for the nonelderly population by type of insurance and race/ethnicity. See Figures 1 and 2 for a comparison of Latinos' insurance profiles as they stand today and as they would under the health coverage expansions.‡ NCLR finds the following major implications for Hispanics:

- **Latinos will have the largest increase in rates of insurance.** Although the insurance rate for Latinos would still be significantly lower than that of non-Hispanic Whites, experts project that among people under age 65, health care reform would increase Hispanics' coverage rate by about 18%, or more than two times the increase of the rate for Whites. This increase translates to nearly six million nonelderly Hispanics who would be newly insured.
- **The largest increase in coverage for Latinos would be through Medicaid and the Children's Health Insurance Program (CHIP).** The Medicaid expansion would account for about half of newly insured Latinos, with about 3.1 million additional Hispanics covered by the programs. Under the ACA, the public programs—which currently provide insurance for more than a quarter of all Latinos (and half of Latino kids)—would cover about one-third of all Hispanics under age 65.
- **Hispanics' employer-sponsored coverage access would also increase, particularly through plans in the health insurance exchanges.** Increased employer accountability would ensure greater access for Latinos who are often shut out of job-based insurance despite a robust presence in the workforce. An additional 1.5 million Hispanics would be covered by an employer plan—with the vast majority (1.4 million) covered by a plan in the new small group exchanges. The percentage of nonelderly Latinos to have employer-sponsored insurance would rise from 35% to 38%.
- **Latinos' participation in the nongroup market would nearly double thanks to the new health insurance exchanges.** Another 1.4 million Latinos would enter the nongroup (or individual) market, with a total of 2.7 million nonelderly Latinos (5.6%) covered by a nongroup plan. The vast majority of these (2.2 million) would be covered by a plan

* The terms "Hispanic" and "Latino" are used interchangeably by the U.S. Census Bureau and throughout this document to refer to persons of Mexican, Puerto Rican, Cuban, Central and South American, Dominican, Spanish, and other Hispanic descent; they may be of any race. Furthermore, unless otherwise noted, estimates in this document do not include the 3.7 million residents of Puerto Rico.

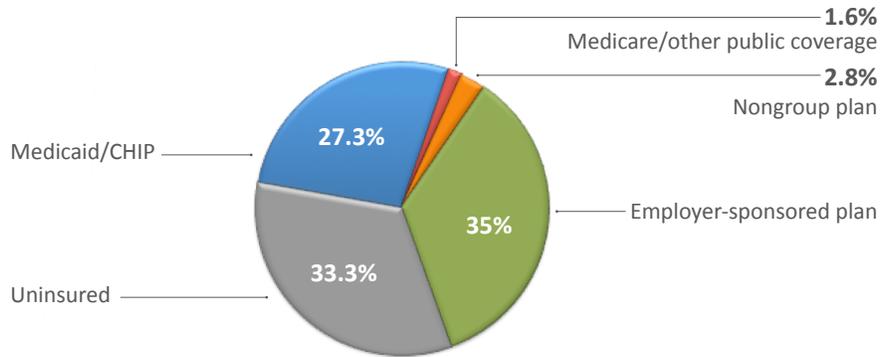
† This fact sheet was authored in June 2012 by Kara D. Ryan, Senior Research Analyst with the Health Policy Project in the Office of Research, Advocacy, and Legislation at the National Council of La Raza (NCLR). NCLR is the largest national Hispanic civil rights and advocacy organization in the U.S.

‡ The data on Latino coverage rates presented in this fact sheet are based on data from Lisa Clemans-Cope et al., "The Affordable Care Act's Coverage Expansions Will Reduce Differences in Uninsurance Rates by Race and Ethnicity," *Health Affairs* 31, No. 5 (2012): 920–930.

in the exchanges; about half a million would buy coverage through the nongroup market expected to operate outside the exchanges. This is an important option for Latinos, who have had less success gaining coverage through traditional pathways.

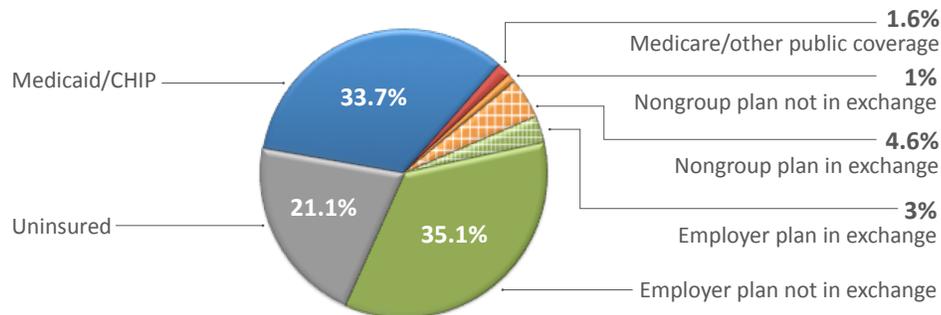
- Hispanics' uninsurance rate would shrink from nearly one-third of the community to about one-fifth.** About 10.1 million Latinos would remain uninsured after the coverage expansions, lowering the Hispanic uninsurance rate to about 21.6%. According to researchers, about half of these (55%) would be ineligible for new pathways due to immigration status. One-quarter of Latinos who remain uninsured would be eligible for public coverage programs, and the remainder would be exempt from the coverage requirement or otherwise remain uninsured despite eligibility for participation in the exchanges.

Figure 1.
Current Profile of Health Insurance for Hispanics Under Age 65



Source: Lisa Clemans-Cope et al., "The Affordable Care Act's Coverage Expansions Will Reduce Differences in Uninsurance Rates by Race and Ethnicity," *Health Affairs* 31, No. 5 (2012): 920–930.

Figure 2.
Profile of Health Insurance for Hispanics Under Age 65 Under Health Care Reform



Source: Lisa Clemans-Cope et al., "The Affordable Care Act's Coverage Expansions Will Reduce Differences in Uninsurance Rates by Race and Ethnicity," *Health Affairs* 31, No. 5 (2012): 920–930. The estimates in this figure add up to 100.1% due to rounding.