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## Health Care Reform: A focus on American Indians and Alaska Natives (AIAN) in California

On March 23, 2010, President Obama signed the Affordable Care Act, P.L. 111-148. The Affordable Care Act (ACA) builds on the existing U.S. health insurance system to improve the quality of health care and make it more accessible and affordable for all Americans. The ACA also includes the permanent reauthorization of the Indian Health Care Improvement Act (IHCIA), authorizing new services and programs within the Indian Health Service.

The ACA will likely have the greatest impact on the estimated 152,000 American Indians and Alaska Natives (AIAN) in California who are currently uninsured (27% of those ages 19-64 in 2009) by providing them with more options for affordable health care. The law will improve the quality of care for the 42% of AIAN of all ages who are covered by Medi-Cal, Medicare, Healthy Families, or other public programs. An additional 41% of AIAN of all ages who are covered by employer-based or privately-purchased insurance will benefit from numerous consumer protections, including the regulation of premium rate hikes and a ban on dropping coverage when a person becomes sick or has made an unintentional mistake on a health insurance application.

### Health reform provisions specific to AIAN

- AIAN who purchase health insurance through the California Health Benefit Exchange health insurance exchange will have no cost-sharing if their income is <300% of the Federal Poverty Level (FPL) (\$32,670 for an individual in 2011)
- No penalty for failure to carry minimum health insurance coverage
- The value of health services/benefits from IHS-funded health programs or Tribes will be excluded from an individual's gross income so it cannot be taxed

- IHS, tribal health system, tribal organization, or urban Indian organization spending will count toward the annual out-of-pocket threshold in the donut hole for those with Medicare drug Coverage (Part D) as of January 1, 2011

### Key Provisions of the Indian Health Care Improvement Act (IHCIA)

- New and expanded programs for mental and behavioral health treatment and prevention
- Authorizes IHS/Tribes/Tribal organizations to operate long-term care programs
- New authorities for development of health professional shortage demonstration programs
- Expanded authorities for funding of patient and caregiver travel costs
- Adds the State Children's Health Insurance Program (CHIP) as a funding source that IHS/Tribes can collect from
- Provides grants and contracts for IHS/Tribes/urban Indian organizations to conduct outreach and enrollment activities for Medicaid and CHIP

### IHCIA provisions specific to Urban Indian Health Organizations

- The 10 Urban Indian health programs in California can purchase health benefits for their employees under the Federal Employees Health Benefits Program



- Exemption for urban Indian health providers from licensing, registration, and certain other fees for health employees
- Expansion of facilities renovations programs

## Expanding Medi-Cal Coverage

Under the “California’s Bridge to Reform” Section 1115 Medicaid Demonstration Waiver, California will extend coverage to low-income adults, regardless of disability or family status, for Medicaid through the Low-Income Health Program (LIHP) Coverage Expansion program. At the option of each county, the state will extend coverage to:

- Medicaid Coverage Expansion (MCE) adults: non-pregnant adults between ages 19 and 64 who are not enrolled in Medi-Cal or CHIP and have incomes <133% FPL (\$14,484 for an individual in 2011)
- Health Care Coverage Initiative (HCCI) adults: non-pregnant adults between ages 19 and 64 with incomes between 133% and 200% FPL (\$21,780 for an individual in 2011)

Of California AIAN adults ages 18-64 who are currently uninsured, about 29% (an estimated 44,000) may qualify for coverage under the MCE program and another 14% (an estimated 21,000) may qualify for coverage under the HCCI program.

## Take Action

Over one-quarter of nonelderly adult AIAN are uninsured in California. One in five AIAN ages 18-64 report that they delayed or didn’t get medical care they felt they needed in the past 12 months. Only 83% of AIAN report a usual source of care compared to 88% of non-Latino whites. For a population facing unprecedented rates of chronic disease and significant barriers to accessing health care, tribal leaders and key stakeholders have a tremendous responsibility to ensure that their communities take advantage of the resources made available through the ACA and IHCA.

- Educate tribal members about new options for health care coverage through the California Health Benefit Exchange and Medi-Cal expansion programs

- Engage in the implementation of the ACA and the IH-CIA by providing input through formal requests for tribal consultation or writing directly to DHHS at [consultation@hhs.gov](mailto:consultation@hhs.gov) and IHS at [consultation@ihs.gov](mailto:consultation@ihs.gov)
- Advocate for resources, policies, and programs that support the health of the AIAN community using AIAN specific data from the California Health Interview Survey (available at [www.chis.ucla.edu](http://www.chis.ucla.edu))

## Additional resources on health reform

*National information* on the health reform law can be found at [www.healthcare.gov](http://www.healthcare.gov) and [www.whitehouse.gov](http://www.whitehouse.gov)

*California information* is at [www.healthcare.ca.gov](http://www.healthcare.ca.gov)

*AIAN and IHCA information* is at [www.ihs.gov](http://www.ihs.gov). For a summary of the IHCA and the ACA for AIAN, see [www.nihb.org/legislative/ihcia.php](http://www.nihb.org/legislative/ihcia.php)

For more information about our American Indian and Alaska Native research, please visit the Center’s Health Disparities Program at [www.healthpolicy.ucla.edu](http://www.healthpolicy.ucla.edu)

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**Date source:** The 2009 California Health Interview Survey which included 1,369 respondents ages 18 and over who self identified as American Indian or Alaska Native.

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