

# SENATOR RICARDO LARA

## LEGISLATIVE FACT SHEET

### SB 4 – Health For All

#### **Summary:**

Senate Bill 4, the “Health For All Act”, expands access to healthcare coverage to all Californians, regardless of immigration status. The bill removes barriers to the health insurance market by directing the state to seek permission from the federal government to allow undocumented Californians to purchase their own health coverage through the Covered California Health Insurance Exchange. SB 4 will also expand Medi-Cal to include individuals who would qualify for enrollment in the program based on their income but who are denied based on their immigration status.

#### **Background:**

Implementation of the Affordable Care Act (ACA) expanded access to health care coverage to millions of Californians. The health benefit exchange, Covered California, provides a marketplace for consumers to choose a health plan. New rules for individual insurance include important consumer protections – they must include essential health benefits, and patients can’t be denied or dropped from coverage due to a pre-existing medical condition.

ACA also expanded Medi-Cal coverage to include individuals and families under 138% of federal poverty level. Millions of Californians have benefitted from health care reform through expanded Medi-Cal access and from coverage purchased through the Covered California exchange.

Although many Californians are not eligible for Medi-Cal or the exchange due to their immigration status, the state does provide health care services through programs with limited scope or duration, such as care for pregnant women and emergency medical care. Some California counties also provide health coverage regardless of immigration status.

The state also provides Medi-Cal coverage to income eligible individuals who are granted work authorization and relief from deportation through the deferred action program. It is estimated that approximately half of California’s undocumented population will be eligible

for deferred action through President Obama’s Executive Order announced in November, 2014.

A provision in the ACA, Section 1332, provides a way for states to pursue their own innovative approaches to expand coverage through a waiver of federal law.

#### **Problem:**

The Affordable Care Act (ACA) specifically excludes undocumented immigrants from insurance coverage provided through Medi-Cal, and even prohibits individuals from purchasing their own insurance through the health care exchange.

People without insurance generally wait to seek care until they are seriously ill, and in many cases health problems that could have been avoided with preventive care, or treated early for little cost, become significant and costly health issues. The impacts of this include lost productivity, increased demand on emergency services, and increased costs in our healthcare system.

Current policy excludes undocumented immigrants from many of the most basic health care services. It does not reflect our values, or serve the common good, to leave hundreds of thousands of workers, students, and family members without treatment for preventable ailments.

#### **Solution:**

SB 4 does all of the following:

- Expands Medi-Cal eligibility to include all individuals who meet income eligibility requirements, regardless of immigration status.
- Directs the state to seek federal approval for a waiver of Section 1332 to allow undocumented Californians to purchase their own insurance through Covered California.
- If that request is denied, SB 4 directs the state to establish a mirror exchange to provide equivalent coverage options to undocumented individuals.

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