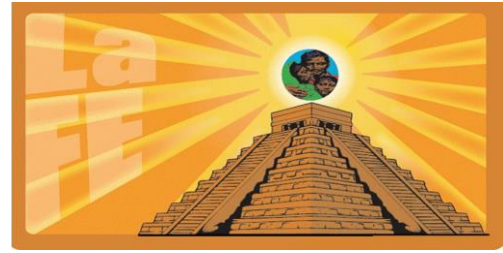




# La Fe Policy Research and Education Center



*Promoviendo Bienestar para Familias y Comunidad con Conocimiento, Confianza y Poder  
Promoting Family and Community Well-Being through Knowledge, Trust, and Empowerment*

ISSUES BRIEF

FEBRUARY 2022

## Medicaid Politics: Decades of Latino Health Injustice

### Background

Texas' highly publicized 5 million-plus uninsured residents<sup>1</sup>, of which over 3 million are Latino, has become routine and insignificant. The exorbitant number fails to convey the reality of unnecessary deaths, poor health, disability, and financial impact on thousands of individuals and families.

In 1968, when the U.S. Civil Rights Commission Hearings were conducted in San Antonio, the state's total Latino population was only 1.8 million. Health care access and individual health status were major civil rights and social justice issues, along with employment, education, housing, voting rights, and other causal factors in the testimony:

“A minimum wage is needed to encourage the development of standards of living necessary for health, efficiency, and general well-being of the people and to reduce as rapidly as possible labor disputes arising out of such conditions and inequities.”<sup>2</sup>

Arguably, the political environment and institutionalized racism were different in 1968. However, current political leadership is demonstrating discriminatory policies that are similarly harmful to Latinos by adhering to an ideology that continues to obstruct many federal initiatives based on purported state rights, create government entitlement and dependency, and are anti-private market justifications.

Health care obstruction is a prime example. State political leaders have refused to take advantage of opportunities under the Affordable Care Act (ACA-2010), i.e., “Obamacare,” to improve the health care system or address its high rate of uninsured residents. They rejected implementing a state-based health insurance Marketplace Exchange where Texans could purchase subsidized insurance coverage or expand its Medicaid program to adults.

Texas' sustained national status as having the highest percentage (17%) of uninsured residents is a key factor for its poor health care performance scorecard. It ranks 42<sup>nd</sup> on overall health system performance, and last on access and affordability<sup>3</sup>. This “dismal” health care landscape foretold its poor response to the Covid-19 pandemic and the unequal impact on Latino and Black families.<sup>4</sup> The state ranks 38<sup>th</sup> and 48<sup>th</sup> in having the most “profound” inequities in health care across the United States for Blacks and Latinos respectively.<sup>5</sup>

The Texas Republican leadership's opposition to the passage, implementation, and repeal efforts of the ACA are well known. They embraced opposition soundbites such as *death panels* determining who gets care, health care costs skyrocketing, and government dependency increasing, all of which are untrue. Unlike most industrialized countries, the United States has not achieved universal access to health care as a basic human right. The U.S. health care system ranks last among 11 high-income countries across access to care, care processes, administrative efficiency, costs, equity, and health care outcomes.<sup>6</sup>

While not perfect, the ACA is targeting some underlying system structural failures. It has demonstrated cost-effective results in delivery, health outcomes, and a reduction in the number of uninsured nationwide. However, Texas' reductions among the uninsured have been unremarkable, an expected trend given the state's opposition to most things ACA.

Throughout his 14-year (2000-2014) tenure, Governor Perry adopted the preceding false messages. He failed to implement the ACA "Marketplace Exchanges"<sup>7</sup> and the "Medicaid Expansion"<sup>8</sup> components of the law.

The trio of Governor Abbot, Lt. Governor Patrick, and Attorney General Paxon have followed the same opposition playbook and "doubled-downed further." Texas' AG Paxon led the failed lawsuit to abolish the ACA,<sup>9</sup> and the state's GOP leadership continues to oppose expanding the Medicaid program to uninsured adults.<sup>10</sup> In addition, limited outreach, and restrictive eligibility rules all combine to worsen health insurance and care access for Latino families.<sup>11</sup>

Begun in 2013, the Marketplace Exchange for Texans defaulted to the federal level. To date, Texans are enrolling for private health insurance coverage in numbers second only to Florida. Over 1.8 million enrolled for 2022.<sup>12</sup> However, 4 legislative sessions have failed to approve the expansion of the Medicaid program.

