

PRESS RELEASE



California Association of
Health Plans

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The California Association of Health Plans Respond to Governor's May Budget Revise

Sacramento, CA— Today, the California Association of Health Plans released the following statement in response to the Governor's May revision of the 2020-2021 budget proposal:

"California's health plans understand that our state is facing extraordinary economic challenges and budget pressures due to the COVID-19 pandemic," said Charles Bacchi, President and CEO of the California Association of Health Plans. "We are committed to helping California get through this difficult time and will work with state leaders to ensure the 26 million people we serve are getting the coverage and care they need – especially Medi-Cal enrollees who rely on Medi-Cal Managed Care plans for their health care needs.

"The Governor is being forced to make tough decisions. We appreciate the magnitude of the challenge and the work that he and his team have put into steering California through this crisis. The Governor's commitment to keeping the health coverage that Californians currently rely upon intact is laudable, however we are concerned about the significant cuts to the Medi-Cal program.

"The budget reduces benefits to enrollees and funding for a program that is projected to add two million new enrollees due to the COVID 19 crisis. The reduction in benefits is unfortunate and will be tough for many enrollees. The cuts to health plans and provider payments are significant and deep. To overcome this incredibly challenging time all the stakeholders in our health care system need to work collaboratively to address this crisis. Absent significant federal help, there just isn't enough funding to protect the program.

"Given these unprecedented circumstances, we have joined Governor Newsom in asking for federal help. In fact, the California Association of Health Plans last week sent a letter to the California congressional delegation asking for help and recommending that Congress take immediate action to strengthen and stabilize our state's ability to maintain the health coverage that Californians rely upon through their jobs, in the individual market, Medicare Advantage, and Medi-Cal managed care. Many of these recommendations were included in the House proposed Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act.

"We have also asked that Congress continue to push for timely disbursement of federal funds to hospitals and providers on the front lines including independent practices and rural facilities."

To read the letter in full, please click [here](#).

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CAHP is a statewide association representing 46 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 25 million members they serve. For more information, please visit www.calhealthplans.org or call (916) 552-2910.