

Proposed Budget Cuts - Impacts to Health Services
Legislative District Analysis - Senator Alan Lowenthal (SD 27)

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 27th District, over 5,400 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 27th District over 14,700 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 27th District, the local economy will lose over \$42 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:

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| <ul style="list-style-type: none"> • Catalina Island Medical Center • College Hospital • Community Hospital of Long Beach • Downey Regional Medical Center • Kaiser Permanente Bellflower • Lakewood Regional Medical Center • Long Beach Memorial Medical Center • Long Beach Comprehensive HC • Miller Children's Hospital • Bellflower HC • Children's Dental Foundation – Bellflower & Long Beach • Planned Parenthood Los Angeles • THE Children's Clinic—Cesar Chavez, N. Long Beach, Pine, Serving Children | <ul style="list-style-type: none"> • Pacific Hospital of Long Beach • Promise Hospital of East Los Angeles – • Suburban Medical Center • Rancho Los Amigos NRC • St. Francis Medical Center • St. Mary Medical Center • Tri-City Regional Medical Center • VA Long Beach Healthcare System • FHCC of Greater LA – Hawaiian Gardens • Sacred Heart Family Medical Clinics, Inc. – Paramount • JWCH Institute • Family Health Care Centers of Greater LA • Watts Healthcare Corporation |
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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

² California Budget Project, "Impact of Proposed Budget Cuts by Legislative District," April 11, 2008 and May 20, 2008.