

How Does the Nation's New Health Care Law Benefit Californians?

THE PROBLEM: CALIFORNIA FACES MANY HEALTH CARE CHALLENGES

Millions of California families struggle to afford health insurance, and more than 8 million Californians currently go without health coverage. Premiums can be cost prohibitive for many families and employer based coverage has been on a steady decline over the last few years. Many families live just one health crisis away from financial ruin. Even families who can afford coverage are not always able to obtain it. Hundreds of thousands of Californians have been deemed “uninsurable” because of pre-existing conditions or had their coverage rescinded after going through expensive care, such as chemotherapy. Even with these constant challenges, there is light at the end of the tunnel. With the passage of the nation's new health care law, health care will become more affordable, accessible and secure for California residents.

THE NATION'S HEALTH CARE LAW HELPS ADDRESS CALIFORNIA'S HEALTH CARE CHALLENGES

BY:

1) Focusing on Prevention of Illness and Promotion of Healthy Behaviors

- Encourages healthy behaviors that reduce the risk of serious health problems and the costs that go with them
- Eliminates co-pays for preventive care like cancer screenings, annual check-ups and mammograms
- Promotes healthy living through worksite wellness programs, community grants to increase access to healthy foods and physical activity
- Requires restaurants to provide nutrition information on their menus

2) Making Health Coverage More Secure and Accessible

- Prohibits insurance companies from dropping people from health insurance when they get sick
- Prohibits insurance companies from denying coverage because of pre-existing conditions
- Allows young people to stay on their parents' health plans until age 26
- Expands Medi-Cal to low-income, working adults who do not have health coverage

3) Increasing Affordability and Quality of Care for All Californians

- Cuts waste, fraud and abuse in Medicare and ensures that funds go toward improving care
- Allows individuals and small businesses to choose from the same health insurance plans offered to Congress
- Gives seniors a rebate for some prescription drug costs not covered by Medicare
- Limits the amount a family spends on annual, out-of-pocket medical costs (no more than \$5950 for an individual or \$11,900 for a family)

4) Increasing Accountability from Insurance Companies

- Prohibits insurance companies from placing annual or lifetime limits on the care they cover
- Requires insurers and health plans to spend at least 80 percent of their revenue directly on patient care

5) Assisting Small Businesses and Individuals Purchase Coverage

- Provides tax credits to help nearly 500,000 California small businesses provide health insurance for their employees
- Sets up a statewide health insurance purchasing pool that offers a variety of health insurance plans to small businesses and individuals that can obtain lower rates by negotiating with insurance companies

AS CALIFORNIA IMPLEMENTS THE NEW HEALTH CARE LAW, IT MUST:

- ✓ **FOCUS ON PREVENTION:** Position prevention at the heart of the new health law by integrating federal public health and prevention funding into a comprehensive strategy that invests in our communities to improve people's health. The strategy should address factors such as physical activity and nutrition and drive an aggressive prevention focus through industry incentives, public policies, and payment systems that prioritize improved health.
- ✓ **PROVIDE HEALTH COVERAGE AND BENEFITS TO MORE CALIFORNIANS:** We can create a more secure health care system for all Californians by (1) making enrollment seamless and automatic for individuals, and (2) preparing public and private institutions to market and expand opportunities for uninterrupted coverage.
- ✓ **TRANSFORM THE SAFETY NET:** Facilitate efforts to encourage public hospitals, public plans and community health centers to become an integrated, delivery system. A model safety net should provide high quality, coordinated care to help meet the capacity needs for expanded coverage, provide care to those left out of reform, and serve as centers of excellence, innovation and accountability for all Californians.
- ✓ **MAXIMIZE ECONOMIC INVESTMENT FROM FEDERAL GOVERNMENT:** Partner with the federal government to increase collaboration and coordination, as well as to maximize opportunities for funding for the state of California, and California's cities and counties. Aggressively pursue getting the most federal dollars possible for our state and create support for additional financial investments in our health care system. Doing so benefits the California economy, along with the families who receive care; the health professionals who provide it; and, the safety net for those who need it.