

**MOTION BY SUPERVISORS MARK RIDLEY-THOMAS
AND SHEILA KUEHL**

FEBRUARY 21, 2017

Preserving Critical Health Care Benefits under the Affordable Care Act

Los Angeles County (County) has greatly benefited from the implementation of the Affordable Care Act (ACA).

Approximately 900,000 persons in the County gained insurance from the expansion of Medicaid and 300,000 gained insurance from coverage available through Covered California, the California’s Health Benefit Exchange. Millions of others have benefited from other provisions of the ACA including: the ability of children to stay on their parents’ coverage until the age of 26; requirements for most employers to provide health insurance; prohibitions on insurers excluding persons due to pre-existing conditions and maximum amounts for persons with catastrophic illnesses; mandates for coverage of preventive care and family planning services; and equity pricing for women.

The County also experienced financial relief from the ACA, especially from medical assistance provided to newly Medicaid eligible individuals whose care otherwise would be funded by the County, and which is financed by an enhanced federal Medicaid match rate. In addition, the ACA’s Community First Choice Option

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increased the funding available for the In-Home Supportive Services program which serves the elderly and persons with disabilities. The ACA also augmented public health funding through its Prevention and Public Health Fund.

Unfortunately, the President of the United States and members of Congress have advocated for the repeal of the ACA; it is unknown whether the repeal would include all or some of the features of the ACA. It is also unknown whether it would be replaced by something else and, if so, what that would be. Nonetheless, given the tremendous positive impact that the ACA has had on the County, it is imperative that the Board of Supervisors consider options for what the County and the State of California could do to replace lost coverage and maintain the financial viability of the safety net providers in the County, including those directly operated by the County.

Proposals are also being considered at the federal level that would convert Medicaid from an entitlement program to a state block grant. A block grant could significantly decrease the funding allocated to California in current and/or future years and would diminish the rights of beneficiaries to receive quality treatment. Such funding decreases may also result in decreases in access to Medicaid or to rates paid to providers.

Much is at stake for Los Angeles County's economy. A recent study by the UCLA Center for Health Policy Research and UC Berkeley Labor Center, for example, found that roughly 63,000 jobs in healthcare and other industries and \$5.8B in Gross Domestic Product (GDP) would be lost in Los Angeles County under an ACA repeal.

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States have special powers and resources for creating insurance coverage. Before the ACA was created, a state health plan was passed in Massachusetts. The California legislature has also considered and passed several bills to create a California health plan. Given the size of the uninsured population in the County, it is generally recognized that for any State of California plan to work, it must work in the County. Therefore, the County should be actively involved in developing options for coverage and advocating to the Governor and State legislators for a California health plan that would support the mission and values of the County.

WE THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Chief Executive Office's Legislative Affairs and Intergovernmental Relations staff to continue to oppose proposals which would repeal the Affordable Care Act, especially its provisions which expanded health insurance coverage and public health services through the Prevention and Public Health Fund and, if all or parts of the Affordable Care Act are repealed, support alternatives which would minimize the number of uninsured County residents and maximize Federal funding with which to serve County residents.
2. Send a five-signature letter to the County's Congressional delegation to communicate the County's support for preserving the Affordable Care Act, especially its provisions which expanded health insurance coverage and public health services, and to urge that Medicaid funding for California and Los Angeles County not be reduced, such as by replacing the current open-ended Medicaid

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entitlement financing with capped funding at lower levels or reducing its eligibility and scope of covered services.

3. Instruct the Director of the Health Agency (Director), in collaboration with the Chief Executive Officer (CEO), to develop options of how health insurance coverage could be maintained and/or extended within Los Angeles County (County) and the State of California, given proposed federal legislation concerning the Affordable Care Act.
 - a. In preparing these options, the Director and CEO should include input from stakeholders including patients, patient advocates, health care providers, organized labor, insurance groups, hospitals, public health and mental health advocates and professional associations.
 - b. This report shall include a discussion on the anticipated impacts of federal changes to the Affordable Care Act and Medicaid on the residents of the County and on the Countywide budget, with a particular emphasis on the County's Department of Health Services, as well as options available to maintain or extend health care coverage in California.
 - c. The Director and CEO shall report back in sixty days in writing and monthly thereafter.

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