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**Health Plans Applaud Passage of Bill
to Protect Kids' Enrollment in Healthy Families**

Statement from CAHP Leadership on AB 1422

Today, following the Assembly's passage of AB 1422 (D-Bass), which moves the bill to the Governor's desk, California Association of Health Plans President & CEO Patrick Johnston issued the following statement:

"Health plan support for AB 1422, a bill that is essential to protection of vital health care services for children with modest means, is consistent with the industry's goal for coverage for all children.

"The California Legislature has made an important commitment to health care coverage for children through its support of AB 1422. The bill imposes a gross premium tax to the revenues for health plans offering Medi-Cal coverage to allow California to draw down federal funds that help pay for vital health care programs like Healthy Families.

"The premium tax on Medi-Cal managed care revenues contained in AB 1422 offers a viable solution that will not increase premiums for people who get health coverage through their employer or who individually pay for their coverage while preventing children from losing their Healthy Families coverage."

CAHP Board Chairman Howard A. Kahn, CEO of L.A. Care Health Plan, provided the following statement:

"The state's budget crisis brought all parties together to consider how they could help be a part of the solution to keep Healthy Families alive. Without this action, thousands of children from working families would have lost their health benefits. During these tough economic times, and with the national debate on healthcare reform, the nation's largest state cannot afford to eliminate access to health care for children.

"AB 1422 is part of a collaborative approach involving contributions from various sources, including First 5 California and the health plans."

CAHP is a statewide trade association representing 39 full-service health plans. Through legislative advocacy, education and collaboration with other member organizations, CAHP works to sustain a strong environment in which our member plans can provide access to products that offer choice and flexibility to the more than 21 million members they serve. For more information, please visit www.calhealthplans.org or call (916) 552-2910.

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