

For Latinos: The Health Care Law and You

Speaker's Notes

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Hello, my name is XXX. And I'm glad to be with you today to talk about the health care law, the Affordable Care Act – and what it means for you, your family, and your community.

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The first question most people have is: why did we need the health care law? The answer is that we had a health insurance market that worked very well for big insurance companies, but not so well for American families.

Insurers could pick and choose who they gave coverage to. And premiums were skyrocketing even as insurers made record profits.

As a result, tens of millions were stuck with coverage that didn't cover critical treatments and preventive care. And many of those who had insurance didn't understand the basics of their plan – and were afraid of losing it if their employer dropped coverage or they switched jobs or retired.

Fifty million Americans had no insurance at all.

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For the Latino community and other racial and ethnic minority communities, the problem was often worse.

Not only are they more likely to be uninsured, communities of color still lag behind in almost every measure of health. They're less likely to get the preventive care they need to stay healthy and more likely to suffer from a serious illness like diabetes or heart disease. When they do get sick, they have less access to the treatments and medicines they need to get better.

While racial and ethnic minorities represent about one-third of the nation's population, they comprise over half of the estimated 50 million uninsured.

And Latino fare worse of all. Almost one in three Latinos--an estimated 15 million people--are uninsured.

This left many Americans feeling like their health care choices were out of their hands.

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That's why Congress passed and the President signed the Affordable Care Act.

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Essentially, the law means four things for you and your family: It ends the worst insurance company abuses. It makes health insurance more affordable. It strengthens Medicare. And it provides better options for getting health coverage.

And in doing so, the law seeks to reduce health disparities and achieve health equity for millions of Latinos across the country.

Today, I'll talk a little more about each of these areas, and make a few more key points about the law.

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The first way the law helps you is by putting in place some new consumer protections.

In the past, insurance companies could take advantage of you. They could deny coverage to children who had asthma or were born with a heart defect.

They could also put a lifetime cap on the amount of care they would pay for. So if you developed a serious condition like cancer or a rare blood disease, or you were injured in a car crash, your insurance could disappear when you needed it most.

And worst of all, they could cancel your coverage when you got sick just by finding an accidental mistake in your paperwork. Some insurance companies even used computer programs designed to search the records of people with breast cancer or HIV looking for these errors.

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The law bans these abuses and more.

As a result, 105 million Americans no longer have to worry about a lifetime cap on their benefits. Millions of Americans no longer have to fear their insurance being canceled without cause. And the parents of more than 17 million children with pre-existing conditions no longer have to live in fear that their children will be denied coverage.

[FOR THE SPEAKER'S REFERENCE:

Consumer protections apply to all Americans in new plans. Other consumer protections in the law include:

-Annual limits to coverage are being phased out and will be banned in 2014.

-You have access to an independent appeals process if you are in a dispute with your insurance company.

-Insurers can't charge an extra co-pay if you go to an out of network emergency room.

-You can choose your own primary care physician in your insurers network, and you can see a pediatrician or an OB-GYN without a referral.]

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The second way the law helps you is by making health insurance more affordable.

That starts with preventive care. We know that getting preventive care like cancer screenings and vaccines is one of the best ways to stay healthy. But in the past, too many Americans went without this care because their insurer didn't cover it or required expensive co-pays. When the choice was \$50 for a mammogram or \$50 for groceries, many women had to take their chances.

Now, they don't have to take that risk. Thanks to the health care law, a wide range of recommended preventive services are available for free in all new plans. In 2011 alone, 54 million Americans—including 6.1 million Latinos—got at least one free preventive service through their private health insurance plans.

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Many Latinas—like all American families—want a better life for themselves and their children – the health care law makes this possible by doing away with cost sharing requirements that often get in the way of putting their health first.

The health care law makes sure that the new free preventive services include the care that women rely on every day from birth control to mammograms to pap smears to a well woman visit where you can sit down and talk with your doctor.

Now, women will no longer have to choose between a co-pay and the care they need to stay healthy. A healthier mom can mean a healthier family.

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The law also helps you get more value for your health care premium. Before the law, some private insurance companies spent almost half your premium on overhead like marketing and CEO salaries, leaving as little as 60 cents of every premium dollar to spend on care.

The health care law gets you more bang for your buck by creating the new 80/20 rule: in general, insurers must now spend at least 80 percent of your premium on health care services or improving care or they have to repay the money.

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Because of this rule, 12 million Americans got over \$1 billion in rebates from their insurance companies in the summer of 2012. That's an average of \$151 per family.

In addition, the health care law has put in place new rules that require insurance companies to publicly justify any rate increase of 10 percent or more.

And we're already seeing these rules pay off across the country. Since the rate review program took effect in 2011, health insurers have proposed fewer double-digit rate increases. Health premiums are going up at a slower rate. And in some areas, premiums have actually gone down.

