

Legislature Approves Bill That Raises \$97 Million for Healthy Families!

On September 2, the California State Senate passed [AB 1422](#) (Speaker Bass / Principal Coauthor Senate President pro Tem Steinberg / Coauthors Assemblyman Jones & Senator Alquist) and September 3 - by a vote of 58-2 - the Assembly passed the bill. AB 1422 will raise \$97 million for the Healthy Families Program through a temporary tax on state-contracted health plans. The tax will draw down federal funds which will be used to fund the Healthy Families Program. The tax will last through 2010.

California's legislators put aside partisan politics to prioritize the health of our state's children by passing AB 1422 to help fully fund the Healthy Families Program. The parents of the nearly 1 million children enrolled in the Program can sleep better tonight knowing that their kids will have health coverage as the school year starts. The passage of this bill, combined with a generous \$81.4 million contribution from First Five California and cost-saving measures - including increased co-payments for services covered under Healthy Families - instituted by the Managed Risk Medical Insurance Board (MRMIB, the agency that administers the Healthy Families Program), means that no child will have to be disenrolled from the successful, low-cost health coverage program.

AB 1422 does modestly increase children's monthly premiums. While we celebrate today, we will continue our work to ensure that every California child has access to comprehensive and affordable health coverage.

The Governor issued a statement that he will sign the bill.

While MRMIB will need to take formal action, it is now expected that - at least until July 2010 - all eligible children will receive the Healthy Families coverage that they apply for. We are hopeful that this includes the more than 70,000 children who have already been placed on a waiting list.

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