There is no federal default option for Medicaid expansion. As a result, over 1.4 million uninsured adult Texans—the majority of which are Latino—are not afforded the opportunity to access comprehensive Medicaid health insurance coverage. Texas has one of the least generous Medicaid programs in the U.S, has more restrictive eligibility criteria, and enrolls the lowest low-income residents per population than most states.

Medicaid's impacts are well documented with demonstrated positive improvements on the health and economic mobility of the uninsured, as well as state economies.<sup>13</sup> For Texas, the economic impact of continuing not to address the issue of the uninsured is significant. It is estimated that by 2040, the state could see a loss of \$178.5 billion dollars due to both lost earnings and the value of poor health attributable to the lack of insurance.<sup>14</sup> Further, the effects of Medicaid expansion under the ACA have been significantly positive: coverage gains and reductions in the uninsured; improved health care access, service utilization, affordability, and financial security; and improved state budget savings, revenue gains, and overall economic growth.<sup>15</sup>

Neither voters and broad-base (business, health, and faith-based sector) support nor health and costs related research, which demonstrates the benefits of Medicaid expansion, has not swayed the

opposition.<sup>16</sup> More important is the shameful neglect to address the health and economic injury uninsured families continue to endure as a result.<sup>17</sup>

### Latino Insurance Profile

Latinos comprise 40% of the state population. Their youthfulness and high fertility rate compared to the significant aging of the non-Latino white population is transforming the state’s labor force to majority Latino. For the over 3 million uninsured Latinos, the negative results are observable everywhere, in county hospitals, indigent care programs, charity clinics, emergency rooms, etc. They are in poorer health, have much less access to care,<sup>18</sup> and have the highest medical debt.<sup>19</sup>

Chart 1 illustrates the state’s historic high uninsured rates. The 7% decrease in the state’s uninsured rate between 2002 and 2019, was largely due to the significant decrease in uninsured children. Latinos experienced the largest decrease (32% to 14%). Black adults experienced a significant 10% decrease in the number of uninsured. The reduction in children’s uninsured rates is largely attributed to increased enrollment in the Medicaid and Children’s Health Insurance Program.

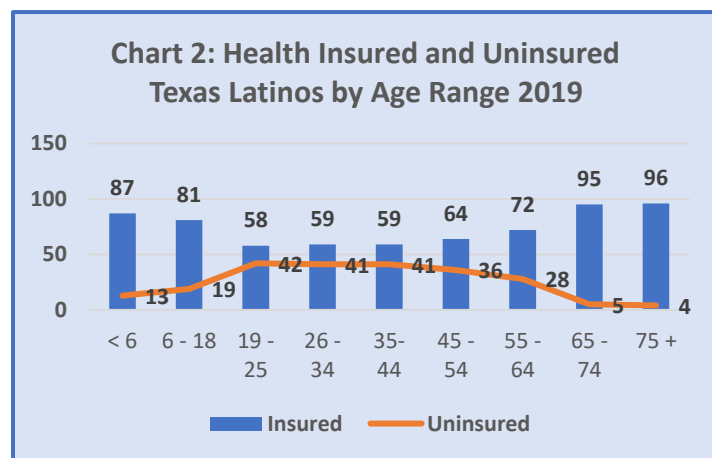
**Chart 1:  
Percent of Uninsured Texans by Race and Ethnicity, 2002, 2008, 2014, and 2019**