[FOR THE SPEAKER'S REFERENCE:

Under the health care law, rebates must be paid by Aug. 1 each year. Those entitled to a rebate will see one of the following:

-A rebate check in the mail

-A lump-sum reimbursement to the same account that was used to pay the premium if it was paid by credit card or debit card

-A direct reduction in their future premiums

-Their employer providing one of the above rebate methods, or applying the rebate in a manner that benefits its employees.

Rate review success stories include:

-In 2010, Californians were saved from rate increases totaling as high as 87% after a California insurer withdrew its proposed increase after scrutiny by the State Insurance Commissioner.

-Connecticut's Insurance Department rejected a proposed 20% rate hike by one of the state's major insurers.

-In 2011, overall, states reported that premium increases dropped by 4.5 percent, and in states like Nevada, premiums actually declined.

-To find rate increase information for your state, you can go to: <http://companyprofiles.healthcare.gov>]

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Finally, the law makes health coverage more affordable for small business owners. Small businesses create two out of every three jobs. But in the old system, small businesses paid an average of 18 percent more for the same health coverage as the big companies down the street. That made it hard for small businesses to attract and keep the best employees.

The health care law gives small businesses tax credits to help them afford coverage. Now, fewer small businesses have to choose between hiring and health care.

In 2011 alone, about 360,000 employers who provide health insurance for two million workers received a tax credit. And it's important to note that no small business owner will be required to provide coverage under the law.

[SPEAKER'S REFERENCE:

- *The law specifically exempts all firms that have fewer than 50 employees – 96 percent of all firms in the United States or 5.8 million out of 6 million total firms – from penalties for not providing coverage.*
- *Many firms that do not currently offer coverage will be more likely to do so because of lower premiums and more choices because of the health care law.]*
- *In the past, small businesses in the United States offering coverage to employees was falling rapidly — from nearly 70 percent in 2000 to [less than 60 percent](#) of employers by 2009 — leaving millions of working families without coverage. Since the law passed, the share of small businesses offering employee coverage has held steady at 59 percent.]*

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The third way the law helps Americans is by providing new benefits for the nearly 50 million older Americans and Americans with disabilities who rely on Medicare each year.

It makes many key preventive services available with no co-pay or deductible to help ensure that no senior has to skip a potentially life-saving cancer screening because they can't afford it. Already, 32 million people with Medicare have received a free preventive benefit.

The law provides relief to people in the Medicare Part D prescription drug coverage gap – known as the “donut hole.” Now, those in the donut hole can get a 50% discount on their covered brand-name medications – discounts that have saved seniors an average of more than \$650 each thanks to the law. And the donut hole will be closed in 2020.

The law also provides a historic boost to efforts that crack down on Medicare fraud. These efforts helped return a record \$5.7 billion to the Medicare trust fund in 2010 and 2011.

And Medicare's trustees say that the savings from improvements like reducing fraud will extend the life of the Medicare Trust Fund by eight years.

These improvements matter to the nearly 4 million elderly and disabled Latinos on Medicare.

[SPEAKER'S REFERENCE:

Before the law, under Medicare Part D, seniors in the donut hole had to cover all out of pocket prescription drug costs between about \$2700 and \$6100.]

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If you have health insurance you like, that's what the law means for you: protection from insurance company abuses, more affordable insurance and a stronger Medicare.

But many families and small business owners have coverage that doesn't meet their needs or will soon be too expensive. Others would like to get coverage but can't afford it. Millions are locked out of the market because of a pre-existing condition.

The fourth key part of the law is providing Americans with better options for coverage.

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For years, young adults have had some of the highest rates of being uninsured.

Most young people lost their family coverage when they graduated high school or college and it was often a few years before they got a job that offered good health insurance. That meant that if they had a car accident or an unexpected diagnosis while uninsured, they or their families could go broke trying to pay for the care they needed.

Now, under the law, most young adults who can't get coverage through their jobs can stay on their parents' plans until age 26 – a change that has already helped 3.1 million young adults—including 901,000 Latino young adults—get health coverage.

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The law has also provided new coverage options for Americans with pre-existing conditions. Under the old system, no one got a worse deal than the 129 million Americans with pre-existing conditions. When they tried to buy coverage on their own, insurance companies could hike their rates, carve out needed benefits, or lock them out of the insurance market altogether. For people with potentially fatal conditions like cancer, this meant they often couldn't afford life-saving treatments.

The health care law has given Americans who've been locked out of the market a new coverage option. As a result, more than 70,000 Americans with serious health conditions are now getting the health insurance they need.

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And beginning in 2014, there will be better choices for all families and small business owners who buy their own coverage.

Insurance companies will finally be prohibited from discriminating against people with pre-existing conditions or charging women more just because they're women.

At the same time, every state will get a new marketplace for families and small business owners who buy their own health insurance. In these marketplaces, you can shop for health insurance and find a plan that fits your budget. You can even compare the premiums and out of pocket costs of plans in your area. And if you can't afford the premiums, you'll receive a tax credit that helps you pay for it. There will also be better access to Medicaid.

States have significant flexibility in how these new marketplaces are set up. And no matter how they do it, Members of Congress will get their coverage in that same marketplace too.

