

# PRESS RELEASE



California Association of  
**Health Plans**

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***The California Association of Health Plans Praises Passage of Historic MCO Tax Proposal by Assembly Budget Committee***

**Sacramento, CA** – The California Association of Health Plans today released the following statement praising the passage by the California State Assembly Budget Committee of a historic MCO tax proposal dedicating much needed funding to bolster the Medi-Cal program.

“California’s health plans are proud of our role in providing Medi-Cal managed care to 12.4 million Californians, and we appreciate the Administration’s efforts to work with us to make this tax more affordable. We also appreciate Governor Newsom’s commitment to increase Medi-Cal funding, as well as the Legislature’s efforts to accelerate these important investments in Medi-Cal while ensuring they stay in the Medi-Cal program. This vote brings California one step closer to achieving a historic investment in the program.

“This MCO tax, coupled with increased spending to bolster the Medi-Cal program, provides the state with a real opportunity to improve access for Medi-Cal enrollees by supplementing and not supplanting resources for Medi-Cal. The significant investments associated with this year’s MCO Tax proposal will provide critical financial support to health care programs that will allow health plans to invest in areas that will drive tangible positive results for Medi-Cal beneficiaries, including primary care, specialty care and graduate medical education.

“Moving forward, the Legislature can play a crucial oversight role in ensuring that both the tax and the investments in Medi-Cal are realized, and helping to protect health care affordability for the millions of Californians we serve.”

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*CAHP is a statewide association representing 44 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 <http://www.calhealthplans.org> or call (916) 552-2910*