	2002	2008	2014	2019
<b>Texas</b>	<b>25</b>	<b>25</b>	<b>17</b>	<b>18</b>
<b>White Children</b>	<b>12</b>	<b>12</b>	<b>6</b>	<b>7</b>
<b>Black Children</b>	<b>21</b>	<b>14</b>	<b>5</b>	<b>7</b>
<b>Hispanic Children</b>	<b>32</b>	<b>24</b>	<b>12</b>	<b>14</b>
<b>White Adults</b>	<b>18</b>	<b>19</b>	<b>15</b>	<b>14</b>
<b>Black Adults</b>	<b>32</b>	<b>29</b>	<b>19</b>	<b>22</b>
<b>Hispanic Adults</b>	<b>37</b>	<b>49</b>	<b>36</b>	<b>38</b>

Source: U.S. Census, American Community Survey, and IPUMS (2019)

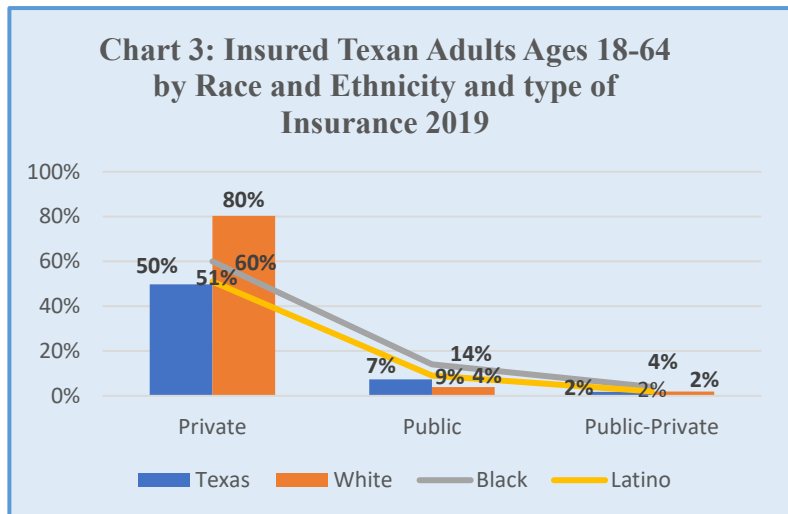
Having health insurance coverage is crucial to gaining access to a regular source of health care. People who gain health insurance compared to the uninsured receive more health care, have better physical and mental health, and have improved financial stability.<sup>20</sup> For insured children, the benefits are short (developmental) and long-term (adulthood) regarding improved health, economic, and academic impacts.<sup>21</sup>

In short, health insurance coverage is necessary to avoid unnecessary risk for poor health and economic opportunity loss. Chart 2 indicates significant high Latino uninsured rates during their most productive working age years. The annual economic loss due to health disparities impacting Latino and Black communities is estimated at \$9.5 billion, plus an additional 551,000 life-years lost with a conservative value of \$27.6 billion.<sup>22</sup>



Latinos have significantly lower private health insurance coverage because of their predominant employment in industries where insurance coverage is not provided or affordable.<sup>23</sup> Texas’ high cost of health insurance is also a contributing factor.

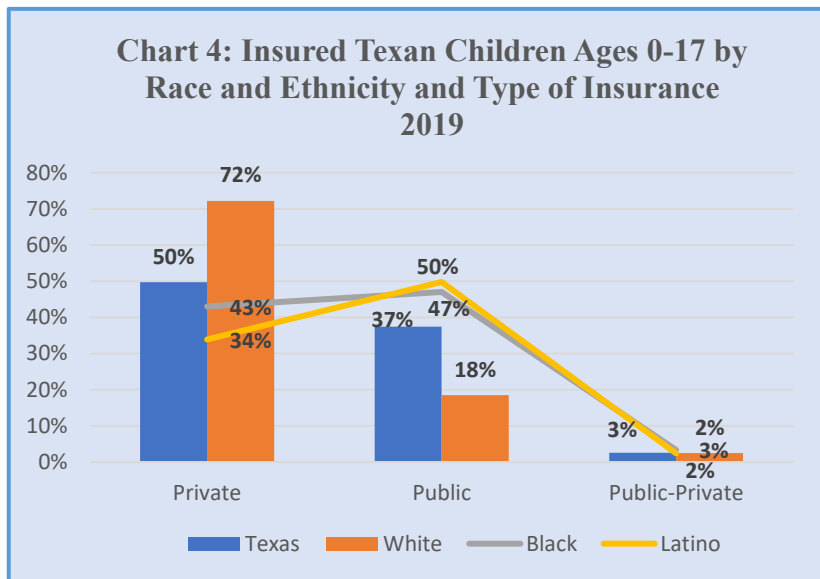
Only 51% of Latino adults have private insurance compared to 60% and 80% for Blacks and Non-Latino Whites respectively (Chart 3). Overall, few Texas adults under age 65 have public insurance coverage. Latinos have the lowest public insurance coverage at 4% compared to Blacks and Non-Latino Whites at 14% and 9% respectively.



