



Southeast Asian American Elders & the Affordable Care Act

A Publication of the “Ensuring Our Healthy Future” Campaign

Signed into law by President Barack Obama on March 23, 2010, the Patient Protection and Affordable Care Act (ACA) will expand access, increase consumer protections, and improve health care quality. Its passage will greatly affect the Southeast Asian American (SEAA) community, and in particular, its elder population. As the country moves forward in implementing the ACA, it is important to highlight some important parts of reform and the potential impact it will have on Southeast Asian American elders ages 55 and older.

Southeast Asian Americans and Medicare Reform

Established in 1965, Medicare has been a cornerstone of America’s safety net for the elder community—providing universal health insurance coverage for all persons ages 65 and older. However, rising health care costs and misuse of services threaten to bankrupt the entire program. With over 77,235 SEAs over the age of 65 and a growing aging population,² it is important to understand the key areas of Medicare reform that will affect SEAA elders.

Preventative Care

Preventative care, which includes regular check-ups and screenings, will be free for elders and will not require “out-of-pocket” co-payments. This will help decrease many preventable diseases that are prevalent in SEAs, such as cardiovascular disease, diabetes, and hypertension. However, in order for the law to be effective, community members, advocates, and policy makers must partner with SEAA elders to empower, educate, and encourage them to utilize preventative care rather than wait for symptoms to worsen to seek treatment.

Prescription Medication

Previously, elders enrolled in Medicare Part D received a drug benefit to help pay for part of their prescription medication. However, many elders had to pay “out-of-pocket” for lifesaving but increasingly expensive medications. Once their benefits ran out, many elders had to choose between medications or not filling their prescriptions at all. The ACA closes the coverage gap in Medicare Part D by lowering out-of-pocket expenses by at least 50% and allows the government to negotiate lower drug prices for elders covered by Medicare.

² US Census 2000. Summary File 4. PCT 3.

Beyond Medicare: Health Care Reform and Southeast Asian American Elders

SEAs adults that are not yet qualified for Medicare (i.e. between the ages of 55 and 64), are at risk of receiving less than adequate health care as a result of job loss, reduced health benefits, or denial of health coverage because of preexisting conditions.³ In addition, they end up paying more for their insurance policies because of their age, often making health insurance unaffordable. For SEAs who are between the ages of 55 and 64, the Affordable Care Act will significantly improve their ability to receive affordable health care. Here are several provisions that will affect SEAA elders' access to care:

Medicaid Expansion

By 2014, the ACA will expand Medicaid to increase eligibility and include adults under 65 without children who are currently not eligible for the program.⁴ Specifically, individuals that make less than 133% of the federal poverty level will now qualify for Medicaid coverage.⁵ The ACA will provide access to health insurance for many lower-middle class SEAA elders who are currently ineligible for Medicaid and cannot afford private insurance. Unfortunately, recent immigrants are not eligible for Medicaid within their first five years of residence and undocumented immigrants are prohibited from receiving Medicaid.

Health Insurance Exchange

By 2014, the ACA will require that every state create a Health Insurance Exchange (“Exchange”) to give consumers a simplified and regulated marketplace to purchase health insurance. Every health insurance plan offered on the exchange will be required to provide at least a basic health benefits package.⁶ The Exchange will be accessible to anyone who is not already covered by private and/or public insurance. To help consumers pay for coverage, the ACA establishes tax credits for individuals and families who make less than 400% of the federal poverty level.⁷ In addition, the ACA will require each state to ensure that the Exchange is linguistically accessible for limited-English proficient consumers and to provide assistance to help consumers choose a plan that best fits them. However, the implementation of these outreach provisions are largely dependent on each state's vision of their own Exchange.

³ Jacobson, Gretchen; Schwartz, Karyn; Neuman, Tricia. Health Insurance Coverage for Older Adults: Implications of a Medicare Buy-In. Kaiser Family Foundation.

