



Protect kids.  
Fight cancer.  
If you don't smoke, you don't pay.

## **CALIFORNIA'S HEALTH CARE IS ON THE BALLOT: PROP 56 SAVES LIVES & MONEY, RAISES OVER \$1 BILLION TO IMPROVE MEDI-CAL AND OUR HEALTH SYSTEM**

**Prop 56 is a proven public health approach to reducing youth smoking and saving many Californians from a lifetime of addiction and premature death.**

**Prop 56 not just saves lives but saves money, helping both reduce and offset the billions of dollars Medi-Cal spends every year treating tobacco-related diseases.**

- Each year, California taxpayers spent \$3.58 billion treating cancer and other tobacco-related diseases through Medi-Cal.
- Prop 56 would raise more than \$1 billion dollars a year, the majority of which goes to fund Medi-Cal. This investment would generate another \$1 billion in additional federal matching funds.

**Prop 56 allows California to improve Medi-Cal, which covers over one-third of Californians and is a pillar of the healthcare system on which we all rely.**

- Medi-Cal, California's Medicaid program for low income residents, provides coverage for healthcare services to nearly 14 million people.
- Over one-third of the state's population, and half of all California children, are covered by Medi-Cal, including one-half of all births, 60 percent of children 0-5, and two-thirds of all nursing home residents.
- In addition to covering many children, seniors, people with disabilities, and others, more than 4.6 million low-income working adults are covered by Medi-Cal. Medi-Cal also serves as a safety-net for all of us when we are incapacitated or between jobs.

**Prop 56 would help an underfunded Medi-Cal system and improve access to care for millions of Californians.**

- Most Medi-Cal cuts made during the Great Recession, to Medi-Cal benefits and reimbursements rates to providers, have yet to be restored.
- These cuts included reducing provider rates by 10 percent across the board, and eliminating 10 benefits to all adults, including dental, podiatry, psychology, vision, and more. (Dental was only partially restored in 2013.)
- Even before the cuts, Medi-Cal's provider reimbursement rates were among the lowest in the nation, meaning fewer doctors, specialists and other providers serve Medi-Cal patients, leading to delays and denials for patients in getting needed care.
- Restoring these cuts has gotten broad bipartisan support in the state Legislature. Prop 56 would provide the resources to make these long-sought investments for our health.
- While Medi-Cal is lifeline for millions, studies show problems in Californians being able to access to care compared to other insurance. Adult Medi-Cal enrollees are twice as



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likely as those with employer coverage not to have a usual source of care outside of an emergency room, and three times as likely to report finding a doctor or specialist than will see them.

- Investments in Medi-Cal helps support the providers and capacity of the health system as a whole. Studies suggest that underpayments in Medi-Cal contribute to a “hidden tax” of higher private premiums to help make up the difference.
- Revenue raised will be used to increase funding for Medi-Cal including to ensure timely access, limiting specific geographic shortages, and ensuring quality care by imposing payments and expanding the number of healthcare providers that take Medi-Cal patients.

**Tough transparency and accountability measures ensure the money goes to improve California’s health.**

- Prop 56 prohibits bureaucrats and politicians from using the funds raised through this tobacco tax for any purposes other than those explicitly laid out in the proposition.
- It strictly limits administrative spending to no more than 5 percent of the revenue generated by the tax.
- **Money to Medi-Cal goes to patient care—if the insurers or providers don’t provide coverage or care to Medi-Cal patients, they don’t get the money.**
- Prop 56 resources that go to Medi-Cal would be governed by new and existing laws on Medi-Cal managed care plans limiting any dollars for administration and profit and ensuring over 80 percent goes directly to medical care, and requiring new reporting on timely access to care, network adequacy, provider directories, and more.
- Prop 56 also requires biennial audits by the nonpartisan State Auditor and that reports be made available to the public.

**Paid for by Yes on 56—Save Lives California, a coalition of Doctors, Dentists, Health Plans, Labor, Hospitals, Law Enforcement, and Non-profit Health Advocate Organizations. Major funding by California Hospitals Committee on Issues, (CHCI) Sponsored by California Association of Hospitals and Health Systems (CAHHS) and Tom Steyer.**