

The Affordable Care Act's Impact on Communities of Color: What's at Stake for American Indians and Alaska Natives?

In the midst of an increasingly severe public health crisis and the biggest economic downturn since the Great Depression, the Trump administration, 17 Republican attorneys general and one Republican governor are pursuing a lawsuit seeking to topple the entire health care system. The [Health Care Repeal Lawsuit](#), also known as *California v. Texas* (formerly *Texas v. US*), is set to be heard by the Supreme Court in the coming months. If successful, it will end the Affordable Care Act (ACA) and all of the consumer protections it provides, leaving millions of Americans without preventive care, treatment options or long-term coverage.

The ACA is a fundamental part of the fabric of the American health care system. It is inextricably intertwined with Medicare and Medicaid and works with and through those programs to provide care to millions of people across the country when they need it most. It has also resulted in the largest reduction in health inequities for communities of color since the creation of Medicaid in 1965. Though progress has stalled since 2016, due to the Trump administration's sabotage, there have been significant drops in adult uninsured rates for people of color as a result of the ACA.

Like many other racial and ethnic groups, American Indians (AIs) and Alaska Natives (ANs) have [benefited](#) from the ACA's coverage expansion. As part of the ACA, the [Indian Health Care Improvement Act](#) (IHCA) was permanently reauthorized, which [provides](#) tribes with many new opportunities to manage their health care programs and systems. Here's what's at stake if the ACA goes away.

The Uninsured Rate for AIs and ANs Would Double

AIs and ANs have a unique political standing in the U.S. Under various [treaties](#), laws, executive orders and [court decisions](#), AIs and ANs are the only population born with a legal right to health services. However, the Indian Health Service (IHS), a federal agency charged with providing health care services to AIs and ANs, [has been underfunded for decades](#) leaving AIs and ANs with among the [worst health disparities and poorest access to services](#) in the nation.

Since the passage of the ACA, more than [300 thousand AIs and ANs](#) have gained coverage. The uninsured rates for this population dropped from 23.7 percent in 2010 to 14.4 percent in 2018. [Data from the Kaiser Family Foundation](#) show most of the coverage gains for AIs and ANs results from the ACA's expansion of Medicaid. Health insurance coverage is especially important for AIs and ANs who do not live on or near reservation communities. As a result of coverage gains, AIs and ANs have increased options to receive health care services outside of federally operated or Tribally operated facilities, including more comprehensive health services.

Our Fight Against the Pandemic Becomes Even Harder

As the country confronts both the short-term and long-term threats posed by the COVID-19 pandemic, it is more important than ever to retain and expand pathways to coverage. In the short-term, the ACA helps ensure that millions of people can get the testing, treatment and care they need to keep our communities safe.

Like other racial and ethnic groups, AIs and ANs have been disproportionately affected by COVID-19. [According to the National Indian Health Board](#), COVID-19 deaths in Tribal communities are between 321 percent (in Arizona) to 1,414 percent (in Wyoming) higher than

the general population in these states, respectively. Due to [decades of neglect, exploitation and discrimination](#), AIs and ANs have [higher rates](#) of diabetes, heart disease and other conditions, compared to their white counterparts and other racial and ethnic groups, which put AIs and ANs at a [higher risk](#) of serious complications if infected by COVID-19.

One of the cornerstones of the ACA is protecting people with pre-existing conditions from being charged more or locked out of coverage. In the long-term, COVID-19 has created a number of cascading health care and health care coverage crises that need to be accounted for in our efforts to keep the ACA intact. Those who have been infected with the virus will be considered by insurers to have a new pre-existing condition and could also suffer long-term effects as a result of COVID-19's impact on respiratory, renal, and other vital systems.

The Indian Health Service (IHS) Would Face Significant Cuts in Funding

As part of the ACA, the IHCA was permanently reauthorized—which enabled IHS programs and providers to serve their patients more effectively and offer health care services regardless of health insurance status. Under the IHCA reauthorization, the IHS is allowed to supplement their revenue through [third-party payers](#) from various sources such as Medicare, Medicaid and private insurance plans. This means funds generated through third-party collections remain at the IHS clinic that generated them. In 2019, IHS generated [approximately \\$1.1 million dollars in third-party collections](#). Because of the increase in Medicaid enrollment as a result of Medicaid expansion, 67 percent of the third-party revenue comes from Medicaid. Therefore, if Medicaid expansion is eliminated as a result of the ACA being repealed, IHS will lose a significant funding source forcing IHS to stretch its limited budget even further.

The third-party funding source is critical for IHS clinics to meet the health care needs of AIs and ANs. Currently, the [IHS provides direct medical and public health services](#) to an estimated 2.6 million AIs and ANs across 37 states. Funding from the third-party collections has enabled the IHS to create new or expand existing programs such as dental health services, mental and behavioral health treatment and prevention, long-term care services (including home health care, assisted living and community-based care) and dialysis services. Rolling back these programs would be a serious setback for the health of AIs and ANs across the country.

This factsheet was developed with the support of Brett Weber, Public Health Policy & Programs Manager at the National Indian Health Board. For questions please contact Quynh Chi Nguyen, Senior Policy Analyst, at qnguyen@communitycatalyst.org