

# Protecting Medicaid



## About CalOptima Health

A county organized health system, CalOptima Health provides quality health care coverage for low-income children, adults, seniors, and people with disabilities in Orange County, California. CalOptima Health's mission is to serve member health with excellence and dignity, respecting the values and needs of each person. CalOptima Health serves more than 915,000 members with a network of 8,400 primary care doctors and specialists and 43 acute and rehab hospitals. As a public agency, CalOptima Health ensures efficient use of taxpayer dollars with low administrative costs of only 5%.

## Fully Funding Medicaid

Medicaid funding cuts would diminish access to care and increase providers' costs for uncompensated care. CalOptima Health supports these protections for Medicaid:

- Maintain Medicaid's structure as an entitlement program.
- Maintain current Federal Medical Assistance Percentage (FMAP) rates.
- Preserve the use of provider taxes and intergovernmental transfers (IGTs) for Medicaid services.
- Continue Medicaid waiver flexibilities that allow innovative approaches to whole-person care.
- Sustain financing for the Medicaid Disproportionate Share Hospital (DSH) program, upper payment limits and directed payments.

**56%** of children in California rely on Medicaid for health coverage

**38%** of all California residents rely on Medicaid for health coverage



## Unintended Consequences of Work Requirements

- Medicaid work requirements would increase the number of uninsured Orange County residents, while doing very little for increasing employment rates.
- Work requirements are not practical because many Medicaid recipients face barriers to finding stable employment due to chronic illness, lack of transportation or lack of childcare, or they may end up inadvertently losing coverage due to minor income fluctuations or administrative paperwork errors.
- Without insurance, members ultimately seek emergency care at a higher cost, which inevitably increases the cost of care for everyone.