

## Governor's May Revise Threatens California's Fragile Healthcare System

On May 14th, Governor Schwarzenegger released his May Revise to the proposed 2010-11 California state budget. The state faces a \$17.9 billion shortfall, which the Governor resolves through steep cuts to California's fragile healthcare system and without any measures to increase revenues to ease the budget crisis.

Overall, the Revise seeks \$12.4 billion in spending reductions. The national health reform bill's Maintenance of Efforts (MOE) provisions prevented the Governor from making major cuts to Medi-Cal and Healthy Families eligibility by requiring states to uphold current healthcare coverage or forfeit Medicaid funding. Instead the Governor proposes to make it even harder for families to access the care they need by placing limits on coverage and increasing cost-sharing.

Specifically the Revise proposes to eliminate vision coverage, increase premiums and cost sharing in the Healthy Families program, and limit or place financial barriers to care for Medi-Cal consumers. Other significant changes and spending reductions include the elimination of the CalWORKs program that provides cash grants and welfare-to-work services to low-income families and state funding for need-based subsidized child care.

For an overview of proposed reductions and changes to health and human services programs, go to [www.chc-inc.org/issue-briefs](http://www.chc-inc.org/issue-briefs) for CHC's May Revision Fact Sheet.

California cannot afford a cuts only approach to its budget crisis and needs to identify new revenue strategies to offset the most egregious proposals. Without increased revenue, the Governor's proposed cuts will be so deep as to be unthinkable and undermine the promise of healthcare reform in California.

Please join Community Health Councils' statewide budget postcard campaign *Protect the Health of California*. Ask the Governor, Assembly Members and Senators to:

- Stop the harmful proposed cuts to California's safety net and healthcare system

- Place revenue options back on the table as a solution to stabilize the state budget and reinvest in California's economy and families
- Position California to receive more federal funding for healthcare, jobs, transportation, education and a healthy environment.

For more information on the postcard campaign, visit [www.chc-inc.org/action-alerts](http://www.chc-inc.org/action-alerts) or contact Catherine Sepulveda at [Catherine@chc-inc.org](mailto:Catherine@chc-inc.org).

## Funding to South LA Safety Net at Risk

SB 1409 (Price) would continue until 2013 the South Los Angeles Medical Service Preservation Fund to safety-net clinics and hospitals that have filled the gap left by the closure of MLK Jr. Hospital. The original funding (SB 474) was created in the wake of the 2007 closure of the hospital to ensure that the community of South Los Angeles continued to have access to needed medical service through a yearly distribution of \$100 million to various nearby facilities. Funding from the original legislation (SB 474) is set to expire June 30th of this year. Without an extension, the funding will be distributed elsewhere in California.

Additionally, LA County and the UC system have sponsored AB 2599 (Bass and Hall), which also seeks to extend the South Los Angeles Medical Preservation Fund. AB 2599 would provide the extension immediately after the bill passes since it has an urgency clause. Moreover, AB 2599 specifically outlines various payments and rates for care provided by the new hospital, once it reopens.

Currently, SB 1409 and AB 2599 are sitting on the Senate and Assembly suspense files. The respective appropriations committees will hear SB 1409 on May 27<sup>th</sup> and AB 2599 on May 28<sup>th</sup> to decide whether the bills will be taken off suspense. If either bill is not pulled off the suspense file, they will be unable to proceed through the legislative process. The Chairs of the Appropriations Committees are Senator Kehoe and Assembly Member Fuentes. For more information, please contact Laura Ewing, Policy Analyst, at 323.295.9372 x. 228 or [Laura@chc-inc.org](mailto:Laura@chc-inc.org).

## 1115 Medicaid Waiver Update

This month the California Department of Health Care Services (CADHCS) released their implementation plan for the 1115 Demonstration Project Waiver. The plan provides more details on the elements and timeline for each of the four proposed program areas including: seniors and persons with disabilities, children with special healthcare needs, persons with behavioral disorders and/or substance abuse requiring service integration, and lastly persons with dual Medi-Cal and Medicare eligibility. A main component of the waiver, the transition of seniors and persons with disabilities (SPD) and potentially dual-eligibles into Medi-Cal managed care, is now mirrored in the Governor's May Budget Proposal Revision. This remains a point of concern for many advocates as to the quality and consistency of care this vulnerable population will receive in managed care. Additionally, the Governor's recent proposal to limit Medi-Cal patient visits to ten per year, including primary and specialty visits, may not be adequate for the SPD or dual-eligible population.

Although there are no further technical workgroup convenings for 1115 Waiver, four more CADHCS Stakeholder Advisory Committee meetings open to the public are scheduled from now until September 30<sup>th</sup>, 2010. Patient health advocates are encouraged to attend or listen by phone. For more information on the Waiver or how to provide input, please visit <http://www.dhcs.ca.gov/provgovpart/Pages/WaiverRenewal.aspx> or contact Laura Ewing, CHC Policy Analyst.

## Assembly Committee Focuses on Baldwin Hills Oil Fields

On Friday, May 14<sup>th</sup>, the Assembly Committee on Environmental Safety and Toxic Materials, chaired by Assembly Member Pedro Nava (D-Santa Barbara), held the second of two hearings investigating the health and safety risks associated with oil drilling in California. Held in Culver City, the hearing focused on the risks and regulatory loopholes residents experience at the Baldwin Hills Oil Field.

The hearing allowed for rare public communication between the community and the main state agency in charge of approving permits for oil drilling, the Division of Oil, Gas, and Geothermal Resources (DOGGR) within the California Department of Conservation. Culver City Councilmember Weissman, DOGGR employees, and two panels of community groups and homeowners were among those who testified at the hearing. DOGGR was

repeatedly asked in the testimony to take more responsibility in permitting, to conduct more intensive reviews and involve the public to a greater degree. Residents also explained the need for oil companies to allot more money for ongoing clean-up and abandonment.

CHC, NRDC and the City of Culver City are among the petitioners in the lawsuit against PXP and LA County for violations in state environmental regulations in the adoption of the EIR. The Judge in the case has ordered the parties into mediation. If settlement discussions are not productive, the next public hearing is set for Thursday, June 3<sup>rd</sup> at 10am, in Department 85 of LA Superior Court (corner of First and Grand). Never before has achieving high quality health and safety standards for Baldwin Hills been so within reach.

The next steps for residents include continuing to submit additional recommendations to Assembly Member Nava, attending the Baldwin Hills Community Advisory Panel Meeting on Tuesday June 10<sup>th</sup> 7pm at Kenneth Hahn Park Community Room, and making our case at the next hearing before LA County Superior Court on June 3<sup>rd</sup>. For more information, please contact Bethany Ulrich, Community Liaison, [Bethany@chc-inc.org](mailto:Bethany@chc-inc.org).

## Health Reform Resources

Two months out from President Obama's signing of historic health reform, a number of excellent resources are available for understanding and explaining the law's benefits.

- Families USA's [Health Reform Central](http://www.familiesusa.org/health-reform-central/) (<http://www.familiesusa.org/health-reform-central/>) provides fact sheets on who will benefit from the law and how, what it will mean for each state, what opponents of reform are doing, and more.
- The Kaiser Family Foundation health reform website (<http://healthreform.kff.org/>) summarizes the health reform law, provides an implementation timeline, and discusses how health reform will expand access to coverage.

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**FOR MORE INFORMATION, CONTACT  
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