



# ASPE

## RESEARCH BRIEF

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### THE AFFORDABLE CARE ACT AND AFRICAN AMERICANS

By:

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Racial and ethnic disparities in health and health care in the United States are pervasive and well-documented. Racial and ethnic minorities still lag behind their non-Latino White counterparts across a range of health indicators, including life expectancy, prevalence of chronic diseases, and access to quality care.<sup>1,2</sup> In addition, individuals from racial and ethnic minority groups make up about one-third of the nation's population, but are at higher risk than the general population of being uninsured, making up over half of the estimated 50 million Americans with no health insurance coverage.<sup>3</sup> An estimated 20.8 percent of African Americans are uninsured, compared with 16.3 percent of all Americans.<sup>4</sup>

The Affordable Care Act includes provisions that will greatly improve the health of African Americans by increasing their access to affordable health insurance coverage and high-quality care.<sup>5</sup> New estimates from RAND suggest that 3.8 million African Americans who would otherwise be uninsured will gain coverage by 2016 through the expansion of Medicaid eligibility and the creation of Affordable Insurance Exchanges. Valuable benefits, including coverage for young adults and preventive services without cost-sharing, are already in effect and benefiting African Americans across the country.

#### **Expanded Insurance Coverage:**

Under the Affordable Care Act, young adults ages 19-25 can be covered under their parent's

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<sup>1</sup> "Health disparities: A case for closing the gap." Office of Health Reform, Department of Health and Human Services, 2009. (Accessed at <http://www.healthreform.gov/reports/healthdisparities/>).

<sup>2</sup> Russell, L. M. (2011). "Reducing disparities in life expectancy: What factors matter?" The Institute of Medicine. (Accessed at <http://www.iom.edu/~media/Files/Activity%20Files/SelectPops/HealthDisparities/2011-FEB-24/Commissioned%20Paper%20by%20Lesley%20Russell.pdf>).

<sup>3</sup> "Overview of the Uninsured in the United States: A Summary of the 2011 Current Population Survey." Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, 2011. (Accessed at <http://aspe.hhs.gov/health/reports/2011/CPSHealthIns2011/ib.shtml>).

<sup>4</sup> Carmen DeNavas-Walt, Bernadette D. Proctor, and Jessica C. Smith, U.S. Census Bureau, Current Population Reports, P60-239, *Income, Poverty, and Health Insurance Coverage in the United States: 2010*, U.S. Government Printing Office, Washington, DC, 2011. P. 26. (Accessed at <http://www.census.gov/prod/2011pubs/p60-239.pdf>).

<sup>5</sup> Patient Protection and Affordable Care Act (Public Law 111-148) and Health Care and Education Reconciliation Act of 2010 (Public Law 111-152).

employer-sponsored or individually purchased health insurance.<sup>6</sup> In the first nine months after this provision took effect (October 2010 to June 2011), the number of young adults in this age group with health insurance increased by 8.3 percent.<sup>7</sup> An estimated 410,000 young African American adults have health insurance coverage because of this provision of the Affordable Care Act (Table 1).<sup>8</sup>

Estimates from the RAND COMPARE microsimulation model suggest that 3.8 million African Americans who would otherwise be uninsured will have health insurance coverage in 2016 because of the Affordable Care Act (Figure 1).<sup>9</sup> The Affordable Care Act expands Medicaid coverage to include Americans with family incomes at or below 133 percent of federal poverty guidelines (currently \$30,657 for a family of four); the expansion includes adults without dependent children living at home, who have not been eligible in most states.<sup>10</sup> Individuals with higher incomes (up to 400 percent of federal poverty guidelines, currently \$92,200 for a family of four) will be eligible to purchase subsidized coverage from the new Affordable Insurance Exchanges.<sup>11</sup>

**Preventive Health Services:** Compared with other Americans, African Americans are less likely to receive preventive care and more likely to have chronic diseases such as diabetes and certain cancers.<sup>12,13</sup> Heart disease and stroke account for the largest proportion of disparities in life expectancy between African Americans and non-Latino Whites, despite the existence of proven prevention strategies.<sup>14</sup> African American women are less likely to be diagnosed with breast cancer but are more likely to die from it. Researchers suggest this is due to higher rates of uninsurance, unequal access to improvements in cancer treatments, and barriers to early detection and screening among African American women.<sup>15</sup>

The Affordable Care Act helps to address these disparities by making prevention more

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<sup>6</sup> Section 1001.

