factsheet

ACCESS TO THE AFFORDABLE CARE ACT FOR ASIAN AMERICAN AND PACIFIC ISLANDER SMALL BUSINESS OWNERS AND EMPLOYEES IN CALIFORNIA

With the implementation of the Patient Protection and Affordable Care Act (ACA), the U.S. healthcare system is undergoing an unprecedented transformation. In 2014, the Asian & Pacific Islander American Health Forum (APIAHF) conducted a qualitative research project consisting of focus groups and key informant interviews in order to understand how these changes affect underserved populations, specifically Asian American and Pacific Islander (AA and PI) small business owners and employees with higher rates of uninsurance than those who work for large employees. A similar study was conducted in 2013 with AA and PI small business owners and employees in California. This brief presents key findings of the 2014 project as well as tips and recommendations for policymakers and in-person assisters in California to enroll AA and PI small business owners and employees in health insurance.

METHODOLOGY

From April to July 2014, six focus groups were conducted in four California counties: Alameda, Fresno, Long Beach, and Los Angeles. A total of 45 participants—36 community members and 9 enrollment counselors or assisters who worked for community-based organizations (CBOs)—were recruited from Bangladeshi, Hmong, Korean, Laotian, Vietnamese, Chamorro, Tongan, and Samoan communities. Interpretation services were needed and provided for five of the six focus groups.[1] About 75% of community participants were small business employees. About half of the community participants were newly enrolled in Medi-Cal,[2] about 20% had private coverage (mostly individually purchased), and about 30% were uninsured. Several of the uninsured participants were in the process of applying for Medi-Cal coverage. Focus group participants were asked about their views of the ACA and their experiences in obtaining insurance coverage and accessing health care through Covered California. To better understand the contexts of the community experiences shared in these focus groups, APIAHF also conducted three key informant interviews with employees of county health departments and a managed care health plan serving Medi-Cal recipients.

KEY FINDINGS

Community Perceptions of the ACA

Overall, the ACA was well received by most of the focus group participants, particularly by those newly enrolled in Medi-Cal, who appreciated the free or low-cost coverage it provided for individuals with low incomes.

1 The combined focus group of Chamorro, Tongan, and Samoan community members all spoke English well and did not request interpretation services.

2 Participants who were "newly enrolled in Medi-Cal" (the Medicaid program in California) refers to individuals who were either: 1) uninsured and enrolled in Medi-Cal for the first time after October 1, 2013 with the expansion of the Medi-Cal program; or 2) previously covered under other county or state low-income health programs, and were transitioned into Medi-Cal in 2014.

There was confusion about the ACA, as some participants did not understand the similarities and differences between the ACA, "Obamacare", and Covered California. Several participants had negative views of the ACA. For example, those who attempted to enroll but were found ineligible for the expanded Medi-Cal program expressed dismay that Medi-Cal only covers persons with very low incomes. Immigrants from Korea were disappointed with the ACA because they assumed it would institute no- or low-cost universal coverage, similar to the national health insurance system in Korea. A minority felt the ACA is a "welfare program", only benefiting low-income persons at the expense of taxpayers.

"When I first heard about Obamacare, I was hoping to get some help from it, but I still don't know what to do."
– Korean Community Member

Obtaining Insurance Under the ACA

CBOs and community health centers (CHCs) were the primary sources of information about obtaining insurance for community members. Additional important sources of information for community members were faith-based institutions (including Protestant and Catholic churches) where CBOs conducted ACA outreach, mainstream or ethnic media, friends and family, and Covered California mailings.

Many community members shared that their primary reason for seeking health insurance coverage was their perceived need for health insurance to ensure they could access services if needed, along with the alleviating anxiety associated with the lack of having coverage. Other reasons for seeking health coverage included addressing a specific health issue, fear of paying the monetary penalty imposed on uninsured individuals, and persuasion by family members or friends.

CBO and CHC outreach and assistance were the most prominent facilitators of obtaining insurance coverage across all the ethnic groups, particularly for low-income persons accessing Medi-Cal. Community experiences with CBO or CHC staff were overwhelmingly positive; CBO and CHC assistance was critical to successfully obtaining coverage in many cases. CHC staff played a key role in transitioning low-income individuals from the previous low-income health coverage program to expanded Medi-Cal in some communities, most prominently Vietnamese and Laotian, where local CHCs had established trusting relationships with low-income residents.

Some focus group participants experienced technical difficulties while using the Covered California website or Service Center help lines. The issues involving the website included: 1) being too slow or freezing before completing the application; 2) design flaws that did not allow applicants to save information halfway through the application process, which forced the applicant to start from the beginning when they needed to change information already entered or were unable to complete the application due to glitches; and 3) the overwhelming amount of information provided on the website, which made it challenging to find information critical for making an informed choice among the insurance options offered.

Community experiences with the Covered California Service Center help lines were mixed. Some of them reported that their assister had not experienced difficulties in calling the help lines; others related stories of the help lines being constantly busy, being placed on hold too long, and the lack of language assistance. CBO staff reported noticeable improvements with both the website and help lines after the end of the enrollment period.

The cost of the monthly premium was the key barrier for individuals who lacked coverage and did not have incomes low enough to be eligible for Medi-Cal. Obtaining insurance was not a high priority for some of the uninsured participants, particularly the younger participants.

Experience with Private Insurance

Only a small number of focus group participants had private insurance coverage mainly purchased through Covered California, and most were unhappy with their coverage primarily because of the high monthly premiums. They also expressed dissatisfaction due to: 1) losing coverage they were happy with, 2) paying higher premiums for their current coverage, and 3) the inclusion of services in their new policies they viewed as unnecessary (such as prenatal care).