Latino children represent 51% of all children enrolled in Texas public schools. A child’s

“positive physical and emotional development beginning at pre-k is essential. The first 5 to 8 years of life are the foundation for building strong physical, cognitive, intellectual, social, emotional, speech and language skills.”<sup>24</sup> These skills are key to advancing education, career success, higher incomes, asset accumulation, and good health.

It is imperative all children have ready and unencumbered access to health care. Over 500,000 thousand Latino children are uninsured, representing 68% of all uninsured Texas children.



The majority of health insurance coverage for Latino children is through the Medicaid Program at 50%. Only 34% of Latinos have private health insurance coverage compared to 43% and 72% for Blacks and Non-Latino Whites respectively (Chart 4).

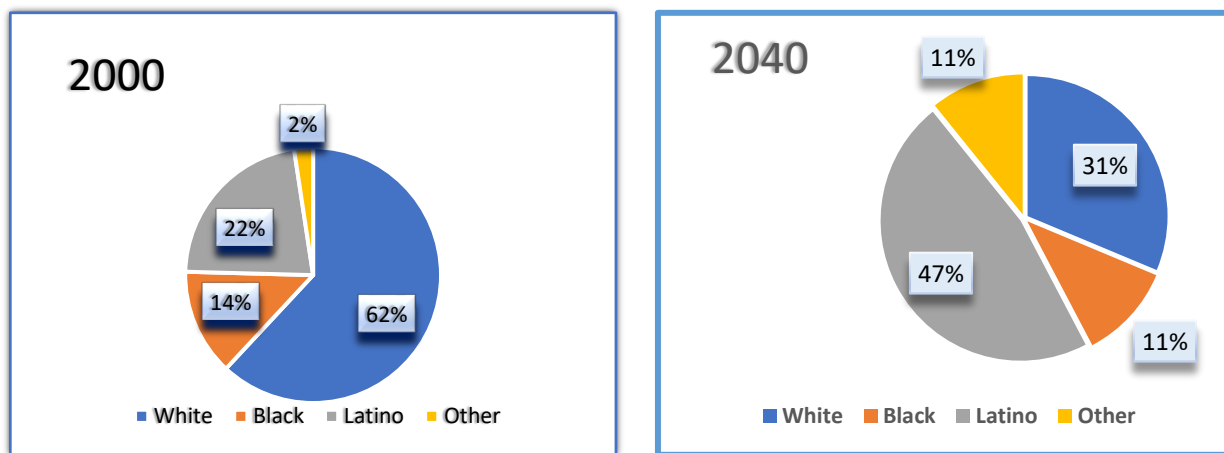
For nearly two decades, alarms have been raised regarding public policy concerns regarding the social and economic significance of the state’s minority-majority demographic changes, particularly in the state’s inadequate human capital investments in education, employment training, wage improvements, housing, and health care.<sup>25</sup>

Demographic and health risk characteristics are fundamental drivers in the development and allocation of health care resources (e.g., facilities, health manpower, and services).<sup>26</sup>

Demographer Steve Murdock and colleagues collected detailed disease prevalence data to make projections of Latino population impacts over time.<sup>27</sup> They did not consider changes in social and economic conditions or other determinants (e.g., health insurance access). They provide evidence that even if the race and ethnic groups maintained the current rates of chronic health illnesses, Latinos will surpass all other groups in the prevalence of disease, given their demographic growth.

