

CALIFORNIA'S PROGRESS TOWARDS ACHIEVING UNIVERSAL HEALTH CARE COVERAGE IS AT RISK!

In California we know that ensuring everyone has access to health care boosts the health and economy of our whole state. Having health insurance means more Californians can schedule a routine doctor's appointment, seek preventive care for heart disease or diabetes or access life-saving drugs for the treatment of asthma or mental health. And the alternative is costly; getting treatment for high blood pressure costs far less than a heart attack. When families can't afford primary care visits, we all face longer waits in the emergency room and higher health care costs.

COVERAGE GAINS DRIVEN BY BOLD POLICY REFORMS

Thanks to several important policy changes, including ending unfair exclusions from Medi-Cal based on immigration status, close to 94% of all Californians are insured today — down from a high of 15% uninsured prior to passage of the Affordable Care Act (ACA).¹

But these gains – and the health and economic benefits they create – are at risk!

A small group of Republicans is exploiting a national trend of high health care costs to demand California exclude Californians and families from health care coverage based solely on their immigration status.

Their arguments ignore the fact that many other states are seeing higher-than-projected costs in their health care safety nets and that sky-high prices for prescription medicine and other forms of corporate greed are some of the reasons why.

Rather than trying to tackle the underlying issues head-on, Republicans who are bent on undermining Medicaid to pay for tax cuts for wealthy corporations are threatening the health of hundreds of thousands of Californians and the incredible progress California has made to have a healthier population and prevent even greater costs down the road.

We can't go back!

Percent of Insured Californians, 2011-2022

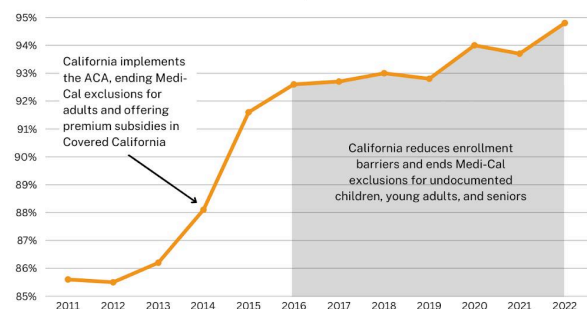


Chart: Adapted from Area Momin, CalMattersSource: [UCLA Center for Health Research Policy](#) Get the data

THE ACA CLOSED COVERAGE GAPS AND ADVANCED EQUITY

California's ACA Medi-Cal expansion has helped to close coverage gaps and disparities in access to care. Prior to the Affordable Care Act, 15% (5.5 million) Californians were uninsured or ineligible for health care coverage due to immigration status. Communities of color, who made up just over half of all residents, were three-quarters (74%) of California's uninsured.



The ACA significantly helped to close the coverage gap by expanding access to Medi-Cal and the state's marketplace, Covered California, cutting uninsurance rates by more than half for Asian Americans and African Americans between 2009 and 2019 and reducing rates for Latinos at slightly lower rates.²

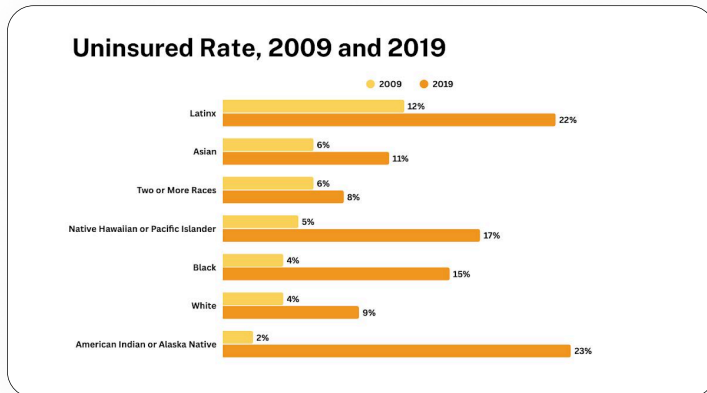


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HEALTH CARE COVERAGE REDUCES POVERTY AND SAVES LIVES

Having health care coverage reduces poverty, improves health outcomes and saves lives: California's progress towards achieving universal health care coverage is working. The ACA's Medicaid expansion has been linked to improved financial well-being — including reduced debt, fewer bankruptcies, higher credit ratings and access to credit.³

A recent analysis found California's Medi-Cal program kept up to roughly 2.4 million Californians under age 65 out of poverty in 2021, outstripping the role of social safety net programs like CalFresh food assistance and the 2021 federal Child Tax Credit, due in large part to the high cost of care.⁴

This same study projects that California's expansion of Medi-Cal coverage to undocumented Californians could reduce poverty rates by an additional 2.9 percentage points for non-citizens, improving financial stability for California families and strengthening our state's economy.