Experience with Medi-Cal

Most new enrollees of Medi-Cal were highly appreciative of that coverage. Some of them reported the sense of security it afforded for the first time in their lives. Those who transitioned from county low-income coverage programs to Medi-Cal also expressed appreciation for the greater provider options Medi-Cal now allowed; others noted the simpler and easier application process than was the case previously. The lack of information regarding Medi-Cal or its eligibility criteria was reported as a barrier, more prominent for some ethnic communities (for example, Korean) than others (Vietnamese and Pacific Islander).

Systemic errors within Medi-Cal and lack of communication between Covered California and the Medi-Cal system seemed to be a great problem that potentially prevented eligible Medi-Cal applicants from being approved. Those errors manifested mostly in the form of inconsistent responses to an application by different entities, mainly Covered California and County Social Services Departments, with one entity finding them eligible for Medi-Cal and the other not. This was particularly the case for smaller ethnic groups such as Bangladeshi and newer arrivals to the U.S. with smaller individual and community resources. While there are avenues for appealing erroneous administrative decisions that denied Medi-Cal coverage for some applicants (for example, state fair hearing, according to one key informant), few CBO staff and community members knew about them.

The lack of physical office locations where government agencies could provide in-person assistance in applying for and enrolling in Medi-Cal was also a challenge reported by several community members. The long response time until an applicant learned about their eligibility was also reported to be a difficulty. For those who obtained coverage, the uncertainty in maintaining the coverage in the event of an income change was another source of stress to current enrollees.

"People come to community organizations that they trust and where they have staff that they already know and have relationships with. . . .they listen to ethnic media and that's a primary source of information, and their friends and families are primary sources of information. But otherwise I think people. . . would not know where to go or what to do."
– Hmong Community Member

Accessing Health Care

Many participants reported challenges in accessing health care after getting coverage. New Medi-Cal enrollees had no or little information about how to find a provider. Although this seemed to be an issue affecting both English speakers and those with limited English proficiency (LEP), this problem may have affected the latter group more severely as they might have fewer sources of information to explore. Many new Medi-Cal enrollees had difficulties learning how to choose a primary care provider, the critical first step in accessing health care. The few participants who individually purchased private coverage also reported not knowing how to access health care. In one case, the broker who sold the policy was no longer available, leaving the policy holder with no other sources of information.

The lack of providers who do not accept Medi-Cal enrollees remains to be a profound challenge, especially for those with limited English proficiency who preferred seeing a provider who could speak their language and thus had a small pool of providers to choose from.

"So he really didn't have a choice in terms of health plan or provider, because there was only one physician who spoke his language who was still accepting new patients."
– Laotian Enrollment Assister

As reported by both CBO staff and community participants, CBO or CHC staff provided much needed assistance, often in a language other than English, to the newly covered in accessing health care, for example, helping enrollees choose a provider, make a medical appointment, and obtain medication. Despite such essential roles that CBO and CHO staff played during or after enrollment, few CBOs that participated in the focus groups had secured funding for this work. Some CBO staff had to volunteer their time to receive training in enrollment and then to provide community outreach and assistance. Staff of one CBO that served small Southeast Asian communities reported using a county-funded mental health workshop as a venue to educate the community about the ACA.

TIPS FOR ASSISTERS

Based on the research findings, APIAHF recommends the following tips for Assisters helping AA and PI small business owners and employees:

- **Emphasize the need for health insurance.** Many small business owners and employees are looking the monthly cost of insurance premiums and may not see the value or need for having health insurance.

- **Be prepared to provide ongoing assistance to consumers applying for Medi-Cal.** In our study, about half of the participants were new Medi-Cal enrollees. They will need continued support and assistance in understanding how to utilize their new Medi-Cal coverage (e.g. how to select a provider, how the schedule an appointment).

- **Understand the influence of CBOs and CHCs on AA and NHPI consumers.** While brokers and agents are a great source of information for many small business owners, CBOs and CHCs may be the primary source of information about the ACA and Covered California for many AA and PI small business owners and employees.

POLICY RECOMMENDATIONS

Based on the research findings, APIAHF recommends the following policy changes for California agencies to improve the enrollment process and consumer experience.

- **Provide clear information about the ACA in multiple languages. C**overed California should provide basic and clear information in English and other languages so consumers understand the similarities and differences between the ACA, Covered California, and "Obamacare". The materials should focus on the benefits that the ACA provides and how California residents can access these benefits through Covered California. Even after one year of Covered California operation, there is still confusion, particularly among LEP individuals and immigrants, indicating that consumer messaging should be improved.

- **Make additional funding available for in-person assistance.** As CBOs and CHCs are the primary sources of ACA information and provide health plan and Medi-Cal enrollment assistance to many underserved communities, additional public and private funding and resources should be made available to support their outreach, education, and enrollment efforts.

- **Improve coordination between Covered California and Medi-Cal**. The California Department of Health Care Service (DHCS)s, county social services departments, and Covered California should work together to resolve eligibility issues and improve communication between Covered California and the Medi-Cal program. DHCS should also streamline the process for determining Medi-Cal eligibility and provide clear and concise information in multiple languages to consumers on how to appeal a denial of coverage.

- **Help consumers use the coverage they have.** The California Department of Health Care Services and Covered California should encourage private health plans and Medi-Cal providers to develop clear, consumer-friendly materials in different languages to help new enrollees understand how to utilize their coverage (i.e. selecting a provider or scheduling an appointment).