

February 21, 2007

Little Hoover Commission  
925 L Street, Suite 805  
Sacramento, California 95814

Dear Mr. Chairman and Commissioners:

The California Nurses Association is concerned about where the bright line is being drawn for Medicaid (Medi-Cal) eligibility in the Governor's Health Insurance Proposal. Risk is being shifted away from corporations and onto individuals and families. This is unhealthy policy. Rather than promoting health, it promotes barriers to individuals of all ages receiving affordable health care at the most appropriate time from the health care provider who knows the patient best.

A person's medical home is the most cost effective point of service for preventive, primary care and chronic disease management. Retail locations emphasize episodic care. Focusing only on the presenting complaint can result in missing other signs and symptoms of illness, and may result in harming the patient.

According to the analysis of the Senate Committee on Health, "Individuals with low enough incomes could satisfy the mandate by enrolling in the Medi-Cal or Healthy Families programs or in a plan offered through a new purchasing pool that would be administered by Managed Risk Medical Insurance Board (MRMIB)". However, the bright line pushes persons who have no purchasing power into the purchasing pool. Mandating affordability never works; it forces individuals and families to cut back on basic health needs such as food, shelter, and medications.

Expanding income eligibility for Medicaid, (Medi-Cal) helps to prevent illness now and prevents future disability. The Massachusetts Plan is the model that informed the Governor's Health Insurance Proposal. Massachusetts requires that affordability is assessed. SB 840 provides for affordable comprehensive benefits plan for all. As Senator Kuehl's, Chair of the Senate Health committee, warned with a sign posted during last week's hearing, DO NO HARM.

Little Hoover Commission  
February 21, 2007  
Page Two

I have attached the 2007 Federal Poverty Level so that you are focused on the level of financial need of this population. Thank you for the opportunity to remind you of the California Nurses Association's commitment to quality affordable health care for all.

Sincerely,

Donna Fox, R.N.  
Regulatory Policy Specialist

Enclosure

Cc: Donna Gerber, Director of Government Relations

## Existing Public Health Coverage Programs in California

### 2007 Federal Poverty Guidelines Annual income levels

Family Size	100%	150%	200%	250%	300%
1	\$10,210	\$15,315	\$20,420	\$25,525	\$30,630
2	13,690	20,535	27,380	34,225	41,070
3	17,170	25,755	34,340	42,925	51,510
4	20,650	30,975	41,300	51,625	61,950
5	24,130	36,195	48,260	60,325	72,390
6	27,610	41,415	55,220	69,025	82,830
7	31,090	46,635	62,180	77,725	93,270
8	34,570	51,855	69,140	86,425	103,710

*For families with more than 8 persons, add \$3,480 for each additional person*