

SB4: Building Blocks Towards #Health4All

Bipartisan Support to Expand Coverage Regardless of Immigration Status

Revised: June 25, 2015

Building upon [recent budget actions](#) extending Medi-Cal coverage to all low-income California children, SB 4 (Lara) would take additional steps to universal access to care and coverage:

- Expand full-scope Medi-Cal coverage to all low-income adults, regardless of immigration status, and as future budget allocations will allow;
- Seek to allow all Californians, regardless of immigration status, to purchase coverage through Covered California, using their own money.



The Need for SB4

The federal government explicitly excludes undocumented immigrants from eligibility and financial help for health coverage under federal programs, including Medicaid. California recently made the investment to extend Medi-Cal to all children, regardless of where they were born. But the work towards health for all is not over. Some California adults are still left without coverage options—even if they use their own money, they can't buy coverage on Covered California. While some counties provide some care to undocumented adults through their safety net systems, too many do not.ⁱ As a result, the uninsured live sicker, die younger, and are one emergency away from financial ruin. This has health and economic impacts on whole families and communities. Our health care system and economy work better when everyone—children *and* adults—has coverage that provides access to primary and preventive care and prevents medical debt and bankruptcy.

How SB4 works

SB4 builds on what works in the state's Medi-Cal and Covered California programs...

- SB4 expands California's well-established tradition of covering some immigrant populations in Medi-Cal who are excluded from federal programs. Examples include recent documented immigrants, including people with a "green card" for 5 years or less, and immigrants with "deferred action" status.
- By way of a [Section 1332 waiver](#) (a formal request to the federal government), SB4 would seek to allow all Californians, regardless of immigration status, to purchase coverage through Covered California with their own money.ⁱⁱ All Californians, including families with mixed immigration status, will be able to make apples-to-apples comparisons between standardized health plan options, and get enrollment assistance through navigators, a website, and/or a call center.

Key Points

No one should suffer or die from a treatable condition because of where they were born.

It's better for everyone when we catch preventable conditions early, rather than resort to emergency rooms. It doesn't reflect California's values, and it simply doesn't make sense, to lock a whole population of California adults out of health care.

Let's do the right thing, right now. Even when the new deportation relief programs are in effect, and even after the children's Medi-Cal expansion goes into effect, a substantial number of California's undocumented adults will be left out of these programs. That's why SB 4 is so important. It builds the foundation to significantly expand access to affordable health insurance this year. With this important first step toward Health for All, we have an opportunity to do the right thing, right now.

Modest additional costs for a big benefit. Compared to last year's SB 1005 or even earlier versions of SB 4, the cost of SB 4 is significantly reduced by the following factors:

- A recent analysis by UCLA and UC Berkeley indicates 360,000 to 500,000 Californians are potentially eligible under current law for full-scope Medi-Cal.ⁱⁱⁱ The President's action reduces the number potentially eligible for Medi-Cal by a third or more, very substantially reducing the cost of SB 4 compared to the cost for SB 1005.
- All low-income children will have guaranteed access to Medi-Cal—thanks to the recent budget investment. The narrower scope of SB 4—on adults—significantly reduces the cost.
- Those whose incomes are too high to qualify for Medi-Cal would not be eligible for subsidies through Covered California.
- The May Budget Review affirms that California currently spends 60%-62% of the cost of full-scope coverage on restricted scope coverage and that it collects federal financial participation for those categories of immigrants eligible for restricted scope coverage, even when enrolled in full-scope Medi-Cal.

Covering parents is good for kids and for our health care system. When parents have access to affordable health care, kids are more likely to get coverage and preventive care.^{iv}

The Bottom Line: Investing in immigrant adults is investing in the health of our state, as immigrants are a fundamental part of our workforce and communities.

ⁱ Health Access, Re-Orienting the Safety Net for the Remaining Uninsured, March, 2015. http://www.health-access.org/images/pdfs/county_safety_net_survey_reportupdate_march15final.pdf.

ⁱⁱ Center on Budget and Policy Priorities, Understanding the ACA's State Innovation ("1332") Waivers, February, 2015. : <http://www.cbpp.org/cms/?fa=view&id=5265>.

ⁱⁱⁱ Laurel Lucia et al, "Health Insurance and Demographics of California Immigrants Eligible for Deferred Action," <http://laborcenter.berkeley.edu/health-daca-dapa/>. March 2015

^{iv} Sara Rosenbaum, et al., "Parental Health Insurance Coverage as Child Health Policy: Evidence from the Literature," Department of Health Policy, George Washington University, June 2007. http://publichealth.gwu.edu/departments/healthpolicy/CHPR/downloads/Parental_Health_Insurance_Report.pdf