

January 5, 2017

Dear Members of the California Congressional Delegation:

Our organizations are very concerned about proposals that would throw California's health system into chaos, removing the guarantees provided to us by Medicare, Medicaid, and the Affordable Care Act. We urge you to invest in and improve our health system, and not pursue efforts to repeal the Affordable Care Act, cap the Medicaid program through a block grant or per capita cap, and privatize Medicare. Such proposals would cause millions of Californians to lose their health coverage, cut billions of federal dollars that flow to California, and ultimately lead to increased health costs for everyone.

Our state cannot return to the days when nearly one out of every five Californians was uninsured and when insurance companies could deny coverage to the sick and kick people off insurance if they ran up big bills. Californians should not be forced to live sicker, die younger, and be one emergency room visit away from financial ruin.

The Affordable Care Act should not be repealed, especially not without a clear replacement that ensures every Californian who has benefitted from health reform will keep the financial assistance, benefits, and consumer protections they currently count on to meet their health care needs. We absolutely cannot allow health coverage for millions of Californians to be left in limbo if it is repealed without any replacement in place.

California has made enormous progress in the last five years, improving the health care system on which we all rely. We ask you to help protect the important gains our state has made:

- California has reduced the uninsured rate from nearly 19 percent in 2010 to 8.6 percent in 2015—the biggest drop of any state in the nation over the last three years. There are now 3.5 million more Californians with health insurance.<sup>1</sup>
- Up to 16 million Californians with pre-existing conditions like cancer, asthma, and diabetes can no longer be denied or charged more for health insurance.<sup>2</sup>
- All health plans, including Medicare and private insurance, are required to cover preventive services at no cost – like contraception, recommended cancer screenings, and vaccines.
- Over 12 million Californians, including people with employer coverage, no longer face lifetime caps on their benefits that effectively cut off coverage for the sickest individuals when they needed it the most, exposing people with the worst conditions like cancer to bankruptcy and home foreclosure.<sup>3</sup>
- Medi-Cal (Medicaid) has been strengthened and improved. It now provides quality
  affordable health coverage to nearly 14 million Californians, including hard-working
  adults, the elderly, children, and people with disabilities. Medi-Cal provides coverage to
  1-in-3 adults and half of California's children. Over 3 million Californians have gained
  coverage through the Medicaid expansion.<sup>4</sup>
- Over 90% of the 1.3 million Californians who buy coverage through Covered California get federal financial assistance to better afford private insurance.<sup>5</sup>

California could not have made these gains without critical federal dollars. All of these federal dollars flow to doctors, hospitals, clinics, and other health care providers across the state creating jobs, boosting local economies and supporting vital health care services for millions of Californians.

- Our Medi-Cal program gets nearly \$16 billion under the recent Medicaid expansion, which helps cover over 3.6 million low-income California parents and childless adults.<sup>6</sup>
- Our health system and economy also depends on the nearly \$5 billion in federal premium and cost-sharing subsidies for the 1.3 million consumers who buy coverage through Covered California.<sup>7</sup>
- California can lose additional billions of federal dollars, reducing current federal funding from \$60 billion to \$30-\$40 billion if proposals to cut Medicaid funding through block grants or per capita caps become a reality, placing millions of low-income Californians at risk of losing part or all of their health coverage.<sup>8</sup>
- California cannot make up these cuts with state money: our entire General Fund budget for 2016-17 is \$125 billion. There is no way we can replace tens of billions of dollars in federal cuts, and the loss of federal dollars would result in millions of Californians losing their coverage.

Finally, Medicare provides coverage for over 5 million California seniors and people with disabilities. Repealing the ACA would roll back the improvements in prescription drug coverage and undo cost-saving measures that have increased the program's sustainability. Furthermore, Medicare beneficiaries will lose the ability to access preventative services with no deductible or co-pay, which will increase barriers to detecting and treating health problems early.

The health and lives of millions of Californians are at stake. We ask you to uphold the significant gains that have been made and ensure that any action taken by Congress safeguards the coverage, benefits, consumer and financial protections that the people of California currently enjoy.

