



CALIFORNIA ASSOCIATION OF PUBLIC HOSPITALS AND HEALTH SYSTEMS

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CAPH Response to Governor's Budget Proposal: Health Care Cuts are Short-Sighted

Oakland, CA, January 10, 2008 – The California Association of Public Hospitals and Health Systems (CAPH) expressed concern today over several of Governor Schwarzenegger's proposed cuts to the California state budget. Numerous health cuts threaten to reduce health care access to our most vulnerable residents, according to the association, which represents 20 public hospitals throughout California.

CAPH pointed in particular to reductions in several areas, including to the Safety Net Care Pool, which provides funding to public hospitals for California's uninsured; Medi-Cal reimbursement rates to safety net providers; Medi-Cal managed care fees; and a host of local health care programs, such as those for mental health patients. In addition, several services covered by Medi-Cal will be eliminated, including the adult dental program. And greater administrative barriers will be imposed on Medi-Cal recipients, which will most likely result in many people losing Medi-Cal and becoming uninsured.

"These cuts represent a threat to our patients' ability to access quality health care services – not only from our medical centers but from other facilities as well," said Melissa Stafford Jones, President and CEO of CAPH. "We recognize that the state is undergoing a fiscal crisis, but cutting health care funds for the most vulnerable Californians is not the way to help solve the crisis, and may in fact exacerbate it," she noted. "At a time when many families are facing challenges due to changes in the economy, their ability to pay for medical care becomes more difficult and thus the need for access to Medi-Cal services becomes even greater," Stafford Jones added.

"Although we are hopeful that the health care reform bill (AB X 1 1, Nunez, Perata) supported by the Governor will pass – along with the accompanying ballot initiative – that hasn't happened yet," Stafford Jones said. "In the meantime, we need to ensure that those without private insurance have the best access possible to quality medical care."

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