

# Farmworkers and National Health Reform - Where Are We Now?

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Migrant and Seasonal Head Start ACA Webinar  
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# Health of the agricultural workforce

- 70% have no health insurance - fewer than 15% have employer supplied coverage
- Half of farmworkers used no health services in the US in the past two years - most (83%) said care was too expensive
- 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
- The hazards of farm work lead to occupational injuries and diseases

# ACA Provisions

## **Big Picture**

- Lowest income (<133% FPL - \$31,800/yr for 4 member family) will be enrolled in Medicaid (legal residents only)
  - This includes nearly all Head Start eligible families
- Higher income workers can get coverage through:
  - large employer
  - “Exchange” or “Marketplace”
  - Private market
  - Premiums and co-pays for employees are scaled to income (up to 400% FPL - \$92,200 for 4 member family; (legal residents and through Marketplace only)

# ACA Provisions

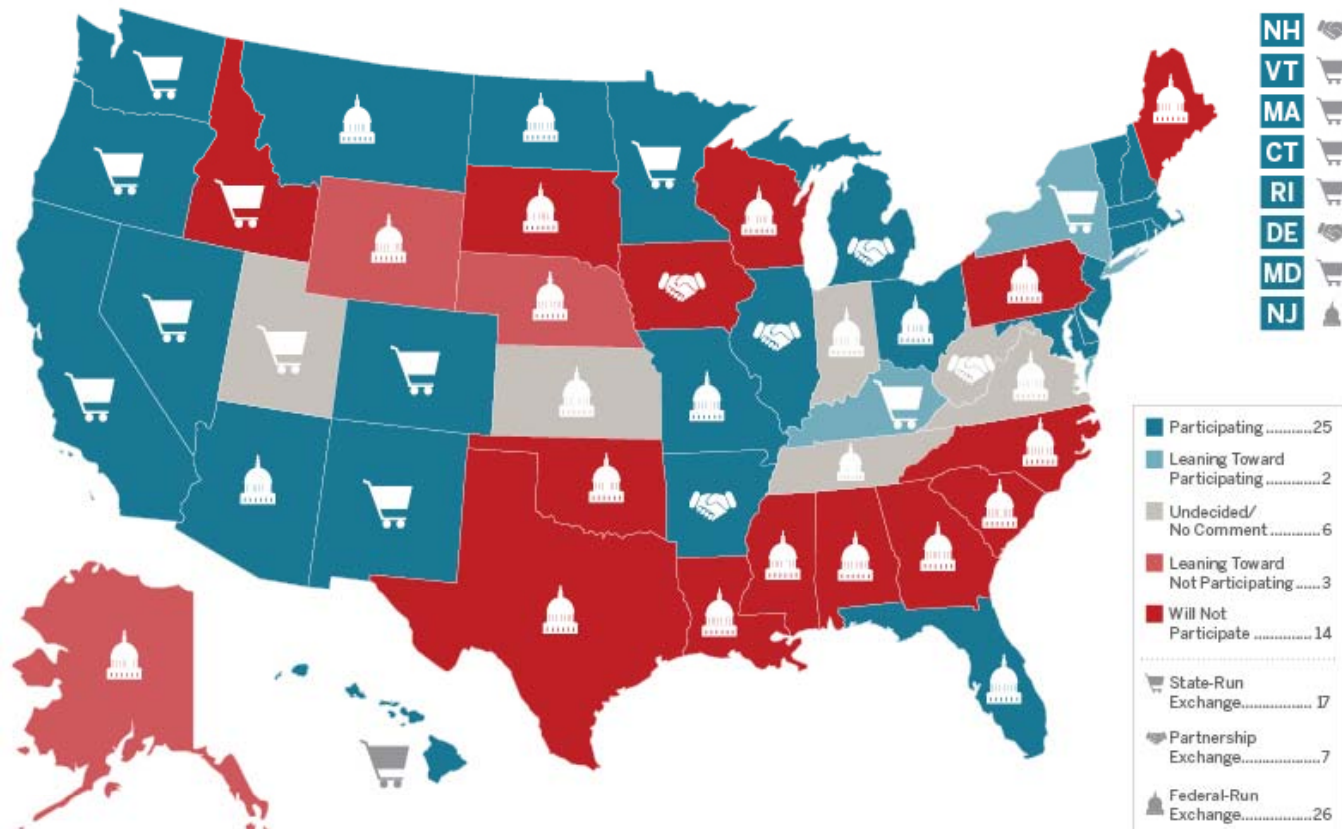
## **Public Benefits Eligibility/Benefits Issues**

