

Proposed Budget Cuts - Impacts to Health Services

Assembly Member Kevin de León - AD 45

The governor has proposed increasing reporting requirements for children and adults enrolled in Medi-Cal to four times per year. Not only will thousands lose health coverage, but the move would also create future costs to reenroll children that will outweigh any short-term savings:¹

- **In the 45th District, over 3,200 children will lose Medi-Cal coverage next year if these reporting requirements are enacted.**²

The governor has proposed rolling back eligibility for low-income parents applying for Medi-Cal coverage. Under the proposal, a family of three earning above \$10,736 a year would now be ineligible for Medi-Cal coverage.

- **In the 45th District 9,800 parents would be denied coverage when the proposal is fully implemented.**

The proposed cuts to these programs would deal a huge blow to local communities already in the midst of a severe economic downturn:

- **In the 45th District, the local economy will lose over \$26 million in revenue from the Medi-Cal and Healthy Families programs - funding that supports vital patient services and quality jobs through hospitals, community clinics and other health care providers.**

NEGATIVE IMPACTS TO LOCAL HEALTH PROVIDERS

Several local hospitals, health centers, and community clinics in the 45th District will be heavily impacted by the proposed budget cuts including:

- Altamed Health Services Corporation
- Arroyo Vista Family Health Center
- Barlow Respiratory Hospital
- Childrens Hospital Los Angeles
- Chinatown Service Center Family HC
- City Help Wellness Center
- City of Angels Medical Center
- Clinica Msr. Oscar A. Romero
- Gateways Hospital and Mental Health Center
- Hollywood Presbyterian Medical Center
- Hollywood Sunset Free Clinic
- JWCH Institute
- Kaiser Permanente Los Angeles
- Kenneth Norris, Jr. Cancer Hospital
- L.A. County - USC Medical Center
- Mission City Community Network
- Northeast Community Clinic
- Pacific Alliance Medical Center
- Planned Parenthood Los Angeles
- QueensCare Family Clinics
- Saban Free Clinic
- St. John's Well Child & Family Center
- St. Vincent Medical Center
- Temple Community Hospital
- USC University Hospital

ADOPTED & PROPOSED CUTS FOR PROVIDERS:

- 10% Medi-Cal provider and managed care rate cuts
- 10% cut to Safety Net Care Pool Payments

NET IMPACT:

- Less access to care for local families
- More strain on the ER system
- Possible staff layoffs

¹ Gerry Fairbrother and Joseph Schuchter, "Stability and Churning in Medi-Cal and Healthy Families," March 2008 and May 20, 2008.

² California Budget Project, "Impact of Proposed Budget Cuts by Legislative District," April 11, 2008.

