

Proposed Budget Cuts – Impacts to Health Services
Legislative District Analysis – Senator Mark Ridley-Thomas (SD 26)

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 26th District nearly 6,000 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 26th District 17,800 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 26th District, the local economy will lose over \$49 million in revenue from 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 26th District will be heavily impacted by the proposed budget cuts including:

- Brotman Medical Center
- Childrens Hospital Los Angeles
- Hollywood Presbyterian Medical Center
- Kaiser Permanente Los Angeles
- Kaiser Permanente West Los Angeles
- Hubert H. Humphrey CHC
- Asian Pacific HCV
- Korean Heir
- Mission City CN – Hollywood
- NE Community Clinic – Foshay
- Queenscare
- Saban Free Clinic (formerly LA Free Clinic)
- Kindred Hospital - Los Angeles
- Southern California Market, Kindred Healthcare
- Olympia Medical Center
- Shriners Hospitals for Children - LA
- Temple Community Hospital
- St. John’s Well CFC – Hoover
- T.H.E. Clinic Inc., at Ruth Temple HC
- University Muslim MA
- Venice FC – Culver City
- Watts HCC – Crenshaw Community HC

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.