

News Release

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CALIFORNIA DEPARTMENT OF HEALTH CARE SERVICES ISSUES ANALYSIS OF U.S. SENATE HEALTH CARE BILL

SACRAMENTO – Department of Health Care Services (DHCS) Director Jennifer Kent today said the latest U.S. Senate proposal to repeal the Affordable Care Act (ACA) would cost California nearly \$139 billion in federal funding by 2027 and undercuts the progress the state has made in expanding health care to the previously uninsured.

In addition to draconian cuts to the Medi-Cal program that provides care for elderly, disabled and low-income Californians, the federal proposal slated for a vote next week would disrupt the state's entire health care system and drive up health costs, according to an <u>analysis</u> by DHCS, the California Department of Finance and Covered California.

"As bad as the first two proposals were before Congress rejected them, this version is even worse," Kent said. "It would deprive millions of Californians of health care coverage. It would jeopardize their lives and drive up costs for our health systems and our communities, even for those who keep their insurance."

The Graham-Cassidy amendment not only fundamentally changes the federal-state funding partnership that has been the foundation of Medicaid for more than half a century, but also concentrates the biggest cuts in states that expanded coverage, relying on federal promises of continued support. California, which saw the biggest reduction in its uninsured rate under the ACA, would see the biggest cuts under Graham-Cassidy.