## Sincerely,

- 1. Access Support Network San Luis Obispo, Monterey and San Benito Counties
- 2. ACLU California
- 3. ACT for Women and Girls
- 4. Advancement Project
- 5. AFSCME
- 6. Alameda County Community Food Bank
- 7. Alliance of Californians for Community Empowerment
- 8. Alzheimer's Greater Los Angeles
- 9. Americans for Democratic Action
- 10. American Nurses Association California
- 11. APLA Health
- 12. Asian Americans Advancing Justice LA
- 13. Asian and Pacific Islander American Health Forum
- 14. Black Wellness Council
- 15. California Alliance for Retired Americans
- 16. California Association of Food Banks
- 17. California Coverage and Health Initiatives

- 18. CaliforniaHealth+ Advocates
- 19. California Health Professional Student Alliance
- 20. California Hepatitis Alliance
- 21. California Labor Federation
- 22. California Latinas for Reproductive Justice
- 23. California Immigrant Policy Center
- 24. California Pan Ethnic Health Network
- 25. California Partnership
- 26. California Partnership to End Domestic Violence
- 27. California Physicians Alliance
- 28. California School Employees Association
- 29. California Association of Public Authorities for IHSS
- 30. Cares Community Health
- 31. Children's Defense Fund California
- 32. Children NOW
- 33. The Children's Partnership
- 34. Community Clinic Association of Los Angeles County
- 35. Community Health Councils
- 36. Community Health Initiative Napa County
- 37. Community Health Initiative Orange County
- 38. Community Health Initiative Kern County
- 39. Community Health Partnership
- 40. Community Resources for Independent Living
- 41. Congress of California Seniors
- 42. Consumers Union
- 43. Contra Costa Community Clinic Consortium
- 44. Contra Costa Organizing for Action
- 45. Doctors For America California
- 46. Essential Access Health
- 47. Equality California
- 48. Father's and Families of San Joaquin
- 49. Greenlining Institute
- 50. Health Access California
- 51. HealthRIGHT 360
- 52. Hepatitis C Support Project
- 53. IATSE Local 706
- 54. IATSE Local 871
- 55. Jewish Family Services LA
- 56. Justice in Aging
- 57. Korean Community Center of the East Bay
- 58. Lifelong Medical Care
- 59. LGBT Health and Human Services Network of California
- 60. Los Angeles LGBT Center
- 61. Lutheran Office of Public Policy California

- 62. Maternal and Child Health Access
- 63. Mi Familia Vota
- 64. Mixteco Indigena Community Organizing Project
- 65. National Association of Social Workers
- 66. National Health Law Program
- 67. National Immigration Law Center
- 68. PICO CA
- 69. Planned Parenthood Affiliates of California
- 70. Positive Women's Network USA
- 71. Project Inform
- 72. Public Health Advocates
- 73. Sacramento LGBT Community Center
- 74. San Francisco Aids Foundation
- 75. SEIU California
- 76. Senior Services Coalition of Alameda County
- 77. Social Good Solutions
- 78. St. Anthony's San Francisco
- 79. United Domestic Workers/ AFSCME Local 3930
- 80. Vision y Compromiso
- 81. Voices for Progress
- 82. Western Center on Law and Poverty
- 83. Women's Health Specialists of California
- 84. Young Invincibles

<sup>&</sup>lt;sup>1</sup> New Census Numbers Show That Health Care Reform Continues to Work in California. California Budget and Policy Center. http://calbudgetcenter.org/blog/new-census-numbers-show-health-care-reform-continues-work-california (September 14, 2016).

<sup>&</sup>lt;sup>2</sup> 5 Years Later: How the Affordable Care Act is Working for California. U.S. Department of Health and Human Services. http://www.hhs.gov/healthcare/facts-and-features/state-by-state/how-aca-is-working-for-california/index.html

<sup>&</sup>lt;sup>4</sup> Ibid., 1.

<sup>&</sup>lt;sup>5</sup> Covered California, March 2016 Active Member Profile. Available at: <a href="http://hbex.coveredca.com/data-research/library/active-member-profiles/CC">http://hbex.coveredca.com/data-research/library/active-member-profiles/CC</a> Membership Profile 2016 03.xlsx

<sup>&</sup>lt;sup>6</sup> Ibid., 1.

<sup>&</sup>lt;sup>7</sup> Ibid., 5.

<sup>&</sup>lt;sup>8</sup> According to the Center on Budget and Policy Priorities, block grants or per capita cap proposals would result in overall federal funding to state Medicaid programs to be cut about one-third to one-half by 2026.

<sup>&</sup>lt;sup>9</sup> CMS Medicare Enrollment Dashboard, available at: <a href="https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Dashboard/Medicare-Enrollment/Enrollment%20Dashboard.html">https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Data-a