MEDI-CAL KEEPS CHILDREN AND COMMUNITIES SAFE

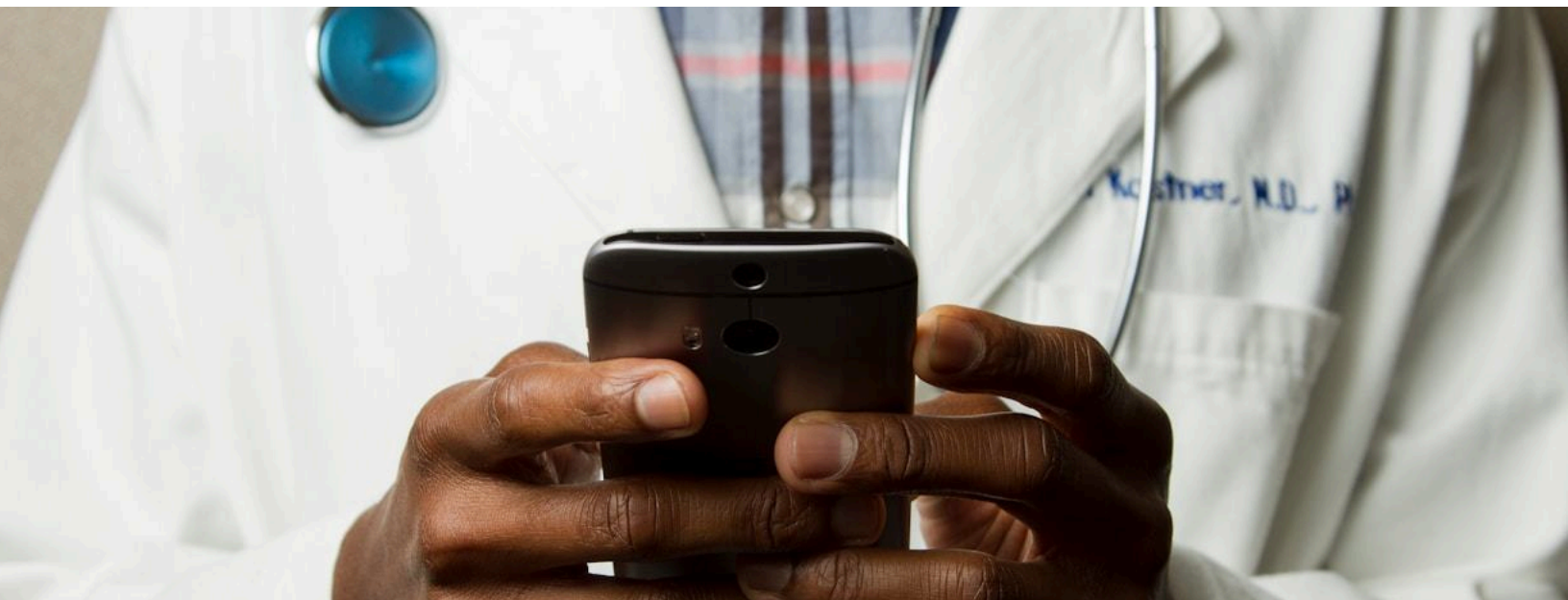
The ACA's Medicaid expansion has resulted in lower overall mortality, improved behavioral health access and outcomes, and a reduction in racial disparities in access to care.⁵ Medi-Cal is also key to ensuring California's children are adequately screened and protected from deadly and contagious diseases.

California's Medi-Cal program provides no-cost access to well-child visits, including screenings for children under 40 months. Medi-Cal is working towards the goal of closing racial and ethnic disparities by at least half by 2025. Keeping Californians covered is a key step to keeping our children and communities safe.

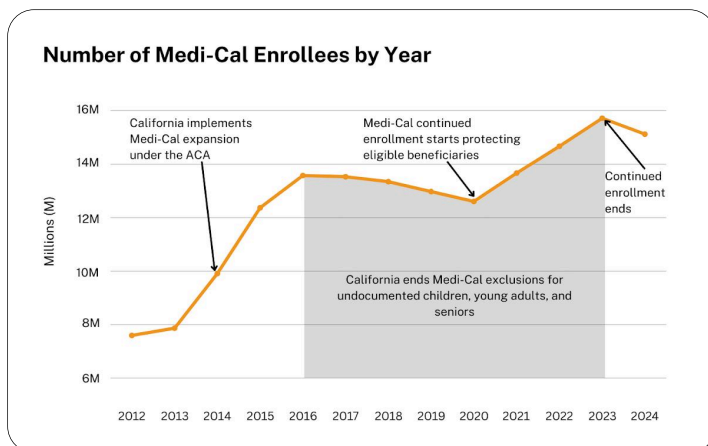
CALIFORNIA'S EXPANSIONS ARE WORKING — NARROWED INSURANCE GAPS

Since passage of the ACA, California has approved additional state coverage expansions that have brought the state even closer to achieving universal health care for all.

