

September 1, 2010

The Honorable Arnold Schwarzenegger
Governor, State of California
State Capitol
Sacramento, CA 95814

Re: Senate Bill 1431 - County Health Initiative Matching Fund

Dear Governor Schwarzenegger:

This letter is to respectfully request your signature on Senate Bill 1431 relative to the County Health Initiative Matching Fund.

Senate Bill 1431 would allow counties who participate in the County Health Initiative Matching Fund program (CHIM) to provide healthcare coverage to qualified low-income children who are unable to enroll in the Healthy Families Program or whose family income is at or below 400% of the federal poverty level (FPL).

When the enabling legislation (AB 495, Diaz, Chapter 648, Statutes of 2001) was signed into law, the federal government provided matching funds for low-income children whose families were at or below 300% of the FPL. In 2009, however, the federal government increased its matching dollars to include low-income children whose families were at or below 400% of the FPL. Senate Bill 1431 amends the CHIM so that participating counties can take full advantage of the expanded eligibility.

Coverage is provided through county-sponsored insurance programs. Program costs are funded by matching county expenditures with federal funds for participating counties that have been approved by the federal

The Honorable Arnold Schwarzenegger
September 1, 2010
Page 2

government. The costs to administer the CHIM would be entirely paid from local and federal funds. **There are no state costs.** Senate Bill 1431 enables counties to address a local issue using local funds. The bill allows counties that are willing to prioritize children's healthcare to put up their own funds in order to draw down a federal match to cover uninsured children. Increased access to healthcare within participating counties will not only promote better health, but it will also reduce the costs to providers for uncompensated care.

Any federal funds made available for California and counties participating in these health programs that are unused revert to other states. This bill allows California to access its fair share of federal dollars and leverage the limited funding it has at the local level to give more help to more children.

The bill enjoys bipartisan support in both houses of the legislature and **has no opposition.**

I respectfully request your signature.

Sincerely,

S. Joseph Simitian
State Senator, Eleventh District

cc: Michael Prosio, Legislative Secretary and Deputy Chief of Staff
Jennifer Kent, Deputy Legislative Secretary

SJS:jm