

Preserving Affordable Health Coverage for Los Angeles County Families

Much attention has been paid to addressing the federal government’s budget deficit, projected to be \$1.3 trillion dollars in 2010. On January 6, 2011, the Congressional Budget Office released a preliminary estimate that H.R. 2, the proposed repeal of last year’s federal health reform bill (the Affordable Care Act of 2010), would increase this federal deficit by another \$230 billion dollars over ten years.

California also has much to lose if the federal health reform law is repealed. New research recently published in the journal Health Affairs shows that about 3.4 million Californians who would otherwise be without health insurance will have coverage by 2016 if the approved federal health reform is implemented on schedule. This research projects federal health reform would have a \$12.6 billion dollar positive impact on California households through increased wages, higher subsidies and reduced out-of-

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JANUARY 11, 2011
PAGE 2

pocket spending. Federal health reform would bring much needed relief, particularly as California currently faces a 12.4% statewide unemployment rate and a projected \$28 billion dollar state budget deficit.

The families which reside in Los Angeles County have more at stake in this debate than any other California residents. Roughly half of California's uninsured residents who would gain health coverage under The Affordable Care Act of 2010 live in Los Angeles County. The federal health reform law provides them more affordable coverage, improved access to services, and better health outcomes as well as financial security. This is critical as the County, as the provider of last resort, seeks to improve the health outcomes of all of its residents.

Federal health reform offers an opportunity to reduce chronic disease prevalence and to achieve long-overdue improvements in the County's health delivery system, including the completion of a new and high quality Martin Luther King, Jr. hospital. Among other things, its provisions expand Medicaid eligibility to medically indigent adults who currently must rely upon the County under state law. It expands Medicaid eligibility to cover all persons who were in foster care at age 18 until they reach age 26. It provides a new State Medicaid option to allow health homes for Medicaid recipients with chronic conditions at an enhanced federal funding match. It also establishes a Prevention and Public Health program that will have \$2 billion dollars in funding by 2015 to promote community wellness.

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JANUARY 11, 2011
PAGE 3**

A repeal of the Affordable Care Act of 2010 would have a detrimental impact on the residents of California and County and would undermine the County's ability to sustain needed improvements to its health care delivery system under the recently awarded Medicaid waiver.

THEREFORE, I MOVE THAT THE BOARD OF SUPERVISORS direct its Washington D.C. legislative offices and Los Angeles County departments to take immediate and necessary action to preserve the Affordable Care Act of 2010, especially those provisions extending affordable health coverage and benefits to uninsured and underinsured residents who must to rely on the County's health care delivery system.

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