- Medicaid expansion up to 133% FPL – includes childless adults
  - Optional for States – can opt in or out
  - Full scope benefits for citizens and legal residents (subject to 5 year bar)
  - Emergency coverage for undocs, including pregnancy coverage
  - State/county based coverage – same migrant issues as currently

# Medicaid Expansion - to be determined

Where the **States** Stand: March 13, 2013

25 Governors Support Medicaid Expansion



Note: Based on literature review as of 3/13/13. All policies possible to change without notice. The District of Columbia plans to participate in Medicaid expansion and will operate its own exchange.

Source: American Health Link, <http://ahlink.com/2012/07/03/medicaid-where-each-state-stands-on-the-medicaid-expansion/>, accessed 3/13/13.

# ACA Provisions

## Worker Eligibility/Benefits Issues

- “Pay or Play” for Large employers:
  - 50+ full time equivalents (30+ hours/week) employees
  - Seasonal workers (<120 days/year) excluded from definition of “large” employer
  - Penalty of \$166/month if affordable insurance not offered (excluding first 30 workers)
  - 90 day waiting periods allowable
  - Coverage must be offered to family, but coverage obligation is only for worker
  - Farm labor contractors are covered as employers

# ACA Provisions

## Worker Eligibility/Benefits Issues

- Optional coverage for small employers:
  - Tax credits for employers with 25 or fewer full-time employees and average wages of \$50,000 or less
  - Sliding scale credits are now up to 35%, extending to 50% in 2014

# ACA Provisions

## Worker Eligibility/Benefits Issues

- Multiple employers
  - No requirement to cover part-time workers
  - No aggregation of work periods for multiple employers
  - Employers can impose waiting periods up to 90 days
- Immigration status
  - Only citizens and legal residents can obtain insurance through the Marketplace, but all may receive employer coverage
- Migrant workers
  - State based Marketplaces; Many plans will be regional or state specific; but each state's Marketplace is to have a multi-state plan



# ACA Provisions

## Family Eligibility/Benefits Issues

- Coverage obligations apply to all full time employees; Dependents must be offered coverage, but employer is not required to pay for them.
- Mixed families
  - Citizenship status
  - Locations
  - Eligibility for public benefits (e.g. kids on CHIP)
- Broader pediatric benefits through Exchange

# ACA Provisions

## Affordability Issues

- Income according to NAWS
  - average individual farmworker income ranged from \$12,500 to \$14,999
  - average total family income ranged from \$17,500 to \$19,999
- Estimated premium and out of pocket costs for CA family of 4 with income of \$35,000/year
  - Premium (with subsidy): \$113/month
  - Out of pocket maximum: \$4500/yr (\$375/month)

