

AUGUST 14, 2009



## **FIRST 5 CALIFORNIA APPROVES \$81.4 MILLION CONTRIBUTION TO HELP RESTORE HEALTHY FAMILIES PROGRAM'S VIABILITY**

*Funds could cover health care costs for more than 200,000 children ages 0-5*

The First 5 California State Commission approved a contribution of up to \$81.4 million to the Healthy Families Program to cover health care costs for more than 200,000 infants and children at risk of losing coverage due to the state's fiscal crisis. The funding, approved at a special commission meeting held August 13, 2009, will be used to cover children ages 0-5 through June 2010.

"In the current economy, now more than ever, families rely on affordable health care to keep their children healthy and safe," said Kris Perry, executive director of First 5 California. "We encourage like-minded partners to come forward with assistance to ensure the program's survival."

The Healthy Families Program, administered by the Managed Risk Medical Insurance Board (MRMIB), provides low-cost medical insurance to more than 1.1 million low-income children in families not qualified for Medi-Cal. The program's future has been uncertain after statewide budget cuts have left it facing a more than \$190 million shortfall. As of July 2009, there are currently 10,497 children ages 0-19 enrolled in the Healthy Families Program in San Mateo County.

"The availability of preventive care helps keep children out of emergency rooms and can even make a difference in how well they can perform in school," said Dave Kears, First 5 California commission vice chair. "That's why improving access to affordable children's health care has always been a part of the core mission of First 5 California."

Since voters passed Proposition 10 in 1998, First 5 California has spent millions on children's health insurance – placing it among the largest and most stable funding sources of health coverage for children up to age 5 in California.

Most recently, First 5 California partnered with First 5 county commissions to provide \$16.75 million to MRMIB to pay health care premiums for children up to age 5 enrolling in the Healthy Families Program. That contribution kept 67,000 children from being placed on waiting lists for health coverage in the fiscal year ending June 30. The First 5 San Mateo County Commission's contribution was an allocation for reimbursement funding up to \$196,950 for new enrollee memberships in the Healthy Family Program for children residing in San Mateo County ages 0-5.

The current approval of \$81.4 million is a *stop-gap* that may secure the program through June 2010. However, if the state fails to properly fund the program after June 2010, it will likely be far more than 200,000 children who lose coverage.

First 5 California State Commissioners voted to approve the \$81.4 million contribution to MRMIB after careful consideration of First 5 California's statutory mandate and current funding commitments.

**First 5 California**

Research shows that a child's brain develops most dramatically in the first five years and what parents and caregivers do during these years to support their child's growth will have a meaningful impact throughout life. Based on this research First 5 California, also known as the California Children and Families Commission, was established after voters passed Proposition 10 in November 1998, adding a 50 cents-per-pack tax on cigarettes to fund education, health, child care and other programs for expectant parents and children up to age 5. For more information, please visit [\*\*first5california.com/parents\*\*](http://first5california.com/parents).

**First 5 San Mateo County**

In fiscal year 2008-09, First 5 San Mateo County distributed approximately \$12.5 million in Prop 10 revenues to programs and services that meet local needs. For more information on First 5 San Mateo County and its programs, please call (650) 372-9500 or visit [\*\*www.co.sanmateo.ca.us/first5\*\*](http://www.co.sanmateo.ca.us/first5).

*(Source: First 5 California, First 5 San Mateo County and the San Mateo County Health System)*