



June 19, 2018

The Honorable Jim Wood
Chair, Assembly Committee on Health
State Capitol, Room 6005
Sacramento, California 95814

RE: SB 1255 (Hernandez) Health Insurance Market: Financial Assistance
AAP-CA Position: Support

Dear Chair Wood,

The American Academy of Pediatrics, California (AAP-CA), representing over 5,000 California pediatricians, strongly supports proposed legislation SB 1255 (Hernandez), which will provide additional financial assistance to Californians that buy coverage in Covered California.

The Affordable Care Act has provided Californians help with paying for coverage but more need help. Today, individuals that make less than \$50,000 (400% FPL) get some financial assistance for coverage, but are still asked to pay 9.6% of their income on premiums. Individuals who make less than about \$25,000 are eligible for “cost sharing reduction” help that provide lower copays and deductibles. Also, individuals who make more than \$50,000 (over 400% FPL) get no financial help to pay coverage, and many of them spend more than 8% of their income on premiums for coverage. Given the high cost of living in California, combined with the high premiums, California consumers need more help to afford coverage and care.

SB 1255 (Hernandez) will make more Californians eligible for financial help, while at the same time providing additional financial help to low and moderate income Californians and will reduce our state’s uninsured rate, moving us towards universal coverage without the need for federal waivers or federal approval. SB 1255 assures that no Californian spends more than 8% of income on premiums and that people making less than \$50,000 get additional help to lower their copays and deductibles.

Pediatrician members of AAP California Chapters 1, 2, 3 and 4 statewide strongly support proposed legislation SB 1255 (Hernandez) and urge you to vote AYE. Thank you for your public service and leadership on behalf of the health and wellbeing of children, youth, and families in California.

Sincerely,

Kris E. Calvin

Kris Calvin
Chief Executive Officer, American Academy of Pediatrics, California

cc: Members of the Assembly Committee on Health
Honorable Ed Hernandez, Author
AAP-CA Leadership; Lobbyist Lydia Bourne