

Build Back Better: What's at Stake for California's Health

The transformative federal “Build Back Better” bill includes health care investments that could dramatically lower costs and improve access to care for all Californians. It has the opportunity to lower prescription drug costs, keep health coverage affordable, and close harmful gaps in Medicare benefits for millions of Californians. While Congressional negotiations continue on the size and scope of the bill, here is what's at stake for Californians if the initial and most robust version of the act was passed and implemented.

Lower Prescription Drug Costs

The excessively high cost of prescription drugs in the United States is a health and economic burden on individuals and families. 75% of California voters believe the prices of prescription drugs are unreasonable. In the House version of Build Back Better, reforms to prescription drug policy are estimated to save hundreds of billions of dollars nationally. The biggest change would be to allow Medicare to negotiate for fair prescription drug prices, and extending those lower negotiated prices to private insurers to make sure everyone can benefit. The idea is wildly popular – 91% of registered voters in California support it. **People in California stand to save as much as \$6.4 billion in prescription drug costs in just one year if the Build Back Better proposal becomes law.ⁱ**

Keeping Covered California Affordable

As a result of the temporary help provided by the American Rescue Plan in 2020, Californians who have health coverage through Covered California are receiving unprecedented financial assistance to reduce their monthly premiums. Right now, over 700,000 lower-income enrollees are paying just \$1 per month for health coverage. Middle-income Californians making more than \$76K per year are receiving major help, with premiums capped at 8.5% of income. **The American Rescue Plan provides \$1.4 billion annually for financial help to Covered California enrollees. Without major funding in the Build Back Better bill, over 1.4 million Covered California enrollees could see increases in their premiums on average of \$1,000 per person annually.ⁱⁱ**

Vision and Dental Benefits in Medicare

The lack of dental and vision coverage for those in Medicare is a decades-old coverage gap. Despite overwhelming evidence that oral health and vision are vital to overall health and quality of life, Medicare enrollees are paying out of pocket for most dental and vision care. Almost 3 million Californians report having Medicare coverage with no dental coverage. **There are over six million Californians with Medicare coverage, and almost one quarter of Californians over the age of 65 report they have not seen a dentist in the past year or never at all. If both benefits are included, the Build Back Better Act could ensure many older Californians can access basic dental and vision care.^{iii,iv}**

ⁱ Share of savings calculated as statewide savings per [Families USA What's at Stake report](#) proportional to number of county residents with employee sponsored, individual market, or Medicare coverage per [2019 California Health Interview Survey](#) and [CMS Medicare Enrollment Dashboard](#)

ⁱⁱ [Covered California June 2021 Active Member Profiles](#)

ⁱⁱⁱ [CMS Medicare Monthly Enrollment Dashboard](#)

^{iv} [2016-2019 California Health Interview Survey](#)