<sup>7</sup> Benjamin D. Sommers and Karyn Schwartz, “2.5 million young adults gain health insurance due to the Affordable Care Act.” Office of the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services, 2011. (Accessed at <http://aspe.hhs.gov/health/reports/2011/YoungAdultsACA/ib.shtml>). The estimate is based on data from the June 2011 National Health Interview Survey (NHIS).

<sup>8</sup> “New Report Shows Affordable Care Act Has Expanded Insurance Coverage Among Young Adults of All Races and Ethnicities.” Office of the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services, 2011. (Accessed at <http://aspe.hhs.gov/health/reports/2012/YoungAdultsbyGroup/ib.shtml>).

<sup>9</sup> Estimates provided to the Office of the Assistant Secretary for Planning and Evaluation under contract no. HHSP23320095649WC. Information on the RAND COMPARE model is available at <http://www.rand.org/health/projects/compare.html>.

<sup>10</sup> Section 2001. Section 2002 provides for an income disregard of 5 percent of Federal Poverty Guidelines, raising the effective income limit to 138 percent (\$31,809 for a family of four).

<sup>11</sup> Section 1401.

<sup>12</sup> “Health disparities: A case for closing the gap.” Office of Health Reform, U.S. Department of Health and Human Services, 2009. (Accessed at <http://www.healthreform.gov/reports/healthdisparities/>).

<sup>13</sup> National Diabetes Information Clearinghouse (NDIC), “Racial and Ethnic Differences in Diagnosed Diabetes” (Accessed at <http://diabetes.niddk.nih.gov/dm/pubs/statistics/#Racial>, February 2, 2012.)

<sup>14</sup> “Elimination of health disparities.” U.S. Department of Health and Human Services, 2012. (Accessed at <http://www.healthcare.gov/prevention/nphpphc/strategy/health-disparities.pdf>).

<sup>15</sup> “Cancer health disparities.” National Cancer Institute, National Institutes of Health, U.S. Department of Health and Human Services, 2008. (Accessed at <http://www.cancer.gov/cancertopics/factsheet/disparities/cancer-health-disparities>).

affordable and accessible, requiring many health insurance plans to cover prevention and wellness benefits with no cost-sharing (such as a co-payment or deductible).<sup>16</sup> The services that many insurers are now required to cover with no cost-sharing include well-child visits, blood pressure and cholesterol screenings, diabetes screening, Pap smears and mammograms for women, and flu shots for both children and adults. Another covered benefit, colonoscopy screening, is particularly important for African Americans, who are more likely to suffer from and die from colorectal cancer than other Americans.<sup>17</sup> The law also requires coverage of HIV screening without cost-sharing for individuals at high risk of infection. This is also important for African Americans, as they experience HIV infections at more than seven times the rate of Whites and nearly half of new HIV infections are among African Americans.<sup>18</sup> An estimated 5.5 million African Americans with private insurance currently have access to expanded preventive services with no cost-sharing because of the Affordable Care Act.<sup>19</sup>

The 4.5 million elderly and disabled African Americans who receive health coverage from Medicare also have access to an expanded list of preventive services with no cost-sharing under the Affordable Care Act. These benefits include an annual wellness visit with a personalized prevention plan, and access to such important screenings as diabetes and colorectal cancer screenings, bone mass measurement, and mammograms.<sup>20</sup>

The Affordable Care Act benefits African Americans in many other ways, including:

- **Improving Chronic Disease Management.** Racial and ethnic minorities often receive poorer quality care and face more barriers in seeking care and chronic disease management than non-Latino White patients. African Americans have higher hospitalization rates from influenza than other populations. African American children are twice as likely to be hospitalized and more than four times as likely to die from asthma as non-Latino White children.<sup>21</sup> The Affordable Care Act's Innovation Center explores opportunities to invest in care innovations such as community health teams to improve the management of chronic

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<sup>16</sup> Section 1001. Information on the preventive services that are covered is available at <http://www.healthcare.gov/news/factsheets/2010/07/preventive-services-list.html>. Certain plans designated as “grandfathered” are not subject to this provision.

