

**Health Agenda**  
**Pages 82 and 83**  
**Item 4280-101-0001    Healthy Families Program**

Proposed Compromise

In lieu of eliminating the Healthy Families Program, or in reducing children's eligibility from 250 percent of poverty to 200 percent of poverty, the following compromise is proposed.

1. General Fund Reduction. Reduce by \$70 million General Fund support for the Healthy Families Program, including infants and toddlers enrolled into Healthy Families from the Infants and Mothers Program (AIM).

The effect of this action would be to establish a waiting list unless other funds from philanthropic organizations, donations, or other sources, become available to continue enrollment of children throughout the fiscal year. Federal funds from California's allotment of the federal Children's Health Insurance Reauthorization Act (CHIPRA) would still be available for expenditure if other funds are available for the match. As such, *no reduction* in federal funds is proposed in this action.

The Managed Risk Medical Insurance Board (MRMIB) has authority to establish a waiting list of children for enrollment into the Healthy Families Program if it becomes necessary. This process is in place and the MRMIB may activate procedures as determined necessary.

2. Budget Bill Language. It is the intent of the Legislature, during these unprecedented fiscal times, to maintain the integrity of the Healthy Families Program to continue to provide health, dental and vision coverage to low income children. However, assistance from philanthropic organizations, and other sources will be necessary in order for California to obtain its full allotment of federal funds to support this program. In the event funds are not available, it is the intent of the Legislature for the Managed Risk Medical Insurance Board to utilize its existing authority to establish a waiting list of children for enrollment in the program.