

## Press Statement Governor's January Budget and Children's Continued Medi-Cal Coverage

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A coalition of organizations – including American Academy of Pediatrics-Califorina, Children Now, First 5 Association of California, March of Dimes, Maternal and Child Health Access, National Health Law Program, The Children's Partnership, and Western Center on Law and Poverty – urges the Administration greenlight the implementation of an important protection to keep low-income kids healthy.

California is one of the first states in the country to adopt a multi-year continuous Medi-Cal coverage protection for young children. This means that children under the age of five can keep their Medi-Cal coverage without a gap in that coverage – often caused by administrative paperwork hurdles. With Medi-Cal covering more than half of all children in California, and given that almost three out of four Medi-Cal children are children of color, continuous coverage protections ensure children of color have a healthy start in life.

Gaps in coverage lead to missed essential health care, including vaccinations and early identification of developmental delays and interventions. By contrast, protecting Medi-Cal coverage in the first 5 years of life, when 90 percent of brain development occurs, can set a child on a course for healthy development.

Continuous coverage has proven to be extremely effective, even in challenging times. During the pandemic, the uninsured rate for California children dropped from 3.6 percent to 3.2 percent—an 11% percent drop. Continuous coverage not only protected children from becoming uninsured, it reduced the uninsurance rate, *even during a pandemic*.

We appreciate that the projected state budget shortfall may require state policymakers to curtail new investments and focus on preserving the investments already made. However, moving forward with multi-year continuous coverage not only protects young children's healthy development, it also preserves existing state investments in children's mental health and the Administration's strategic priorities in early childhood development. Children cannot benefit from these investments if they lose their Medi-Cal coverage.

Medi-Cal coverage protections have never been more important. Almost 200,000 California children have already lost their Medi-Cal coverage from July to October 2023 as part of the unwinding of the federal Medicaid continuous coverage protection. California's young children need the state's multi-year continuous coverage protection to go into effect as soon as possible.

To meet a January 2025 start date for continuous coverage, we urge the Governor to greenlight this policy as soon as possible, so the Department of Health Care Services can take the necessary steps for implementation. The State should submit a request for federal approval to the federal Medicaid agency as soon as possible—not waiting until the Spring to submit.

The Governor's immediate action on this will help prevent more children from unnecessarily losing health coverage in the coming years, and ensure California does not get left behind as similar policies are being implemented in other states (including <u>Oregon, Washington, Massachusetts, New Mexico, North Carolina, Arizona, Hawaii, and Pennsylvania</u>). Our organizations look forward to continued engagement with state partners on the timely implementation of this important policy.

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