# ACA Provisions

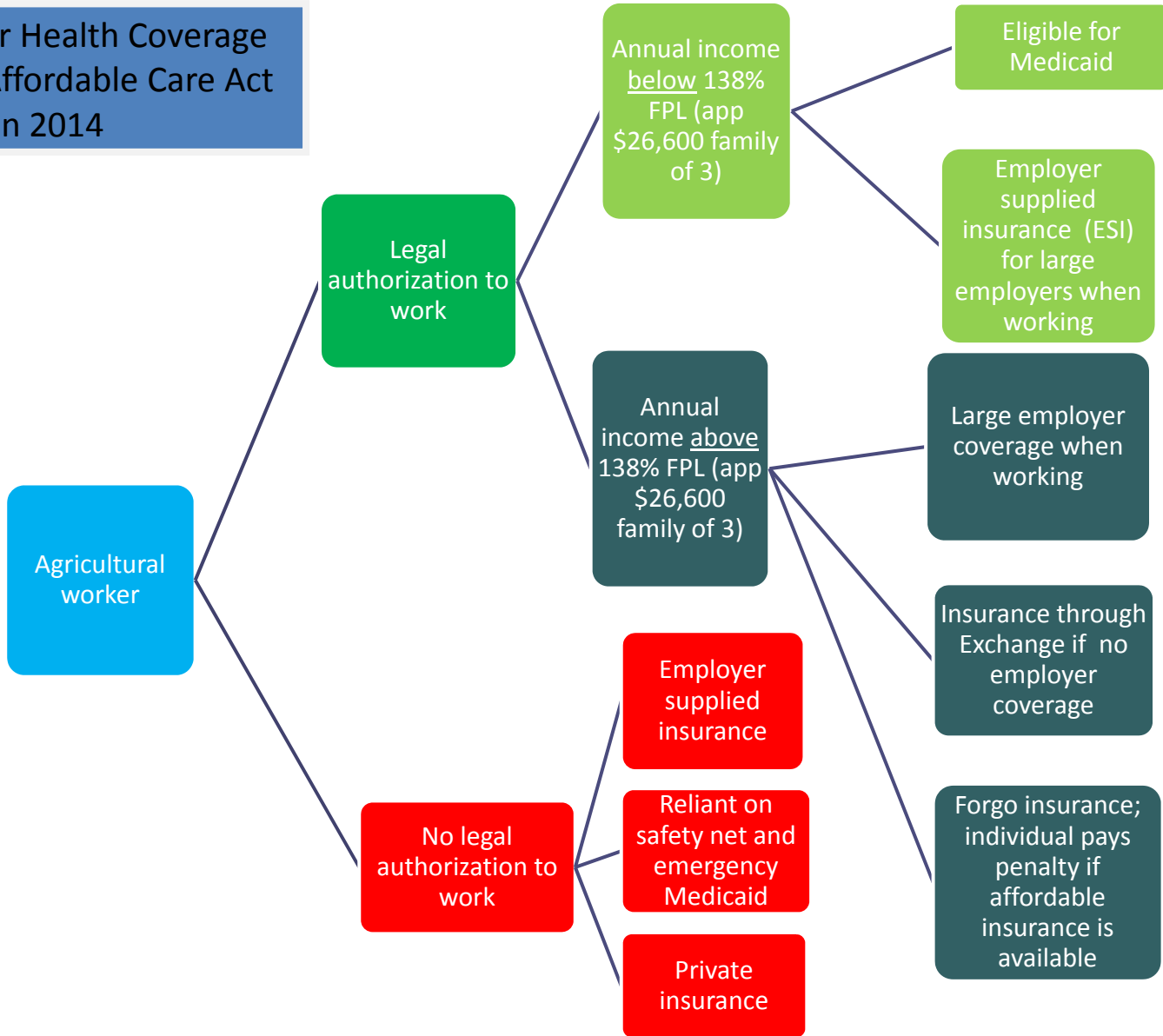
## Safety Net Issues

- Millions will remain uninsured – an estimated 4 million persons in California alone (1 million undocumented)
- Community and migrant health centers received \$11 billion over 5 years to expand capacity
  - Millions of new Medicaid eligible patients
  - Provider capacity issues
- Hospitals that received “Disproportionate Share Hospital” payments
  - DSH payments will be reduced to compensate for increase in insured patients
  - Capacity to treat “residually uninsured?”

# ACA Opportunities for Family Outreach Workers

- Outreach and education - need to assist families through new maze
- Marketplace outreach and navigator programs
- Linkages with migrant health centers

Farmworker Health Coverage under the Affordable Care Act in 2014



# Conclusion

- Farmworkers will continue to face difficulties in securing health coverage and paying for care
- The Medicaid expansion will primarily benefit documented individuals (undocs will receive emergency coverage only)
- The Large Employer mandate will benefit those full-time workers who work for a single employer for more than 90 days
- The Marketplaces will benefit documented individuals with subsidized premiums, but potentially large out of pocket expenses
- Some safety net providers will see increased income, while others may become financially unstable
- Critical to health reform is immigration reform.



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