Figure 1 projects that Latinos will more than double their share of the state's disability rate from 2000 to 2040. By then, those with disabilities are more likely to be Latino than White or Black.

**Figure 1: Projected Distribution of Adults with Disabilities by Race: 2000 & 2040**



Murdock's team also projected that among adults and children, Latino adults will represent over half of all diseases and disorders by 2040, whereas Latino children will account for over two-thirds of all childhood diseases and disorders.

For Latinos, who are a growing part of our state's future health and economic prosperity, not having health insurance jeopardizes our families' and the state's future. Having health insurance provides for regular access to health care, which is a human capital investment alongside education and housing.

There is little doubt that the state's economy would be greater today if not for lingering and recurring discriminatory and inequitable human capital investment policies, e.g., education, health, job training, and regional economic development.<sup>28</sup> Our state population and economic growth are interconnected and outperform nearly every other state.

Many Latinos have not benefitted from our state's purported economic successes. Inequalities are still prevalent across social and health issues five decades after the 1968 Civil Rights hearing.<sup>29</sup> For Latinos, the larger and more important questions relate to challenges to improve their *bienestar* (well-being) and future opportunities for their children.

Chart 5 illustrates that across all the state Metropolitan areas, Latinos are uninsured at a rate 2 to 4 times more frequent than Non-Latino Whites. The opportunity costs to their health status and to economic mobility are felt daily.

<b>Chart 5: Uninsured Texans Across Metropolitan Statistical Areas (MSA) for Ages 0-17 and 18-64 by Race and Ethnicity 2019</b>						
	Ages 0 - 17			Ages 18 - 64		
	Texas	White Non-Latino	Latino	Texas	White Non-Latino	Latino
Not in identifiable area	11%	13%	28%	27%	27%	40%
Amarillo	9%	7%	26%	25%	25%	39%
Austin-Round Rock	8%	5%	21%	17%	17%	30%
Beaumont-Port Arthur	10%	13%	37%	29%	29%	57%
Brownsville-Harlingen	15%	13%	39%	41%	41%	43%
College Station-Bryan	9%	5%	30%	17%	17%	31%
Corpus Christi	9%	11%	18%	27%	27%	31%
Dallas-Fort Worth-Arlington	11%	8%	32%	22%	22%	41%
El Paso	9%	7%	21%	29%	29%	33%
Houston-The Woodlands-Sugar Land	10%	7%	31%	25%	25%	41%
Laredo	13%	12%	31%	41%	41%	42%
Lubbock	9%	10%	22%	18%	18%	27%
McAllen-Edinburg-Mission	14%	10%	38%	45%	45%	47%
Midland	13%	6%	25%	19%	19%	29%
Odessa	17%	13%	28%	26%	26%	32%
San Angelo	8%	13%	12%	19%	19%	24%
San Antonio-New Braunfels	8%	7%	16%	21%	21%	26%
Tyler	11%	12%	36%	24%	24%	46%
Waco	10%	12%	25%	21%	21%	33%
Wichita Falls	8%	8%	24%	24%	24%	40%
<b>Source: U.S. Census, IPUMS, 2019</b>						

## Summary and Recommendations

State political obstruction to the ACA, particularly the expansion of Medicaid, demonstrates policies that perpetuate cheap labor, lower education, and generational poverty rates. Martin Luther King’s 1966 statement on health inequities was prophetic: “Of all the forms of inequality, injustice in health care is the most shocking and inhumane.”<sup>30</sup>

In 1972, Chicanos from the Southwestern U.S. met in San Antonio to develop recommendations addressing issues of health services availability, accessibility, acceptability, and accountability to their community health concerns. They noted, “It is unforgivable that in a country as wealthy and technologically advanced as the U.S., Chicanos must continue to suffer ill health without access to services.”<sup>31</sup>

The 1968 civil rights hearing targeted institutional racism and its inequitable policies across major social determinants directly contributing to poor health and economic mobility. They focused on Latinos and farmworkers in the border, south Texas rural, and urban communities. Many of these issues are still evident today, but they are impacting a population that has increased nearly ten-fold and has expanded to every region of the state.

