

Key Messages

Prop 35 Funding Must Be Protected in This Year's Budget. Hospitals, Patients, and Communities Are Counting on It.

Californians covered by Medi-Cal have struggled to access health care services for years, as reimbursement for providers has lagged.

- The cost to deliver care has risen more than 30% in the past five years alone.
- Rates for Medi-Cal providers have been stagnant for more than a decade.

Proposition (Prop) 35, passed in November by nearly 70% of California voters, was intended to balance the system, boosting reimbursement for Medi-Cal providers so they could care for more people.

- Loss of this funding not only ignores the will of voters, but also puts patient access at risk — especially in underserved communities.
- Prop 35 was approved by voters to ensure critically needed investments in primary and specialty care, along with other services.
- Prop 35 funding is critical to protect the health care safety net and ensure access to care for low-income, uninsured, and Medi-Cal patients.

The May Revise budget proposal sweeping Prop 35 funding away from its intended purpose will create long-term instability in the health care system.

- Every dollar from Prop 35 prevents much higher costs down the road — from avoidable emergency department visits to public health crises that strain the entire system.
- This funding helps keep patients out of overcrowded emergency departments by supporting primary care and preventive services.
- Prop 35 funding must be allocated as intended in this year's budget. Hospitals, and the patients and communities they serve are counting on it.

Massive federal cuts are looming.

- Congress is advancing tens of billions of dollars in cuts to California health care providers that will devastate patient care throughout the state.
- These cuts, paired with the loss of Prop 35 funding, represent a significant impediment to recruiting and retaining health care providers who serve Californians covered by Medi-Cal.
- Redirecting these funds jeopardizes the additional federal funds that support California patients.