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The Honorable Sheila Kuehl  
Chair, Senate Health Committee  
State Capitol  
Sacramento, CA

Re: SUPPORT – ABx1 1

Dear Senator Kuehl:

Latino Coalition for a Healthy California (LCHC) is the leading organized voice for policies, services, and conditions to improve the health of Latinos. Founded in 1992 by health care providers, consumers and advocates, LCHC impacts Latino health through enhanced information, policy development and community involvement and represents more than 2,800 community leaders. LCHC supports ABX1 1 because it brings meaningful health access to the millions of uninsured Californians, particularly uninsured Latinos.

Latinos and Health Care Coverage

Because the majority of the uninsured are people of color, the health care system will experience a shift in the demographics of health care consumers: for the first time, the insured population will begin to reflect California's diverse communities.

More than one in four Latinos ages 0-64 in California is uninsured (28% of Latinos compared to 9% of whites) — the highest rate of uninsurance among all ethnic groups. Latinos represent approximately one in two of the 6.7 million Californians who are uninsured. Latino's high uninsured rate is largely due to the very low rate of health insurance provided by their employers, just 43% compared with 76% for whites.

We support the provisions in ABx1 1 that provide coverage to 75% of the uninsured and expand public programs to all kids up to 300% FPL and citizen/legal resident adults up to 250% FPL. In fact, when implemented, ABx1 1 would be the biggest public program expansion since the creation of Medicare and Medicaid. Further, the provisions regarding the "no wrong door" approach will make it easier for families to get on and stay on health care programs.

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### Affordability

Because 42% of all insured are low-income (below 300% FPL), it is critical that the state address the unique challenges posed by uninsured communities of color to create a more effective health care system. Latinos' lack of insurance coverage is related to their income and immigration status. The high poverty level among Latinos makes it less likely they will have the resources to purchase health care coverage out of pocket. More than one in three Latinos (35.3%), or 3.2 million, live below the federal poverty level (FPL) in California. Among Latinos ages 0-64 living below poverty, 36.9% are uninsured, with just 13.4% receiving employment-based coverage. Of the approximate 3.0 million non-citizen Latinos under age 65 in California, about one in two, or 47.7 %, is uninsured, again related to low rates of job-based insurance.

We support the provisions in AB 1X that provide tax credits for those 250% - 400% FPL who do not have access to job-based coverage as well as for early retirees over 400%FPL. In addition, we also support the other cost-containment measures like transparency, bulk purchasing of prescription drugs, a purchasing pool with 3-4 million covered lives, and a public insurer.

### Employer Contribution

While a majority of Californians continue to get health insurance through their employer or that of a family member, job-based insurance is particularly declining among those living at or below the poverty level. Job-based insurance fell from 19.1% in 2001 to 13.7% in 2005 among the 1.7 million California workers below the federal poverty level, from 42.6% in 2001 to 33% in 2005 for the 2.8 million low-income workers between 100 – 200% FPL and from 62.1% to 56.6% for the two million moderate-income workers (200-299% of the poverty level). For Latinos, their high uninsured rate is largely due to the very low rate of health insurance provided by their employers, just 43% compared with 76% for whites.

We support the provisions in AB 1X that require employers to contribute to health benefits with the contribution scaled from 1% to 6.5%. The creation of a statewide purchasing pool creates a new affordable option for employers to cover their workers.

Much has been said about single payer and how ABx1 1 compares to it. The question should not be about how this measure relates to single payer but rather how this measure compares to the status quo. For the millions of uninsured Californians – many of whom are LCHC members – they want health care reform now and believe that ABx1 1 moves us closer to universal health care.

The Board of Directors and I are looking forward to making health care reform a reality and we ask for your support of this measure as its heard in the Senate Health Committee. If you have any questions, please do not hesitate to contact me at (916) 448-3234 or cell (916) 747-5441.

Sincerely,



Lupe Alonzo-Diaz  
Executive Director