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## **Statewide Health Plan Association Releases Principles for Expanding Coverage for Californians**

**Sacramento, CA** –The California Association of Health Plans (CAHP), today released the California health plan industry’s principles for expanding coverage to all Californians. In particular, the health plans’ first priority is expanding coverage to all children in California.

“An investment in children’s health coverage is an investment in California’s future. Our kids can’t succeed if they can’t see the black board or miss school because of illnesses that can be prevented with access to basic health care. There is strong public support for covering kids as a first step and this must be our top priority,” said Howard Kahn, CEO of L.A. Care Health Plan and interim CAHP board chairman.

Equally important is the need for policies which address the underlying sources of the rising cost of medical care. Arresting the rapid growth in medical costs is key to ensuring that commitments made today to cover the uninsured can be sustained well into the future. To drive affordability the health plans support such approaches as the adoption of evidence-based medicine to ensure effective, high quality care; strong competition for medical services; and greater use of preventive strategies to improve the health status of Californians by, for example, reducing obesity.

“Covering the uninsured will require great effort and sacrifice, and must include a focus on improving and maintaining affordability to keep the overall cost of health care under control,” said Christopher Ohman, president and chief executive officer, CAHP. “Only with medical inflation in check can we sustain commitments to covering those currently without health insurance.”

CAHP’s coverage principles are outlined in three areas of responsibility: the State of California; Individuals and Employers; and Health Plans. Examples of the state’s responsibilities include: ensuring access to a strong network of safety net providers; leveraging existing state programs to expand coverage; and supporting the purchase of insurance by eliminating barriers to flexible, low cost products.

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The coverage principles note that individuals and employers have a responsibility to expand coverage. CAHP believes that all California residents should be encouraged to purchase health coverage but suggests that the worksite should remain the primary source of coverage for working individuals and their families. Employers should be encouraged to facilitate, provide and maintain coverage for their employees.

“As health care coverage is evolving, consumers are taking on more responsibility for their care decisions. Health insurers want to contribute to the solution by providing a variety of product choices to meet different consumer needs, as well as tools and information to empower them to make the best decisions for themselves and their families,” said Curtis Terry, CAHP board chairman-elect and West region president of Health Care Delivery for Aetna.

To find long-term solutions for expanding coverage, CAHP also believes that the federal government must do its part to support state efforts for coverage expansion. These steps include expanding the State Children’s Health Program, contributing to state efforts to expand Medicaid coverage to more low-income adults, establishing a new federal tax account with subsidies for low and moderate income individuals and families who purchase coverage.

“CAHP’s principles for expanding access to health care coverage to all Californians can be a model for other states looking to address this critical issue,” said Karen Ignagni, President and CEO of America’s Health Insurance Plans. “Health insurers will continue to work with federal and state legislators to ensure policymakers have the resources needed to adopt positive reforms that will lead to our common goal of providing access to health care coverage for all Americans.”

Health plans must also play a role in maintaining affordability by continuing to bring affordable, flexible products to the market and by working to drive down administrative costs. Additionally, health plans must provide consumers with greater cost and quality information to help them make better-informed decisions about treatment and provider choices.

“We must all work together to find solutions to bring access to quality health care to more Californians. We all share a responsibility to cover the uninsured and attack the underlying sources of the rising cost of care,” stated Ohman.

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The California Association of Health Plans is a statewide trade association representing 40 Knox-Keene licensed health plans that provide health coverage to more than 21million Californians. The Association's mission is to improve the health of California's communities by promoting the growth of health plans dedicated to providing high quality, affordable, accessible health care to their members.