

## MCO Restoration Talking Points

- **We need your help to restore the funds from the MCO tax in the budget for the coming year (FY 2025).**
  - Share challenges your hospital/system is facing. Difficult decisions that might lie ahead without support.
- **MCO tax revenue must be dedicated to funding Medi-Cal in the current budget year.**
  - The budget agreement reached last year provided historic levels of state general fund support.
  - Provider rate increases will help keep hospitals and services open and make it possible to treat more Medi-Cal patients.
  - Revenue from the MCO tax must be dedicated to stabilizing and enhancing core areas of the Medi-Cal program.
- **The health care needs of Californians don't go on hiatus because of the state's budget challenges; unlike other spending choices, this one is literally a matter of life and death.**
  - This isn't something that can wait, and the funds from the MCO tax are needed now.
  - Hospitals, clinics, doctors, Planned Parenthood, and other providers are unable to withstand additional delays in stabilizing the Medi-Cal program if they are to protect access to care for California's most vulnerable.
- **Delays in funding targeted rate increases in the Medi-Cal program put patient care and access at risk, as these funds will:**
  - Help keep facilities open
  - Invest in much-needed emergency department care, behavioral health services, and primary and specialty care
- **Medi-Cal, which covers 15 million Californians and half of all children, is in crisis.** Rates for doctors, clinics, Planned Parenthood, emergency hospital services, maternity wards, and more have not increased in more than a decade — even as inflation has spiraled out of control.
- **This means that millions of Californians simply cannot access the care they need and deserve.** Last year, Madera Community Hospital closed, meaning residents in that Central Valley county — one of the poorest in California — now live in a hospital care desert. Other services are degrading in real time.
- **CHA has supported expanded access to Medi-Cal for low-income Californians. Expanding meaningful access requires real investment.**
  - California's Medi-Cal delivery system has been chronically underfunded, overcrowded and puts at risk the state's goal of providing equitable, accessible, and quality care.
  - Coverage is meaningless if patients can't get the care they need when they need it.
- **When the legislature passed the distressed hospital loan program it was designed to provide temporary stability until funding arrived from the MCO tax.**
  - Without this funding more hospitals will be at risk and patients may lose access.