<sup>17</sup> Centers for Disease Control and Prevention (CDC), “Colorectal Cancer Rates by Race and Ethnicity,” (Accessed at <http://www.cdc.gov/cancer/colorectal/statistics/race.htm>, February 2, 2012).

<sup>18</sup> CDC Slide Set: HIV Surveillance by Race/ Ethnicity through 2010 (March 2012). (Accessed at <http://www.cdc.gov/hiv/topics/surveillance/resources/slides/race-ethnicity/slides/2010-HIV-RaceEthnicitySlides.pdf>).

<sup>19</sup> Benjamin D. Sommers and Lee Wilson, “Fifty-four million additional Americans are receiving preventive services without cost-sharing.” Office of the Assistant Secretary for Planning and Evaluation, Department of Health and Human Services, 2011. (Accessed at <http://aspe.hhs.gov/health/reports/2012/PreventiveServices/ib.shtml>.)

<sup>20</sup> The Medicare preventive services provisions are in Section 4104. Medicare enrollment data computed from 2009 Medicare Current Beneficiary Survey. The complete list of benefits covered with no cost-sharing is available in “The Affordable Care Act: Strengthening Medicare in 2011,” U.S. Department of Health and Human Services (Accessed at <http://www.cms.gov/apps/files/MedicareReport2011.pdf>).

<sup>21</sup> “HHS action plan to reduce racial and ethnic health disparities.” U.S. Department of Health and Human Services, 2011. (Accessed at [http://minorityhealth.hhs.gov/npa/files/Plans/HHS/HHS\\_Plan\\_complete.pdf](http://minorityhealth.hhs.gov/npa/files/Plans/HHS/HHS_Plan_complete.pdf)).

disease.<sup>22</sup> This will help African Americans as 48 percent of African American adults suffer from chronic disease compared to 39 percent of the general population.<sup>23</sup>

- **Increasing Access to Community Health Centers.** Nearly 26 percent of patients served by community health centers in 2010 were African American, and the Affordable Care Act increases the funding available to the more than 1,100 community health centers—located in all fifty states, the District of Columbia, and Puerto Rico—to enable them to increase the number of patients they serve.<sup>24</sup> Health centers have received funding to create new health center sites in medically underserved areas, to expand preventive and primary health care services, and to support major construction and renovation projects.<sup>25</sup>
- **Diversifying the Health Care Workforce and Strengthening its Cultural Competency.** The Affordable Care Act increases the racial and ethnic diversity of doctors, nurses, and other health care professionals. For example, the law has helped to nearly triple the number of clinicians in the National Health Service Corps, a network of primary care providers serving communities with significant medical, dental, or mental/behavioral health needs.<sup>26</sup> The Corps provides scholarships and loan repayment to medical students and primary care physicians, as well as other health professionals, in exchange for a commitment to serve in an underserved area. African American physicians make up about 17.8 percent of Corps physicians, a percentage that greatly exceeds their 6.3 percent share of the national physician workforce.<sup>27</sup>

Other initiatives in the Affordable Care Act make it easier for people with disadvantaged backgrounds to become health care professionals and strengthen cultural competency training among health care providers.<sup>28</sup> These initiatives will help providers better understand and respond to the particular experiences and needs of African Americans and other minorities and communicate more effectively with their patients.

- **Addressing Health Disparities.** The Affordable Care Act invests in data collection and research focused on disparities in health and health care to help us better understand the

<sup>22</sup> Innovation Center, Health Care Innovation Challenge Funding Opportunity Number: CMS-1C1-12-001, CFDA: 93.610, (Accessed at <http://www.innovations.cms.gov/Files/x/Health-Care-Innovation-Challenge-Funding-Opportunity-Announcement.pdf>).

