April 1, 2019

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

RE: AB 174 (Wood): California Community Health Fund.
AAP-CA Position: Support

Dear Assembly Member Wood:

The American Academy of Pediatrics, California (AAP-CA) representing the over 5,000 board-certified pediatrician members of California AAP Chapters 1, 2, 3 and 4 statewide, strongly supports your proposed legislation AB 174 (Wood), which would provide additional affordability assistance to Californians who buy individual health insurance coverage in order to help pay for premiums, copays and deductibles.

Despite the success of the Affordable Care Act in expanding health care coverage, 1.2 million Californians remain uninsured, including both children and parents whose children would be severely affected by a family health crisis. Cost is by far the greatest obstacle to increasing insurance rates, as even subsidized plans can be prohibitively expensive for low- and middle-income families. California’s high cost of living makes it especially hard for lower-middle-income families to afford coverage, as they receive no federal assistance. Some of these families may even pay over 20% of their take-home income on premiums alone, for a high-deductible plan that in practice requires them to pay the vast majority of their health care expenses out of pocket.

AB 174 (Wood) would provide additional assistance for lower- and middle-income California families by implementing essential cost-cutting measures such as enhancing premium assistance to Californians with household incomes below 400% of the federal poverty level and reducing premiums to zero for those with household incomes at or below 138% of the federal poverty level. This would substantially raise insurance rates in California and would help low- and middle-income families who are already insured make ends meet.

Pediatricians across the state of California urge an AYE vote on AB 174 (Wood). Thank you for your public service and leadership on behalf of the health and well-being of the children, youth, and families of California.

Sincerely,

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

Cc: AAP-CA Leadership; AAPCA Advocate Lydia Bourne