Medicaid Expansion opposition in the Texas legislature is an inequity and social justice issue affecting Latino families, as are education reform and funding, employment, housing, immigration, and voter suppression. These issues are linked by the fact that they are often structured in ways that undermine Latino *bienestar* and obstruct their representation to affect policy change.

Latino access to health care and health have improved from their conditions in 1968. They happened as a direct result of Chicano health activism. Indeed, much of the health industry now view Latinos as a major consumer market for their services – assuming they can access them.

Our legislature can approve a one-paragraph bill to accept the ACA's Medicaid expansion funds, and our Governor can sign it. Voters, particularly Latinos, must increase their health activism, knowledge, and voter strength to change political leadership.

The Texas Senate Hispanic Caucus and Mexican American Legislative Caucus, in concert with Latino advocacy organizations and allies, should develop a legislative activist agenda with a 10-year strategic plan to address health disparities and the development of healthy Latino communities. A committee should also be formed to annually evaluate progress on the strategic plan.

Goals should include:

- Improve parity in health insurance coverage regardless of health status.
- Expansion of Medicaid coverage to include uninsured adults.
- Fully utilize available federal funding streams, and where allowed, provide additional state funding for safety-net programs consistent with Latino priorities.
- Ensure health professions training that meets the state's population growth and demand for health professionals across community needs.
- Increase the representation of Latinos in health professions.
- Improve opportunities for undocumented immigrants to gain needed access to state and local health and human services programs.
- Establish a statewide expert review panel to critically assess and provide recommendations on major Texas health and services related plans, including review for compliance and funding allocation.

- Establish a commission to review health disparities and inequities throughout the state with members from Latino and African American organizations.

In summary, health care is a major election touchstone for Texas. The issues include availability, accessibility, quality, and costs.<sup>32</sup> Renewed strategies and comprehensive health activism by the Latinos and allies are needed. Otherwise, state minimalistic, discriminatory, and inequitable public policy efforts will continue to limit health and economic mobility improvements.

<sup>1</sup> <https://www.kut.org/politics/2021-04-26/texas-set-to-refuse-medicaid-expansion-again-despite-highest-uninsured-rate-in-the-country>

<sup>2</sup> United States Commission on Civil Rights, “Exhibit No. 45, Archdiocesan Council of Catholic Women Resolution,” *Hearings Before the United States Commission on Civil Rights, San Antonio, Texas, December 9-14* (Washington, DC: GPO, 1968), 954.

<sup>3</sup> <https://2020scorecard.commonwealthfund.org/state/texas>

<sup>4</sup> <https://www.texasmonthly.com/news-politics/texas-health-care-vulnerable-coronavirus/>; and <https://www.dallasnews.com/news/2020/12/19/covids-untold-story-texas-blacks-and-latinos-are-dying-in-the-prime-of-their-lives/>

<sup>5</sup> Achieving Racial and Ethnic Equity in U.S. Health Care: A Scorecard of State Performance, The Commonwealth Fund, November 2021.

<sup>6</sup> <https://www.commonwealthfund.org/publications/fund-reports/2021/aug/mirror-mirror-2021-reflecting-poorly>

<sup>7</sup> Text: GOP Governors Letter to Sebelius: ‘Flexibility on Exchanges’ | Kaiser Health News ([khn.org](http://khn.org))

<sup>8</sup> Office of the Governor Rick Perry - [Editorial] Expanding a Broken System is No Solution for Health Care ([texas.gov](http://texas.gov))

<sup>9</sup> <https://www.texastribune.org/2021/06/17/supreme-court-affordable-care-act-texas/>

<sup>10</sup> <https://thetexan.news/medicaid-expansion-effort-fails-in-texas-house-despite-bipartisan-momentum/>

<sup>11</sup> American's Health Rankings, United Health Foundation. 2019 Texas outcomes. Data source identified as CDC Behavioral Risk Factor Surveillance System. <https://www.americashealthrankings.org/>

<sup>12</sup> <https://www.cms.gov/newsroom/fact-sheets/marketplace-2022-open-enrollment-period-report-final-national-snapshot>

<sup>13</sup> “Medicaid’s Impact on Health Care Access, Outcomes and State Economies”, Robert Wood Johnson Foundation, Issue 3, February 2019.

