



Projected Cost and Coverage Changes under AB 8

Prepared for the California Senate Appropriations Committee, 8/20/07

I. Costs (in millions)

	Cal-CHIPP	General Fund (Medi-Cal & Healthy Families expansion, premium assistance, and tax effects)	Total
Cost of Coverage	\$ 8,075	\$ (1,510)	\$ 6,565
Cost of Premium Assistance		1,850	1,850
State Income Tax Revenue Loss		410	410
TOTAL COSTS	\$ 8,075	\$ 750	\$ 8,825
Individual Contributions	\$ 2,580	\$ (65)	\$ 2,515
Federal Matching Funds	940	90	1,030
Employer Payroll Fees	5,700		5,700
(Transfer *)	(960)	960	-
TOTAL REVENUES	\$ 8,260	\$ 985	\$ 9,245
NET STATE COST (SAVINGS)	\$ (185)	\$ (235)	\$ (420)

* Transfer means the lesser of either (1) the available pool surplus or (2) the payroll fee revenue paid with respect to workers or dependents receiving Medi-Cal or Healthy Families coverage.

II. Coverage (in millions)

Coverage Status	Before AB 8	After AB 8	Net Change	
Public	6.5	5.5	(1.0)	-15.5%
Group	18.8	20.6	1.8	9.7%
Non-group	2.0	1.3	(0.6)	-32.5%
New Pool	-	3.0	3.0	
Uninsured	4.9	1.6	(3.2)	-66.1%
Total	32.2	32.2	-	

Note: Totals might not sum due to rounding.