



**CALIFORNIA
HOSPITAL
ASSOCIATION**

*Providing Leadership in
Health Policy and Advocacy*

September 20, 2017

Dear Member of the California Delegation:

On behalf of California's more than 400 hospitals and health systems, the California Hospital Association (CHA) writes to express our deep concern with the Graham-Cassidy amendment currently under consideration in the United States Senate. CHA has always supported health care coverage for all and is committed to building a health care system that supports all Californians — especially our most vulnerable citizens.

This effort is the most damaging plan for California that has been considered thus far in the efforts to repeal, repair or replace the Affordable Care Act. The Graham-Cassidy amendment would reduce health care resources available in California by \$148 billion dollars between 2020 and 2026, with reductions of as much as \$57.5 billion in 2027, and each year thereafter. This amendment not only puts coverage at risk for millions of the state's residents, but it also creates an uncertain future for access to care for all Californians.

The Graham-Cassidy amendment overtly places a disproportionate burden on California's communities; it hurts California more than any other state, by far. The proposal's cuts to Medicaid — combined with a complete reconfiguration of funding methodologies — will undermine decades of careful, deliberate design and implementation of health care delivery and financing reforms in California. Governors and state legislators of both parties have supported these reforms, which have improved quality of care and increased value by delivering care at some of the lowest costs in the nation.

In addition to reversing decades of proven health reforms and improved access to high quality care, as many as 6.7 million Californians are at risk for losing their health care coverage by 2027 when the Graham-Cassidy block grant expires. Four million individuals from low-income working families could lose Medi-Cal coverage and another 1.3 million Californians struggling to make ends meet could lose subsidies that allow them to purchase affordable health care coverage. The provisions in the proposal could jeopardize funding for Medi-Cal eligibility for 1.3 million children enrolled in the Children's Health Insurance Program (CHIP).

California's Medicaid program innovations are models for the nation. The Graham-Cassidy proposal would decimate our progress, reduce coverage, and create uncertainty, unsustainability and loss of access and services not only for Medicaid beneficiaries, but for all Californians. Further, the proposal undermines critical consumer protections that ensure access to essential services and financial protection for those with pre-existing conditions.

California's hospitals are committed to providing high quality care to everyone in their communities and to finding ways to address the challenges presented by the current health care system. Unfortunately, the Graham-Cassidy amendment does not address these goals and is wrong for California.

If you have questions, please contact Anne O'Rourke, CHA senior vice president, federal relations, in CHA's Washington, D.C. office at arourke@calhospital.org or (202) 488-4494.

Sincerely,

/s/

C. Duane Dauner
President/CEO