



Health Reform and California Farmworkers: More Challenges on the Way



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Why is a healthy agricultural workforce important?

- The United States needs a secure, dependable, healthy and domestic food supply.
- To ensure a healthy and stable workforce for California's \$47 billion agricultural industry (2015).
- A vibrant agricultural industry both promotes a healthy economy for rural California and enhances the state's ability to preserve a rural culture and open space in the state's surviving agricultural valleys.

California's agricultural workforce

- Approximately 650,000 persons - more than a third of the nation's farmworkers -- are employed in California
- Approximately 1.2 million Californians in farmworker families
- Over two-thirds (68%) are married, and nearly two-thirds have children (63%)*
- Nearly all are very low-income -
 - average family income of \$20,000 to \$25,000*
 - 28% of families below the federal poverty level*
 - Average hourly earnings: \$10.09*

**Findings from the National Agricultural Workers Survey (NAWS) 2013-2014 (12/16)*

California's agricultural workforce

- Almost all are foreign born (91%), primarily from Mexico (89%)*
- Most (56%) do not have work authorization (down slightly from prior years)*
- Average weeks of farm work in past 12 months: 36*
- One third (34%) of farmworkers are employed by farm labor contractors

**Findings from the National Agricultural Workers Survey (NAWS) 2013-2014 (12/16)*

Sonoma County ag workforce

Sonoma County Farmworker Health Survey 2013-14

<http://sonomacounty.ca.gov/Health/Press-Releases/Results-of-Local-Farmworkers-Health-Survey/>

- Only 30% of Sonoma County farmworkers reported having health insurance
- 92% of Sonoma County farmworker families earn insufficient incomes to meet their family's basic needs
- 67% Farmworkers reported living in overcrowded dwellings in Sonoma County

Salinas Valley agricultural workforce

“In a California Valley, Healthy Food Everywhere but on the Table” (New York Times, 11/23/16)

- Salinas Valley grows over half of US’s leaf lettuce.
- “Crisis of poverty and malnutrition among the tens of thousands of farmworkers and their families who tend to the fields of lettuce, broccoli, celery, cauliflower and spinach, among many other crops, in an area called the salad bowl of the nation.”
- More than a third of the children in the Salinas City Elementary School District are homeless; overall diabetes rates are rising and projected to soar; and 85 percent of farmworkers in the valley are overweight or obese, partly because unhealthy food is less costly (Schenker quote)
- “The people who grow our food can’t afford to eat it, and they are sicker because of it” (Diringer quote)

Health of the agricultural workforce

- Half of farmworkers used no health services in the Western US in the past year - of those who seek services 27% went to clinics; 48% to private providers; 1% to ERs. (NAWS 2012)
- Nearly one in five male farmworkers had at least two of three risk factors for chronic disease: high serum cholesterol, high blood pressure, and obesity (CAWHS 2000)

Farmworker Health Coverage

- Pre - ACA large employer mandate (2013-14):
 - Two-thirds (64%) had no health insurance (down from 70%)
 - Only 1 in 5 farmworkers (21%) had employer supplied coverage (down from 28%)*
- Coverage varies by income, immigration status and number of days worked in agriculture
- In 2014, ag plans (United Ag, Western Growers and RFK) covered no more than 100,000 workers and dependents. Plus self-funded plans.

