

Health Reform and Farmworkers

Analysis by Farmworker Justice, November 2010

On March 23, 2010, President Obama signed into law the Affordable Care Act of 2010 (ACA). The cornerstone of the President's health reform agenda, the ACA aimed to expand insurance coverage to millions of Americans by extending Medicaid eligibility, creating incentives for businesses to provide health benefits to employees, prohibiting insurance companies from denying coverage based on pre-existing conditions, and establishing low-cost insurance exchanges, among other initiatives. The non-partisan Congressional Budget Office (CBO) [estimates](#) that after all provisions take effect, the new law will extend health insurance coverage to 32 million Americans. However, even with the implementation of health reform, CBO estimates that approximately 23 million residents of the United States will remain uninsured.

Though the ACA will assist some farmworkers to obtain insurance coverage through Medicaid or insurance exchanges, many will be ineligible for these programs because of their immigration status. However, farmworkers and migrant clinicians may benefit from the law in other ways, including increased funding for community health centers. See below the provisions of the law that will most directly impact farmworkers and their families. For a more comprehensive analysis, please see the [National Health Law Program](#).

Medicaid Expansion

Medicaid is the government-funded program that provides health insurance to income-eligible individuals. Beginning in 2014 (or earlier in those states that choose to implement early), Medicaid will expand to include nearly all individuals under age 65 with incomes up to 133% of the federal poverty level. Categorical eligibility will no longer be required. Approximately 16 million individuals are expected to gain new insurance coverage under the expanded Medicaid program.

How will it impact farmworkers?

- Some farmworkers who are US Citizens or qualified legally present immigrants may be eligible for Medicaid based on their low income. However, many of these workers would have been eligible for Medicaid in the past as well.
- Undocumented individuals – more than 50% of farmworkers – are not eligible for Medicaid

For more information on Medicaid expansion under the new law, see the Kaiser Family Foundation's [fact sheet](#).

Insurance Exchanges

Those ineligible for Medicaid will be able to participate in new "insurance exchanges" through which individuals can purchase coverage. Subsidies and cost-sharing will be available to those with incomes between 133-400% of the federal poverty level. Small businesses will also be able to purchase insurance for their employees on separate exchanges.

How will they impact farmworkers?

- Some farmworkers who are US Citizens or legally present immigrants and earn between 133% and 400% of the federal poverty level may be eligible for subsidies to participate in these exchanges if their employer does not provide affordable insurance options.
- Undocumented individuals – more than 50% of farmworkers – are not eligible to participate in the insurance exchanges. Applicants in the exchange will be required to present social security numbers.

Employer-Provided Insurance

Under the new law, by 2014, employers with more than 50 full-time equivalent (FTE) employees will be required to provide health insurance for their employees or pay a fine. Small businesses with less than 25 FTE employees and whose average wage is less than \$50,000 may be eligible for tax credits to encourage them to offer insurance.

How will it impact farmworkers?

- Employers whose workforce does not exceed 50 FTE workers for at least 120 days during the year will not be considered “large employers” and will not be fined for failing to provide coverage. This means that many large seasonal growers will be exempt from the incentives to provide coverage. Future regulations will determine whether growers who employ more than 50 FTE workers for more than 120 days will be required to cover seasonal workers who work for less than 120 days.
- The tax break for small businesses may enable or encourage some small growers to provide insurance for their workers.
- On the other hand, large growers may attempt to avoid the penalty by using multiple farm labor contractors who each employ less than 50 FTE workers.
- Farmworkers who do not receive insurance from their employer may be eligible for Medicaid or the exchanges, depending on their income and immigration status.

For more information on employer responsibilities under the new law, see the [Center on Budget and Policy Priorities](#).

Community and Migrant Health Centers

A network of 1250 community health centers (also known as Federally-Qualified Health Centers) provides primary care to low-income residents around the country. Of these, 155 are also designated as “migrant health centers,” with special funding aimed at serving the migrant farmworker population. For uninsured farmworkers, these centers are often the only option for comprehensive care. The largest impact of the ACA on farmworkers will probably come through the increased funding for community health centers included in the law.

Important provisions that will help farmworkers include:

- \$11 billion in new, dedicated funding for health centers over five years. The National Association of Community Health Centers [estimates](#) that this will allow health centers to double their current capacity to 40 million patients by 2015, enabling them to serve many more migrant farmworkers.
- \$1.5 billion over 5 years in new funding for the National Health Service Corps. This funding will help place 15,000 primary care providers in underserved communities.
- A new grant program will support health-center based residencies and training programs, allowing current professionals to train primary care professionals who are committed to working in underserved and low-income communities.

For more information on farmworker health, see:

Migrant Clinicians Network: <http://www.migrantclinician.org/>

National Center for Farmworker Health: <http://www.ncfh.org/>

Health Outreach Partners: <http://www.outreach-partners.org/>

National Association of Community Health Centers: <http://www.nachc.com/>

Migrant Health Promotion: <http://www.migranthealth.org/>