[FOR THE SPEAKER'S REFERENCE:

- *For States that choose to, Medicaid will be expanded up to 133% of the federal poverty level – about \$15,000 for an individual or \$30,000 for a family of 4.*
- *Tax credits are available for those under 400% of the federal poverty level who are not eligible for other affordable coverage – about \$45,000 for an individual or \$90,000 for a family of 4.*
- *Once the health care law takes full effect, about 18 million individuals and families will get tax credits for health insurance coverage averaging about \$4,000 apiece.]*

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What this all means is that no matter what happens to you – if you lose your job, change jobs or you start a business or you retire early or you get sick – you'll still have affordable options for health insurance.

And there's a couple more points to keep in mind.

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We all know that health insurance doesn't guarantee you'll get the care you need. In the past, you'd call up your doctor and too often you'd hear that the next appointment was in four months. Or you'd only see your doctor for ten minutes because they had to rush on to their next patient. Before the law, about half of Hispanics did not have access to a regular doctor.

That's why the health care law also invests in training and placing thousands of new doctors and nurses in communities that need them most.

Since 2009, we have nearly tripled the size of the National Health Service Corps. These are clinicians that have said they'll dedicate at least two years to underserved communities in exchange for loan repayment or a scholarship to help pay back the often heavy loans from attending medical school or nursing school.

While Latino physicians make-up just 5 percent of the national physician workforce, they represent more than 20 percent of the physicians in the Corps. The program is making a difference.

This is one of many efforts to increase the racial and ethnic diversity of health care professionals and help strengthen cultural competency among health care providers.

The law also creates and expands community health centers across the country.

Health centers provide quality healthcare to all people, regardless of their ability to pay and nearly a third of health center patients are Latino.

But they not only provide primary care services. Community health centers are also a place where mothers can take their children for dental checkups, where seniors can fill their prescriptions, and where families turn when they need help finding a job or access to child care services.

The Obama Administration has made expanding our nation's network of community health centers a top priority. We've been able to create more health centers, improve services at existing centers, form teaching health centers, and expand school based health centers.

These are all investments to help Americans see and spend more time with their health care provider.

[FOR THE SPEAKER'S REFERENCE:

-Community health centers are an economic engine of local employment and growth in many underserved and low-income communities.

-Since the beginning of 2009, health centers have added more than 18,600 new full time positions in many of the nation's most economically distressed communities, and because of the health care law, they are expected to create thousands more.]

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The law recognizes that health is having an insurance card but also living in a healthy community. That's why the law invests billions of dollars in public health and prevention.

Health disparities often persist because the root causes of chronic disease rest outside the doctor's office. When we consider the impact of chronic disease on American families and the American economy, and in particular, minority communities, we know we must work to prevent the onset of diseases that are often preventable.

The Prevention and Public Health Fund invests in programs that help build healthier communities.

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Identifying disparities and developing programs to reduce them has been limited by a lack of specificity, uniformity and quality in data collection and reporting procedures.

The Affordable Care Act requires new standards to improve the collection and reporting of health care information based on race, ethnicity, sex, and primary language. There are plans to begin include sexual orientation in national data collection efforts by 2013 and begin a process to collect information on gender identity. This plan includes the testing of questions on sexual orientation to potentially be incorporated into the National Health Interview Survey and convening a series of research roundtables with national experts to determine the best way to help the department collect data specific to gender identity.

Standardized data standards will help us improve the ability to track and reduce health disparities among people with disabilities and better identify the significant health differences that often exist between and within ethnic groups.

For example, the diabetes-related mortality rate for Mexican Americans (251 per 100 000) and Puerto Ricans (204 deaths per 100 000) was twice as high as the diabetes-related mortality rate for Cuban

Americans (101 deaths per 100 000). However, this information would remain unknown without more specific dimensions in data collection. The umbrella terms of Hispanic or Latino do not capture the individual ethnic group challenges that are often found within minority populations. This specificity allows us to better measure and track health differences in these populations and target interventions appropriately.

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In addition, the law does not add a dime to the deficit.

According to Congress' official independent scorekeeper, the Congressional Budget Office, the law is completely paid for through a wide range of reforms, from cracking down on health care fraud to ending wasteful subsidies to private insurance companies.

[FOR THE SPEAKER'S REFERENCE:

-The law will reduce the federal deficit by over \$1 trillion over the next two decades.

-Reducing excessive payments paid to Medicare Advantage plans and efforts to make the Medicare program more efficient and to reduce waste, fraud and abuse will lead to corresponding savings through lower copayments and premiums.]

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So what does the law mean for the Latino community and all Americans?

It ends the worst insurance company abuses. It makes health insurance more affordable. It strengthens Medicare. And it provides better options for getting health coverage.

All of which help achieve health equity, giving each Latino the opportunity to reach their full potential.

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The health care law is a work in progress. But it has already made huge improvements that over time will touch every American family in some way.

To learn more about the law and any of the new benefits I mentioned, please go to healthcare.gov. You'll find information and plenty of resources you can share with your friends and family.

Thank you.