Beginning in 2016, California started removing exclusions to Medi-Cal based on immigration status — starting with children, followed by young adults in 2020, older adults in 2022 and then all ages in 2025. Taken together, removing these exclusions is expected to increase access to health insurance for 1.6 million additional Californians.⁶



Additionally, other recent policy changes in Medi-Cal — such as continuous coverage and elimination of the assets test for seniors — have contributed to higher enrollment by making coverage more accessible for the close to 15 million diverse Californians enrolled today.⁷



Source: California Health Care Foundation. Medi-Cal Enrollment Tracking Tool.

THE REAL DRIVERS OF RISING HEALTH CARE COSTS

California recently joined other states like Pennsylvania (\$2.5 billion) and Indiana (\$1 billion) in projecting higher-than expected Medi-Cal costs (\$6.2 billion). Higher health care costs will not be fixed by throwing Californians off health care coverage. Policymakers must address the other primary cost drivers that are impacting Medi-Cal and Medicaid programs nationwide. This includes enforcing requirements for large companies like tech giants, Uber, Lyft and DoorDash, to stop skirting the rules and provide health care coverage for their workers.⁸ It also means addressing other cost drivers, including rising health care costs generated by hospital and nursing home care, high prescription drug costs and other extraordinary cost pressures in Medi-Cal following the pandemic. California is home to 11 of the 19 highest priced hospitals in the country.

In California, each hospitalization of a patient for a potentially preventable cause, adds up to \$16,000 in excess costs to the state's health care system; costs that are passed onto programs like Medi-Cal. Additionally, while California can't control our growing aging population, it can address some of the costs associated with this, for example, by providing services that allow people to stay in their homes rather than be institutionalized.

CONCLUSION: WE MUST DEFEND CALIFORNIA'S PROGRESS

California's goal of expanding access and improving health care affordability by achieving universal coverage is working. It is up to policymakers to protect our vital safety-net programs while addressing the real drivers of cost. Maintaining current coverage expansions is critical to ensuring the health and financial well-being of all Californians.



¹ "Health care in California: How the state made almost everyone eligible for coverage," CalMatters, by Shaanth Nanguneri and Arfa Momin September 4, 2024. <https://calmatters.org/explainers/california-health-care-coverage/>

² "ACA Reduces Racial/Ethnic Disparities in Health Coverage," California Health Care Foundation. October 2018. <https://healthpolicy.ucla.edu/publications/Documents/PDF/2018/ACAReducesDisparities-brief-oct2018.pdf>

³ Hu L, Kaestner R, Mazumder B, Miller S, Wong A. The Effect of the Affordable Care Act Medicaid Expansions on Financial Wellbeing. J Public Econ. 2018 Jul;163:99-112. doi: 10.1016/j.jpubeco.2018.04.009. Epub 2018 May 7. PMID: 30393411; PMCID: PMC6208351.

⁴ "The Impact of Health Insurance on Poverty in California," by Caroline Danielson, Patricia Malagon, and Shannon McConville. Policy Brief, Public Policy Institute of California, March 2023. <https://www.ppic.org/publication/the-impact-of-health-insurance-on-poverty-in-california/>

⁵ Madeline Guth and Meghana Ammulu, "Building on the Evidence Base: Studies on the Effects of Medicaid Expansion, February 2020 to March 2021" (Kaiser Family Foundation, May 2021), <https://files.kff.org/attachment/Report-Building-on-the-Evidence-Base-Studies-on-the-Effects-of-Medicaid-Expansion.pdf>.

⁶ California's biggest coverage expansion since the ACA: Extending Medi-Cal to all low-income adults April 14, 2022, Miranda Dietz, Laurel Lucia, Srikanth Kadiyala, Tynan Challenger, Annie Rak, Dylan H. Roby and Gerald F. Kominski. https://laborcenter.berkeley.edu/californias-biggest-coverage-expansion-since-the-aca/#_edn20

⁷ "California's Implementation of Federal Flexibilities During the Medicaid Unwinding Reduced Racial, Ethnic, and Linguistic Disparities in Medi-Cal Redeterminations Rates," CPEHN, October 25, 2024. <https://cpehn.org/about-us/blog/californias-implementation-of-federal-flexibilities-during-the-medicaid-unwinding-reduced-racial-ethnic-and-linguistic-disparities-in-medi-cal-redeterminations-rates/>

⁸ "Most California Rideshare Drivers Are Not Receiving Health-Care Benefits under Proposition 22," By Eliza McCullough and Brian Dolber of Rideshare Drivers United, Policylink. <https://nationalequityatlas.org/prop22>