

SPECIAL ORDER ON HEALTH CARE

ISSUE 2: SPECIAL ORDER ON HEALTH CARE IN CALIFORNIA**PANELISTS**

- **Assemblymember Dr. Joaquin Arambula**
- **Assemblymember Dr. Jim Wood**

Public Comment**PROPOSAL**

As Co-Chairs of the Select Committee on Health Care Delivery Systems and Coverage, Assemblymembers Dr. Arambula and Dr. Wood submit the following proposals to Assembly Budget Subcommittee #1. This set of proposals includes a comprehensive set of reforms to California's health care system, reflecting the goals of increasing insurance coverage and access to care, improving quality of care, and making health care more affordable in California. Specifically, the proposals include the following:

Affordability

- \$300 million – Provide enhanced premium assistance to low-income individuals and families enrolled in Covered California.
 - ✓ *Expected Impact:* Provides targeted premium assistance to help offset health care cost for approximately 550,000 people, enrolled in Covered California, whose income is between 200% and 400% of FPL.
- \$200 million - \$250 million – Establishes a refundable tax credit for people with income levels between 400% and 600% of FPL for enrollees in the individual market.
 - ✓ *Expected Impact:* Provides the tax credit to an estimated 371,000 individuals.

Expanded Coverage

- \$250 million – Extend Medi-Cal to young adults, ages 19-25, who currently meet income-qualifications for Medi-Cal, regardless of immigration status.
 - ✓ *Expected Impact:* Extends coverage to 11% of undocumented adults who are currently uninsured.
- \$26 million – Streamline Medi-Cal eligibility to uninsured children and pregnant women who are enrolling in the Women, Infant and Children Nutrition Program (WIC) via "WIC Express Lane Eligibility."
 - ✓ *Expected Impact:* Streamlines enrollment into Medi-Cal for approximately 90,000 children and 13,000 pregnant women when applying for WIC.

- \$30 million – Increase Medi-Cal eligibility to 138 percent of the federal poverty level (FPL) for low-income seniors and disabled, the same level as for the rest of the Medi-Cal adult population.
 - ✓ *Expected Impact:* Expands Medi-Cal coverage to 20,000 seniors and disabled persons whose income is between 123% and 138% of the FPL.
- \$24 million – Extend Transitional Medi-Cal from 6 months to 12 months.
 - ✓ *Expected Impact:* Provides an additional 6 months of Medi-Cal coverage for families to establish financial stability as they transition out of CalWORKS.

Accountability and Transparency

- \$50 million – Establish an all-payer payments database to obtain information on payments made for health care services.
 - ✓ *Expected Impact:* Establishes a data-driven cost containment effort, promotes transparency on healthcare spending and allows the state to monitor trends in health care spending and pricing.

Workforce Capacity

- \$84 million – Expand Song Brown and other OSHPD healthcare workforce programs for multiple years.
 - ✓ *Expected Impact:* Appropriates \$17 million in 2018-19, \$17 million in 2019-20 and \$50 million in 2020-21 to help increase the number of primary care physicians and other health professionals in medically underserved areas by financially supporting residency programs in targeted areas and loan repayment programs.
- \$30 million – Expand the UC Programs in Medical Education (PRIME) program over three years.
 - ✓ *Expected Impact:* Fully-funds UC PRIME and expands enrollment to 393 full-time students with \$10 million per year for three years.

STAFF COMMENTS/QUESTIONS

The Subcommittee requests Assemblymembers Dr. Arambula and Dr. Wood to present these proposals.

Staff Recommendation: Approve of all of these proposals, including approximately \$1.044 billion in General Fund annually and placeholder trailer bill to implement the proposals.
