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CONTACT:

Nicole Kasabian Evans
(916) 552-2914

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

Statement from CAHP President & CEO Patrick Johnston on AB 1422

“California’s health plans have made health care coverage for children a top priority, which is why health plans support AB 1422, a bill that is essential to protection of vital health care services for children with modest means.

“Health plans have worked with the Administration to find a way to avoid having the state drop children from Healthy Families while also bringing more federal funds home to California. AB 1422 applies the state’s gross premium tax to the revenue that health plans are paid to provide care for Medi-Cal beneficiaries. This income to the state can then be matched with federal funds on a 2-1 basis to help California pay for crucial programs like Healthy Families. The bill 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.

“The current fiscal crisis in California has led to substantial budget cuts that threaten to eliminate health coverage for many children. Unless action is taken, thousands of children will stand in line for health insurance or lose their health benefits altogether, particularly because of the funding crisis in the Healthy Families Program.

“AB 1422 is part of an overall approach involving contributions from various sources, including the First 5 program and health plans. We are proud to support this measure and look forward to continuing our discussion with the Legislature and Administration to ensure the smooth implementation of this bill.”

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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