<sup>14</sup> “The Impact of Uninsurance on Texas’ Economy”, Texas Alliance for Health Care, January 2019.

<sup>15</sup> “The Effects of Medicaid Expansion under the ACA: Updated Findings from a Literature Review, Henry J. Kaiser Family Foundation, March 2020.

<sup>16</sup> <https://www.texastribune.org/2021/05/07/texas-medicaid-expansion-legislature/>; and “It Just Makes Sense: Economic and Fiscal Benefits to Texas Accessing Additional Federal Funds for Health Insurance Expansion”, December 2020, The Perryman Group; “The Effects of Medicaid Expansion under the ACA: Updated Findings from a Literature Review, Henry J. Kaiser Family Foundation, March 2020.

<sup>17</sup> “Medicaid Expansion in Texas: What’s at Stake?”, Issue Brief, April 2016, The Commonwealth Fund.

<sup>18</sup> <https://www.brookings.edu/blog/how-we-rise/2020/09/25/latinos-often-lack-access-to-healthcare-and-have-poor-health-outcomes-heres-how-we-can-change-that/>

<sup>19</sup> Texans' experiences with affordability of and access to health care. Selected Findings from the Episcopal Health Foundation 2019 Texas Health Policy Survey, Episcopal Health Foundation June 2020. Eran Ben-Porath, Emily Hachey, Jennifer Su, Shao-Chee Sim, and Elena Marks.

<sup>20</sup> “Changes in Utilization and Health among Low-Income Adults after Medicaid Expansion or Expanded Private Insurance.” JAMA Internal Medicine, Sommers, BD, Blendon RJ, Orav J, and Epstein AM; and “The Oregon Health Insurance Experiment Results”, <http://www.nber.org/oregon/3.results.html>.

<sup>21</sup> Murphey, D. “Health Insurance Coverage Improves Child Well-Being,” Research Brief, Child Trends Publication #2017-22, May 2017. Retrieved from: <https://www.childtrends.org/wp-content/uploads/2017/05/2017>

<sup>22</sup> “Economic Impacts of Health Disparities in Texas 2020: An Update in the Time of COVID-19”, Episcopal Health Foundation, 2020.

<sup>23</sup> “Racial and Ethnic Disparities in Health Insurance Coverage: Dynamics of Gaining and Losing Coverage over the Life-Course”, Population research Policy Review, April 2017, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5370590/>



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- <sup>24</sup> “The Science of Early Child Development: Closing the Gap Between What We know and What We Do,” National Scientific Council on the Developing Child, Center on the Developing Child, Harvard University, November 2007.
- <sup>25</sup> “Coming to Our Census,” *Texas Monthly* website, February 11, 2014.
- <sup>26</sup> “How Demographics Impact Healthcare Delivery,” accessed April 11, 2019, Ensocare website.
- <sup>27</sup> Steve H. Murdock et al., *Changing Texas: Implications of Addressing or Ignoring the Texas Challenge* (College Station: Texas A&M University Press. 2014).
- <sup>28</sup> “Changing Texas: Implications of Addressing or Ignoring the Texas Challenge”, Steve H. Murdock, Michael E. Cline, Mary Zey, P. Wilner Jeanty, and Deborah Perez, Texas A&M University Press, 2014.
- <sup>29</sup> “Mexican American Civil Rights in Texas”, Michigan State University Press, 2021.
- <sup>30</sup> Amanda Moore, “Tracking Down Martin Luther King, Jr.’s Words on Health Care,” at HuffPost.com, January 18, 2013.
- <sup>31</sup> Southwest States Chicano Consumer Conference on Health San Antonio, *Report of the Southwest States Chicano Consumer Conference on Health, San Antonio, Texas, January 26-29, 1972*, (Rockville, MD: U. S. Dept. of Health, Education and Welfare, 1972).
- <sup>32</sup> “Texas Residents’ Views on State and National Health Policy Priorities,” *The Henry J. Kaiser Family Foundation* (blog), June 14, 2018.