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HEALTH CARE REFORM

REQUESTED ACTIONS: Support legislation to decrease the number of uninsured individuals while maintaining disproportionate share payments to safety net hospitals. Support Medicaid coverage for individuals incarcerated in county jails and extend for six additional months the higher federal match for Medicaid.

BACKGROUND: The House and Senate adopted similar versions of health reform legislation in 2009, but further efforts have stalled. Both bills would expand health care coverage under Medicaid. California's Medi-Cal and Children's Health Insurance Program (Healthy Families) currently cover about seven million residents. The proposed federal expansions would cover one million new individuals in the state, as well as enroll about 500,000 individuals already eligible but not receiving benefits.

CSAC supports a 100 percent federal match for newly eligible populations. Given California's fiscal crisis, the State is likely to shift costs of health reform to counties or eliminate safety net programs altogether.

California's counties strongly support the Senate health reform bill's provision requiring states to pass to counties any increased federal contribution commensurate with their share of the match to the non-federal share of Medicaid for services provided to newly-eligible individuals. In California, counties help finance In-Home Supportive Services (IHSS), which has already been cut by the State.

CSAC supports the six-month extension in the House jobs bill, through June 30, 2011, of the increased federal financial contribution to Medicaid originally enacted under the American Recovery and Reinvestment Act (ARRA). If approved, the provision would provide approximately \$2.5 billion in additional support for California's Medi-Cal program and would continue the requirement that the State not restrict eligibility standards, methodologies, or procedures.

According to the California Association of Public Hospitals and Health Systems (CAPH), the state's 19 public hospitals provide nearly 70 percent of their care to persons receiving Medicaid or who are uninsured. CSAC urges Congress to minimize the cuts slated for the disproportionate share hospital payment program (DSH) due to the continued role safety net hospitals will assume after reform. It should be noted that the Congressional Budget Office estimates that between 18 million to 25 million individuals will remain uninsured even after health reform's full implementation.

On a separate matter, legislation establishing the responsibility of the federal government to assist in financing the medical expenses of incarcerated individuals who have not yet been adjudicated has been reintroduced in the House. The *Restoring the Partnership for County Health Care Costs Act* (H.R. 2209) would ensure that otherwise eligible individuals retain their federal coverage (Medicaid, Medicare, SSI) while awaiting adjudication in jail or another detention facility. The measure also would ensure that coverage in the community is reinstated immediately upon release.

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