

News Release



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Governor & Legislators Must Put Children & Families First

Joint Committee Meets to Start Hashing Out Budget Agreement

On Tuesday, California's voters rejected the Governor's five stop-gap budget measures to slow down the State's growing fiscal crisis. Both the Governor and the legislature have failed to come up with a real solution to the budget deficit that also protects safety net programs at a time when people need help the most.

The Governor's latest proposal includes another \$1.4 billion in cuts to health and human services. "We recognize that states across the country are struggling with a loss of revenue, but there has never been a greater demand for public healthcare coverage programs than now," says Sonya Vasquez, Policy Director for Community Health Councils. "As job losses have mounted, more than 300,000 children in California became uninsured between November 2007 and February 2009. Healthy Families, the State health coverage program for children, reached its second highest monthly enrollment in the program's history, with nearly 35,000 children signing up for insurance in March 2009 alone."

The Governor suggests rolling back eligibility in the Healthy Families program to families who earn less than \$44,100 for a family of four, taking us back to 1999 eligibility levels. The proposal would eliminate \$54.4 million from the State budget by forcing nearly 225,000 California children, including 58,000 in Los Angeles, out of this cost-effective coverage program during the worst recession in our State's recent history.

The Governor is also seeking a \$750 million waiver from the federal government that would allow the State to cut Medi-Cal spending. While not specifying what these reductions might be, in the past they have included onerous paperwork requirements on children in Medi-Cal to renew coverage and denying coverage to parents earning more than \$22,056 for a family of four. The savings produced by these proposals are a mirage. Nearly 250,000 could children lose coverage, bringing the statewide impact to 475,000 additional children without health coverage. Healthcare is one of the largest industries in California. These dollars represent not only health coverage, but jobs and tax revenue.

"California is taking two steps back, while the White House is trying to ensure health reform," continues Ms. Vasquez. "Instead of cutting healthcare, we should be making sure all children are covered and using our healthcare dollars to create jobs and improve health."

Community Health Councils is a non-profit, community-based health promotion, advocacy and policy organization. Established in 1992, CHC's mission is to improve health and increase access to quality healthcare for uninsured, economically-disadvantaged, and underserved populations.