<sup>23</sup> Mead, H., Cartwright-Smith, L., Jones, K., Ramos, C., Siegel, B., Woods, K. (2008). “Racial and ethnic disparities in U.S. healthcare: A chartbook.” The Commonwealth Fund. (Accessed at [http://www.commonwealthfund.org/usr\\_doc/Mead\\_raceethnicdisparities\\_chartbook\\_1111.pdf](http://www.commonwealthfund.org/usr_doc/Mead_raceethnicdisparities_chartbook_1111.pdf)).

<sup>24</sup> Eighty percent of all patients seen at community health centers reported their race. Of patients reporting their race, 26 percent identified themselves as African American.

<sup>25</sup> “The Affordable Care Act helps African Americans.” The White House, 2012. (Accessed at [http://www.whitehouse.gov/sites/default/files/docs/the\\_aca\\_helps\\_african\\_americans\\_fact\\_sheet\\_0.pdf](http://www.whitehouse.gov/sites/default/files/docs/the_aca_helps_african_americans_fact_sheet_0.pdf)).

<sup>26</sup> Relevant sections include 5207, 10503, and 10908.

<sup>27</sup> National Health Service Corps numbers from the Department of Health and Human Services, Health Resources and Services Administration, Bureau of Clinician Recruitment and Service, March 30, 2012; physician workforce estimates from Association of American Medical Colleges, Diversity in the Physician Workforce: Facts & Figures 2010 (accessed at [http://www.brynmawr.edu/healthpro/documents/AAMC\\_DiversityPhysicianWorkforce.pdf](http://www.brynmawr.edu/healthpro/documents/AAMC_DiversityPhysicianWorkforce.pdf)).

<sup>28</sup> For example, Section 5402 provides for loan repayments and educational assistance for health care professionals with disadvantaged backgrounds, and provision of training in cultural competency is a priority criterion for support and development of primary care training programs under Section 5301.

causes of disparities and effective programs to eliminate them.<sup>29</sup> The law also invests in the Community Transformation Grant program to support States and communities by promoting healthy lifestyles (for example, tobacco-free living), especially among groups experiencing higher rates of chronic disease such as African Americans. The program aims to improve health, reduce health disparities, and lower health care costs.<sup>30</sup>

Leveraging the Affordable Care Act, the U.S. Department of Health and Human Services (HHS) has developed and is implementing the HHS Disparities Action Plan, the Department's largest commitment to the elimination of health disparities.<sup>31</sup> HHS is also in the process of upgrading data collection standards to better understand the causes of health disparities and evaluate progress toward eliminating them.<sup>32</sup> The law promotes the National Center on Minority Health and Health Disparities at the National Institutes of Health (NIH) to Institute status, enabling it to access increased funding and to plan, coordinate, and evaluate disparity-related research within NIH.<sup>33</sup> The Affordable Care Act also creates a Patient-Centered Outcomes Research Institute which will fund research that helps patients and their care providers make more informed treatment decisions, including the study of differences in healthcare outcomes among racial and ethnic minorities.<sup>34</sup>

Because of the Affordable Care Act, all Americans will have access to affordable health care coverage. For African Americans, the benefits are especially important. The law's benefits will help reduce disparities in both health care and health outcomes through expanded insurance coverage and better access to high-quality health care services.

<b>Benefit</b>	<b>Number of African Americans Affected</b>	<b>When Effective</b>
Expanded Insurance Coverage (ages 19-25)	410,000	Plan years beginning on or after September 23, 2010
Preventive Health Services (Private Insurance)	5.5 million	Plan years beginning on or after September 23, 2010
Preventive Health Services (Medicare)	4.5 million	January 1, 2011
Expanded Insurance Coverage (ages 0-64)	3.8 million	January 1, 2014

<sup>29</sup> Sections 4302, 6301, 10334.

<sup>30</sup> More information on the Community Transformation Grant program can be accessed at <http://www.cdc.gov/communitytransformation/>.

