

Proposed Budget Cuts - Impacts to Health Services
Legislative District Analysis - Assembly Member Audra Strickland (AD 37)

The governor’s proposed cuts will have devastating consequences in communities across Los Angeles County. This factsheet looks at the impact of the cuts to families in the 37th District:¹

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:²

- **In the 37th District, over 1,400 children will lose Medi-Cal coverage next year if these reporting requirements are enacted.**

California already pays providers some of the lowest Medicaid rates in the country; an additional 10% cut could cause even more doctors to abandon the program, further limiting patient access to care:

- **In the 37th District over 55,000 Medi-Cal patients would be impacted.**

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 37th District, over 3,800 parents would be prevented from obtaining 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 37th District, the local economy will lose over \$12 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.**

Impacted local hospitals:

- St. John’s Pleasant Valley Hospital
- Ojai Valley Community Hospital
- Los Robles Hospital & Medical Center

ADOPTED & PROPOSED CUTS:

- 10% Medi-Cal provider rate cut
- 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 California Budget Project, “Impact of Proposed Budget Cuts by Legislative District,” April 11, 2008 and May 20, 2008.

² Gerry Fairbrother and Joseph Schuchter, “Stability and Churning in Medi-Cal and Healthy Families,” March 2008.