



# 2020 BUDGET SCORECARD

## PROPOSED CUTS TO COVERAGE AND CARE

California Governor Newsom has proposed significant cuts to care and coverage, that would deny coverage to tens of thousands of low-income seniors, and eliminate benefits and reduce access to care for millions with Medi-Cal coverage. Health, community, and consumer advocates urge the Legislature and Governor to reject cuts, and to adopt better budget solutions that included a mix a federal funds and tax and other revenue increases.

| Proposed Budget Cuts in Governor’s May Revise   | SENATE BUDGET                          | LEGISLATIVE BUDGET                     | FINAL BUDGET |
|---|--|--|--------------|
| <b>CUTS TO COVERAGE, PARTICULARLY FOR SENIORS</b>   |  |  |              |
| <b>Reinstating the “senior penalty” by lowering the income eligibility for seniors</b> and people with disabilities in Medi-Cal, thus denying over 20,000 low-income Californians comprehensive coverage who are between 123% and 138% (\$17,200/year) of the federal poverty level. When seniors are particularly at-risk due to COVID-19, those over age 65 in this Medi-Cal Aged and Disabled program would have a lower income eligibility than those under 65, and face high cost-sharing for care, of hundreds or thousands of dollars. (\$67.7M) | Rejected                               | Rejected                               |              |
| <b>Allow additional seniors to fall off full-scope Medi-Cal</b> , which would happen depending on whether Medi-Cal income counting rules considers payments of Medicare Part B premiums. (\$300K)   | Rejected                               | Rejected                               |              |
| <b>Discourage seniors from signing up for Medi-Cal by reinstating estate recovery</b> for those over age 65, leading many to not enroll in Medi-Cal in order to not endanger the family home. (\$16.9M) [Trigger]   | Rejected*                              | Rejected*                              |              |
| <b>Continue to exclude income-eligible seniors due to immigration status</b> , denying at least 22,000 Californians comprehensive coverage in Medi-Cal, a population that is particularly vulnerable to COVID-19. Expansion was proposed in January 2020 budget but withdrawn, a setback to the goal of #Health4All. (\$87M)  | <b>Delayed until 1/22: \$69.2M cut</b> | <b>Delayed until 1/22: \$69.2M cut</b> |              |
| <b>Reduce allocations for affordability assistance in Covered California</b> , which could go to further lowering premiums for those Californians who have to buy coverage as individuals—many who recently lost employer-based coverage. Especially impacted are middle-income Californians 50-65 who are paying significant percent of their income for coverage. (\$250M over current and budget year)   | <b>Adopted: \$250M cut</b>             | <b>Adopted: \$250M cut</b>             |              |
| <b>Eliminate post-partum extended coverage in Medi-Cal</b> , so the program does not extend the emergency pregnancy-only coverage for those diagnosed with a maternal mental health condition. (\$34.3M) [Trigger]  | Rejected*                              | Rejected*                              |              |
| <b>Cut funding for outreach and enrollment:</b> Eliminate the funds for community groups to help consumers enroll in and retain health coverage and access medical services. (\$15M)  | <b>Adopted: \$15M</b>                  | Rejected                               |              |

KEY: (\$Dollar amount) is the general fund savings provided by the cut in the budget year, which may grow in future years, and does not include federal matching funds. [Trigger] Under the Newsom Administration proposal, these cuts would be “triggered off” if federal funds materialize.

\* The legislative proposals reject the trigger cuts and replaces them with other budget solutions to be “triggered on” if no federal funds come by October.

|  | SENATE                           | LEGISLATIVE BUDGET               | FINAL BUDGET |
|--|----------------------------------|----------------------------------|--------------|
| <b>ACCESS CUTS TO BENEFITS AND PROVIDERS</b>   |                                  |                                  |              |
| <b>Eliminate alternatives to nursing homes</b> including <b>Community Based Adult Services (CBAS)</b> (\$95.2M) and <b>Multipurpose Senior Service Program (MSSP)</b> (\$22.2M), and a cut to in-home supportive services (IHHS) (\$205M), programs that help seniors and adults with disabilities independent and safe in their own homes. Such cuts would push seniors into nursing facilities, the site of many COVID-19 deaths. [Trigger]  | Rejected*                        | Rejected*                        |              |
| <b>Eliminate Medi-Cal benefits</b> for millions of adults including: audiology, speech therapy, vision (including optometry, optician, and optical lab services), podiatry, incontinence creams and washes, acupuncture, physical therapy, occupational therapy, pharmacist delivered services, nurse anesthetist services, brief intervention & referral to treatment for opioids & other drugs, and the diabetes prevention program. (\$30.3M) [Trigger]   | Rejected*                        | Rejected*                        |              |
| <b>Cutting dental coverage</b> , for gum treatments, rear root canals, and partial dentures—going back to the “partial restoration” of Denti-Cal from 2013-2017. (\$22.9M) [Trigger]   | Rejected*                        | Rejected*                        |              |
| <b>Eliminate hearing aid coverage</b> for children up to 600% of the poverty level. (\$5M)   | <b>Adopted</b>                   | Rejected                         |              |
| <b>Delay Cal-AIM reforms</b> , including enhancements to Medi-Cal benefits. (\$347.5M)   | <b>Adopted:<br/>\$347.5M cut</b> | <b>Adopted:<br/>\$347.5M cut</b> |              |
| <b>Reducing Medi-Cal provider payments</b> by cutting supplemental payments, value-based incentives, & rate increases for providers funded by Prop 56 tobacco tax, including physicians, dentists, women’s health, family planning services, as well as intermediate care facilities for the developmentally disabled, HIV/AIDS services, home health, pediatric day services, developmental screenings, and non-emergency medical transportation. Also cuts loan repayment for physicians and dentists committing to serve Medi-Cal patients. (\$1.13B) [Trigger] | Rejected*                        | Rejected*                        |              |
| <b>Cuts to community clinics (I)</b> , major providers of care to Medi-Cal patients, including Federally Qualified Health Center (FQHC) payment adjustments to eliminate certain carve-outs (\$50M) [Trigger]  | Rejected*                        | Rejected*                        |              |
| <b>Cuts to community clinics (II)</b> reclaiming savings from centralizing prescription drug purchasing. (\$26.3M)   | <b>Adopted:<br/>\$26.3M cut</b>  | Rejected                         |              |
| <b>Cuts to Medicaid managed care plans</b> , including a 1.5% rate reduction (\$182M), and additional cost containment adjustments. (\$91.6M)  | Rejected                         | <b>Adopted:<br/>\$243.4M cut</b> |              |
| <b>Cut to planned help to Martin Luther King Jr. Hospital</b> , a key public safety-net institution in LA (\$8M)   | Rejected                         | Rejected                         |              |
| <b>Cut to the home visiting program of the Black Infant Health Program.</b> (\$4.5M) [Trigger]   | Rejected*                        | Rejected*                        |              |

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