



CALIFORNIA ASSOCIATION OF PUBLIC HOSPITALS AND HEALTH SYSTEMS

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Protecting Health Care Must Be a Top Priority for Governor

Proposed budget cuts foreshadow serious health crisis for California

Statement by Melissa Stafford Jones, President and CEO, CAPH

OAKLAND, CA, January 8, 2010 – The drastic health care and related cuts proposed by Governor Schwarzenegger today have serious ramifications not only for the low-income population most immediately affected by them but also for California as a whole.

The cuts, which include Medi-Cal utilization controls, eligibility reductions, and higher premiums or co-pays, would leave hundreds of thousands of Californians without needed health care coverage. Even more extensive cuts, including the elimination of In Home Support Services and the Healthy Families program, would take effect if additional federal funding is not received and would leave thousands more without coverage for basic care.

The proposed cuts are short sighted and ill advised, and likely will result in a worsening health crisis in California – one that in the long run will also prove more costly. We urge the Governor to instead work to protect access to health care during this next budget process.

The millions of Californians who would be directly hurt by these cuts won't stop getting sick. Instead, many will either not seek health care at all when they're ill, or seek it much later than they should – resulting in a sicker population in need of even more extensive treatment. Many individuals will arrive at their local emergency room for care because they have no access to adequate primary or specialty services, resulting in longer waits and less cost-effective care in many cases.

Our public hospitals have already seen the impact that an additional uninsured population has had on health care delivery, as the economic crisis has resulted in millions of Californians losing their jobs and their health insurance and relying upon their public hospital and its clinics for care. We have seen how many of these newly uninsured wait too long to receive care – often going for months without needed medications and then arriving at our door – most often at the ER -- with serious health concerns such as dangerously high blood pressure or blood sugar levels. Now, more than ever, we should make sure that the health care safety net is available to serve those in need.

The Governor is seeking federal support to increase our state's Medi-Cal matching rate. California currently has the lowest possible matching rate in the nation despite our having a cost of living and poverty population that are among the highest. Thus, we strongly support the Governor's desire

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to obtain additional federal support, including an extension of the enhanced Medi-Cal matching rates provided through the federal stimulus package that continues to be needed due to the ongoing recession.

However, regardless of the outcome of the effort to gain greater support from the federal government, access to health care here in California must be protected. To do otherwise would result in serious side effects for the millions of people who live in this great state. For without good health, nothing else is possible. It impacts people's ability to work, receive an education, and provide for their families and themselves.

We fully recognize the virtually unprecedented economic problems facing our state – we see it every day as more and more uninsured people come to our doors seeking care. But the answer is not to put even further strain on our safety net system. Before taking such harsh, some would say draconian, measures, we urge the Governor to recognize the effects of such action and develop a more balanced funding approach that doesn't leave millions of Californians without this most basic of human needs.

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