Coverage options under ACA

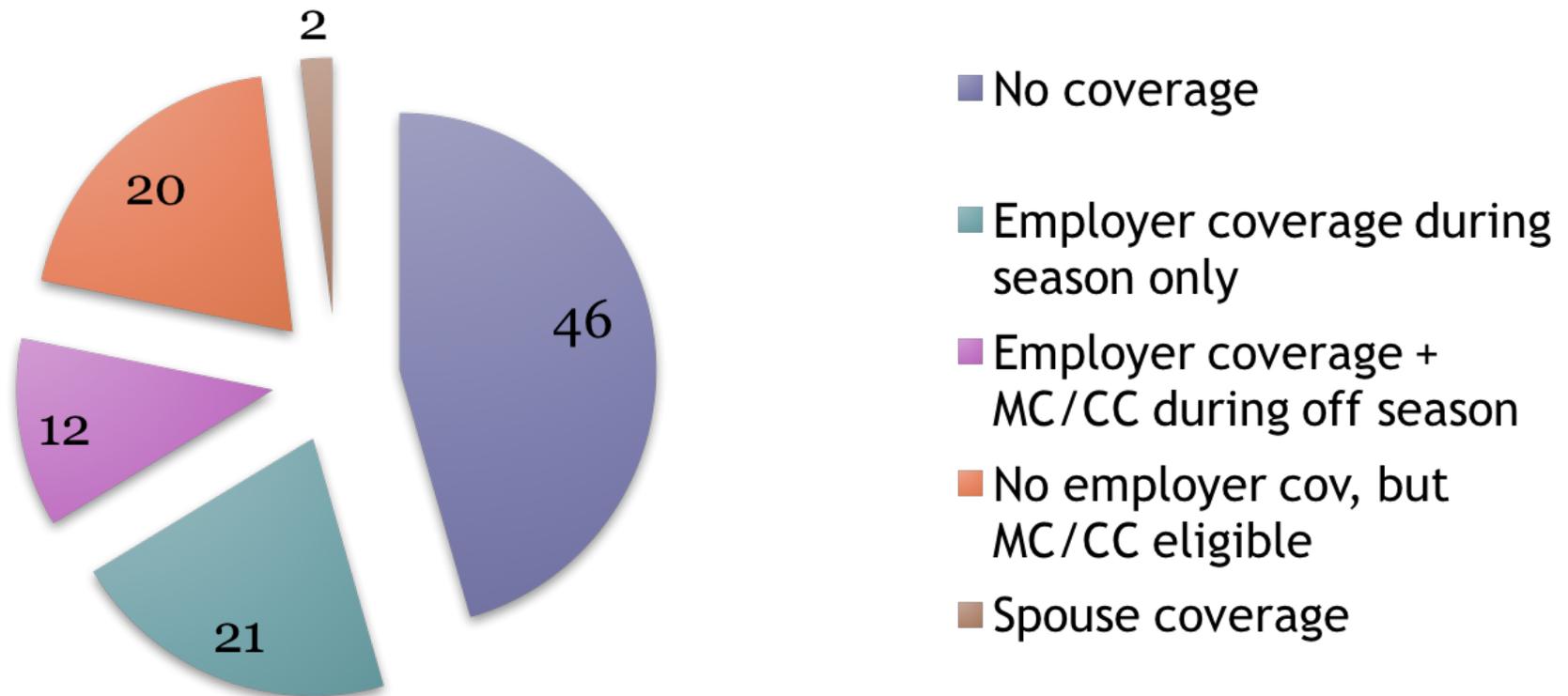
- Employer provided coverage.
- Medi-Cal or Covered CA subsidies for documented workers when not offered employer benefits.
- County indigent programs; Direct primary and preventive care provided by community and migrant health centers; emergency care at hospitals.
- Direct primary care provided to workers by large growers (e.g. Reiter).

Coverage options under ACA

Employer provided coverage:

- Ag plan waivers for capped benefits expired in 2014
 - Increased costs by 35% or more
 - Raised deductibles and co-pays
- Beginning 2016, “large employers” (50 or more FTEs) are required to offer adequate and affordable coverage;
 - seasonal workers (those that work customarily six months or less) are NOT considered full-time employees.
- Estimated CA ag employer spending on FW coverage: \$130 million to \$500 million - depending on length of coverage and cost of plan

Estimated % of Farmworkers Covered under 2016 Employer Mandate



Source: Ed Kissam, Werner-Kohnstamm Family Fund

Challenges to coverage

- Affordability of premiums, co-pays and deductibles
 - Low take-up; "illusory coverage"
- Seasonality of employment
- Multiple employers
- Large number of undocumented workers excluded from Covered CA and Medi-Cal (except for emergency)
- County indigent health programs provide minimal services for undocumented
- Family coverage, primarily spousal

National Policy Challenges Ahead

- “Repeal and Replace” of ACA
 - Elimination of large employer mandate
 - Elimination of subsidies through Covered CA
 - Elimination of Medi-Cal “expansion” population
 - Block granting or funding reductions in Medi-Cal
- Immigration changes
 - Increased enforcement and fear of deportation
 - Elimination of DACA
 - Border fence

State solutions for care and coverage

- Maintain and expand Medi-Cal coverage and eligibility
- Re-establish state funding for preventive and primary services at farmworker clinics
- Minimize regulatory hurdles to plans that cover farmworkers - allow flexibility
- Maintain and expand worker safety protections - heat, pesticides, water, etc.
- Increase compensation - minimum wage, overtime
- SB 54 - The California Values Act (De Leon) - safeguards to ensure that police, schools, hospitals and courts remain accessible to all Californians

Local solutions for coverage Monterey County

Farmworker advocates are meeting with growers and County to develop a farmworker full year health plan

- Employers would provide “quality” coverage during season
- benchmark plan to be developed
- County would subsidize off-season coverage for those workers not eligible for Medi-Cal or Covered CA.
- Workers would have full year coverage, employers would have healthy, stable workforce and County would have reduced demand on County hospital and indigent services
- Data being obtained on current scopes of benefits, seasonal issues and costs of coverage
- Pilot on a start-up basis. Possible expansion to hospitality industry

Local solutions for coverage

Santa Barbara and San Luis Obispo Counties

CenCal Health - the local Medi-Cal managed care plan is researching options for a farmworker health plan

- Interviews with ag employers, farmworkers, insurance brokers and provider networks
- All would welcome a local plan with quality coverage at affordable cost with robust provider network
- Employers are concerned with costs, ease of administration and coverage for all including management
- Workers are concerned with premiums, cost-sharing and accessible providers during off hours
- Providers are already seeing farmworkers and would welcome more reliable reimbursements
- Brokers would welcome competition in plan choices

Possible research topics

- Extent, cost and take-up of employer provided coverage
 - By region and type of ag employer
 - Spousal coverage
- Flexible approaches to farmworker health care and coverage
- Farmworker health implications of not having coverage
- Models for migrant health centers to better serve insured farmworkers



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