

The Central Valley region includes Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus and Tulare Counties. Topics covered in the Central Valley Regional Workgroup included data on the Central Valley's uninsured, implementation of federal health reform (expansion of Medicaid and the Exchange, workforce capacity), impact of federal reform on agricultural workers, and important decision areas (§1115 Waiver and high risk pool). Workgroup participants provided overviews of topics and shared their thoughts, concerns, and suggestions.

Data on Central Valley's Uninsured

The number of uninsured in the Central Valley region increased quite substantially between 2006 (22.6%) and 2009 (27.7%). Kings, Merced, San Joaquin, and Stanislaus Counties saw the highest rise in number of uninsured (Kings: 18.5% in 2006, 28.3% in 2009; Merced: 21.0% in 2006 and 31.6% in 2009; San Joaquin: 18.0% in 2006 and 28.2% in 2009; Stanislaus: 18.3% in 2006 and 28.7% in 2009). Madera County was close behind at 33% (24% in 2006 and 32% in 2009) and Kern County uninsured rose over 20% (24.2% in 2006 and 29.3% in 2009). Fresno County actually saw a small reduction in the number of uninsured (27.4% in 2006 and 24.4% in 2009). Unemployment in the Central Valley rose from 8% in 2006 to 27.7% in 2009.

Implementation of Federal Health Reform

The Exchange

The Exchange is quite possibly the most complex element of federal reform. States will either have their own exchanges, join multi-state (regional) exchanges or develop statewide exchanges with premium variations by region. California has decided to create its own exchange and currently has two bills that set the framework (AB 1602 and SB 900). ITUP uses workgroups as an opportunity to get stakeholder feedback on the formation of the state's Exchange.

There are questions as to whether programs such as ADAP, CCS, and AIM should be folded into the Exchange, kept separate, or phased down as residual coverage. Pros to keeping programs separate are low copays, specialized services, and availability to the undocumented. The downside is that the state is paying for these programs whereas the federal government will pay 100% of Exchange subsidies. The Central Valley experiences limited local funding support and participants suggest it might be more feasible to roll programs into the Exchange in order to ensure the beneficiaries maintain adequate funding for their coverage, given the fragility of local and state funding.

Workforce Capacity

The Central Valley experiences shortages with all specialty care providers and primary care providers. Low-income residents must travel to other sites to access specialty care services. The region is addressing these issues by pushing for telemedicine (in specialties for which it can be used) and incentivizing UC Merced and UCSF medical students to train in the area. Other programs through UCSF and CalSearch provide incentives and opportunities to expose future health care providers to Central Valley clinics.

Impact of Federal Reform on Agricultural Workers

Joel Diring (Diring and Associates) provided information regarding farmworker health coverage under national health reform. About 30-50% of agricultural workers are legally authorized to work, 90% of whom earn annual incomes below 133% FPL and will either be eligible for Medi-Cal in 2014 or will utilize employer-supplied insurance through the Exchange for employers (if available). About 50-70% of farmworkers have no legal authorization to work and will have to rely on employer-supplied insurance, safety net providers and emergency Medi-Cal, or private insurance.

Important Decision Areas

High Risk Pool

Cliff Sarkin (ITUP) explained the High Risk Pool. California decided to start a new, statewide High Risk Pool for individuals with pre-existing conditions who have been uninsured for 6+ months. Premiums will be set at 100% of the premiums of private, individual coverage with no annual or lifetime limits. The state might eventually supplement these still-high premiums. California will receive \$761M for this program (\$5B allocated nationally).

§1115 Waiver

The renewed waiver will put CCS children into pilot programs, provide matching funds for all counties to cover their medically indigent, mandate some counties to put SPDs into managed care, and fund hospitals for delivery system reform. Fresno received Blue Shield planning funds to help with the application process. The County is unsure how the waiver will affect the existing MISP and whether or not the Board of Supervisors will be willing to make the necessary changes required under the waiver, given their funding situation. The County is on target to submit an application for waiver funding.

Madera, Kings, and Fresno Counties are launching a Local Initiative to enroll SPDs into Medi-Cal managed care. They recently began enrolling their first beneficiaries and plan to build membership before tackling the entire population. Central Valley counties are positive about future regional collaboration that will enable them to cover more of the region's uninsured.