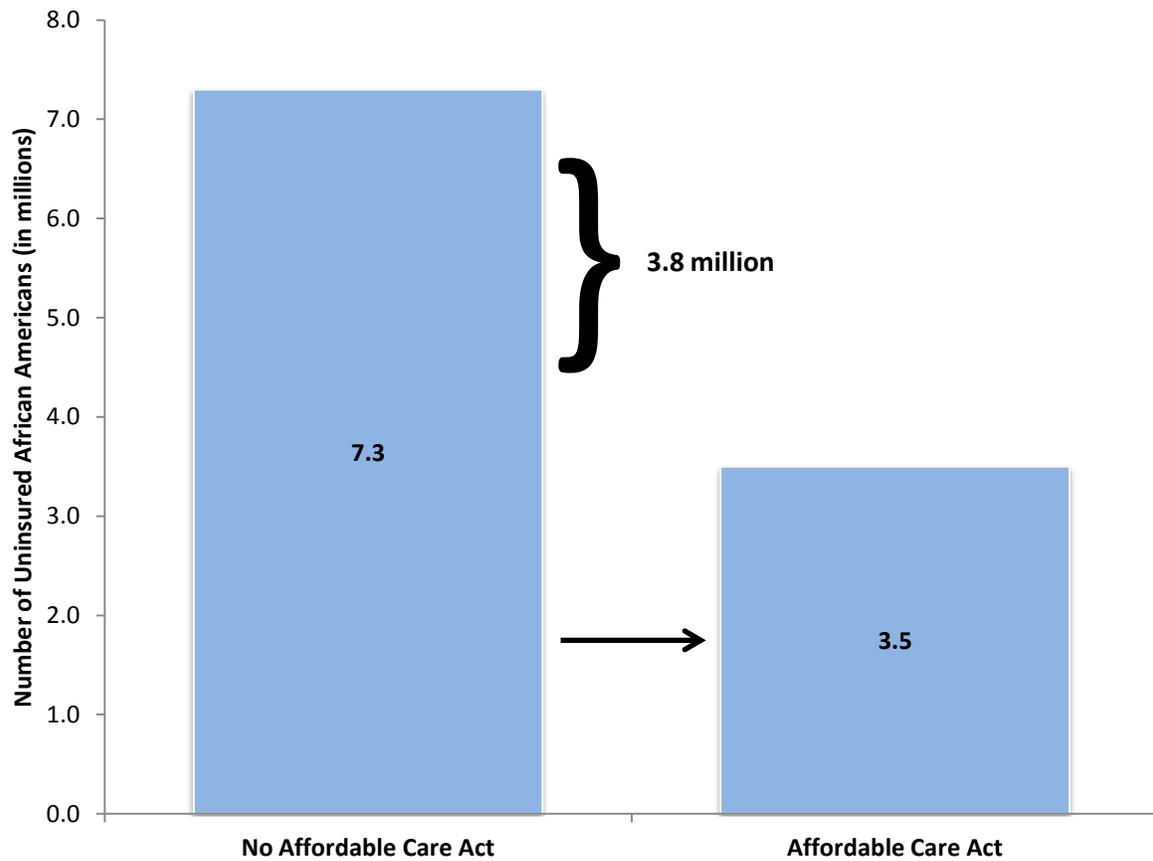
<sup>31</sup> More information on the HHS Disparities Action Plan can be accessed at <http://minorityhealth.hhs.gov/npa/templates/content.aspx?lvl=1&lvlid=33&ID=285>.

<sup>32</sup> More information on HHS ethnicity standards is available on: <http://aspe.hhs.gov/datacncl/standards/ACA/4302/index.shtml>.  
<http://www.minorityhealth.hhs.gov/templates/browse.aspx?lvl=2&lvlid=208>.

<sup>33</sup> Section 10334.

<sup>34</sup> Section 6301.

**Figure 1: Nearly Four Million African Americans Will Gain Coverage Under the Affordable Care Act**



Source: RAND COMPARE microsimulation model.

Note: Estimates shown are for 2016 coverage of individuals ages 0-64 reporting themselves as Black or African American. Estimates do not include individuals reporting themselves as Spanish, Hispanic, or Latino, or reporting more than one race.