⁴ Prior to ACA, adults under-65 and without children were ineligible for Medicaid benefits.

⁵ The federal poverty level (FPL) referred to here is the poverty guidelines issued in the Federal Register by the Department of Health and Human Services for administrative purposes. Consequently, the eligibility range for the Exchange in 2014 is still to be determined. As a reference, in 2011, the FPL for a family of three is \$18,530; thus, 133% and 400% of the 2011 FPL are \$24,645 and \$74,120, respectively. For more information about the federal poverty level, visit <http://aspe.hhs.gov/poverty/11poverty.shtml>.

⁶ According to the ACA, the Secretary of Health and Human Services determines the “essential health benefits package.” As of March 2011, these benefits have yet to be determined.

⁷ See footnote 5, above.

Other Key Provisions of the Affordable Care Act for Southeast Asian American Elders

Disability and Long Term Care

The Affordable Care Act also establishes the Community Living Assistance Services and Supports (CLASS) program. CLASS program is a national, voluntary insurance program to help elders and their families pay for community living services and support. For SEAA elders who are ineligible for Medicaid or for whom Medicaid coverage is not enough, paying for long-term care can be financially devastating. Participants who contribute to the new CLASS program, through monthly voluntary payroll deductions, will be entitled to benefits that will help them pay for disability and supportive services. CLASS will give SEAA elders with disabilities the freedom to obtain the long-term care of their choice. In particular, CLASS will support in-home care for disabled SEAA elders as an alternative to institutional care. For SEAA elders who currently covered by Medicaid, CLASS will supplement this coverage by paying for non-medical expenses, such as home modifications and assistive technology, enabling disabled persons to remain independent. Enrollment in CLASS is expected to begin sometime after October 2011.

Mental Health

Many SEAA elders suffer from mental health concerns as a result of the trauma experienced during their refugee experiences. Currently, many existing insurance plans charge mental health patients an additional fee or higher co-payments for services related to their mental health issues, or they simply refuse to cover mental health services altogether. Furthermore, prior to the ACA, individuals could be discriminated against and denied health insurance based on a pre-existing mental health condition.⁸ The ACA offers SEAA elders help in seeking care for their mental health issues. In particular, the ACA will require health insurance policies to cover mental health services (without increasing premiums) and prevents discrimination based on pre-existing conditions.

Community-Based, Culturally and Linguistically Appropriate Care

Over 90% of SEAA elders over 65 live in “family households” as opposed to institutional alternatives, such as nursing homes and assisted living facilities.⁹ SEAA elders utilize community-based health services to age in the comfort of their home and community. The ACA includes several provisions that will vastly increase the amount of support to SEAA families and significantly improve the quality of care for elders in their community.

The ACA invests in Community Health Centers (CHCs). CHCs are located in medically underserved communities and are a resource to underserved populations. The ACA heavily invests in the

⁸ These mental health consumer protections will become available by 2014.

⁹ Data from the 2000 Census, Summary File 4; Paul Igasaki and Max Niedzwiecki, *Aging Among Southeast Asian Americans in California: Assessing Strengths and Challenges, Strategizing for the Future* (2004), pg. 16.

development and expansion of CHCs all across the country. For SEAA elders who have had to deal with long waiting periods in crowded community clinics, this investment in CHCs will significantly improve quality and access to health care.

Under the ACA, SEAA elders will have increased access to community-based public health programs that aim to improve wellness and prevent chronic diseases. The ACA requires that these public health programs be developed in collaboration with community organizations that community members are most comfortable with and who provide culturally and linguistically appropriate services. The ACA also includes provisions that create grants for the development of a culturally competent workforce and the promotion of community health workers. Both provisions will help address the linguistic and cultural barriers that prevent elders from receiving adequate care.

For more information about the Affordable Care Act or to learn more about SEARAC's work, please contact Jonathan Tran at jonathan@searac.org.