



Comments to the Board

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September 15, 2022 Board Meeting

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September 7, 2022

The Honorable Gavin Newsom
Governor, State of California
1021 O Street, Suite 9000
Sacramento, CA 95814

Re: SB 944 (Pan) – Request for Signature

Dear Governor Newsom:

The undersigned 27 organizations **request your signature on SB 944 (Pan)**, which will dramatically reduce cost-sharing for Covered California enrollees. Rising co-pays and deductibles remain a major barrier to care.

Many Covered California enrollees in the subsidized Silver plan currently face deductibles of \$3700, a figure that is set to go up over one thousand dollars to \$4750 in 2023 if no action is taken. Lower-income Californians may have lower cost sharing, but that still takes a significant percentage of their income and assets. For example, those making up to \$2,600 per month face deductibles amounting to almost two months' income if they are enrolled in standard Silver plans.

Few low and middle-income households have the liquid assets required to pay for these deductibles when they need inpatient care. Meanwhile, co-pays for basic primary care visits will rise to \$45 for many enrollees. Half of Californians skipped or delayed care in the past year as a result of costs; for low-income Californians, that percentage increases to a staggering two-thirds.

SB 944 (Pan) would ensure California continues to invest in affordability assistance by offering zero deductibles and significantly reduced cost-sharing to low and middle-income silver plan enrollees in our marketplace. These significant reductions in cost-sharing would also ensure that the state is re-investing at least the revenue generated from its individual mandate penalty to reduce out-of-pocket health care costs—which will further encourage more Californians to purchase coverage.

Building on state and federal work to provide premium help, this additional assistance follows the proposals detailed in Covered California's recent "*Bringing Care Within Reach*" report, and will dramatically reduce delayed care due to unaffordable out of pocket expenses. Health plans are ready to implement, and the money has already been allocated in the state budget.

For these reasons, the undersigned organizations request your signature on SB 944 (Pan) to provide affordability assistance that Californians urgently need.

Sincerely,

Alliance of Californians for Community Empowerment Action
AIDS Project Los Angeles Health
California Black Health Network
California Association of Public Hospitals and Health Systems
California LGBTQ Health and Human Services Network
California Physicians Alliance
Children Now
Community Health Councils
California Pan Ethnic Health Network
California Rural Legal Assistance Foundation, INC.
Desert AIDS Project
Friends Committee on Legislation of California
Health Access California
Justice in Aging
Latino Coalition for a Healthy California
Leukemia and Lymphoma Society
Maternal and Child Health Access
National Association of Social Workers – California
National Health Law Program
National Multiple Sclerosis Society – MS California Action Network
Public Law Center
Small Business Majority
Social Security Works California
Southern California Americans for Democratic Action
United Ways of California
Western Center on Law and Poverty, INC.
Young Invincibles

CC: Senator Richard Pan, author