

The Impact of Health Insurance on Poverty in California

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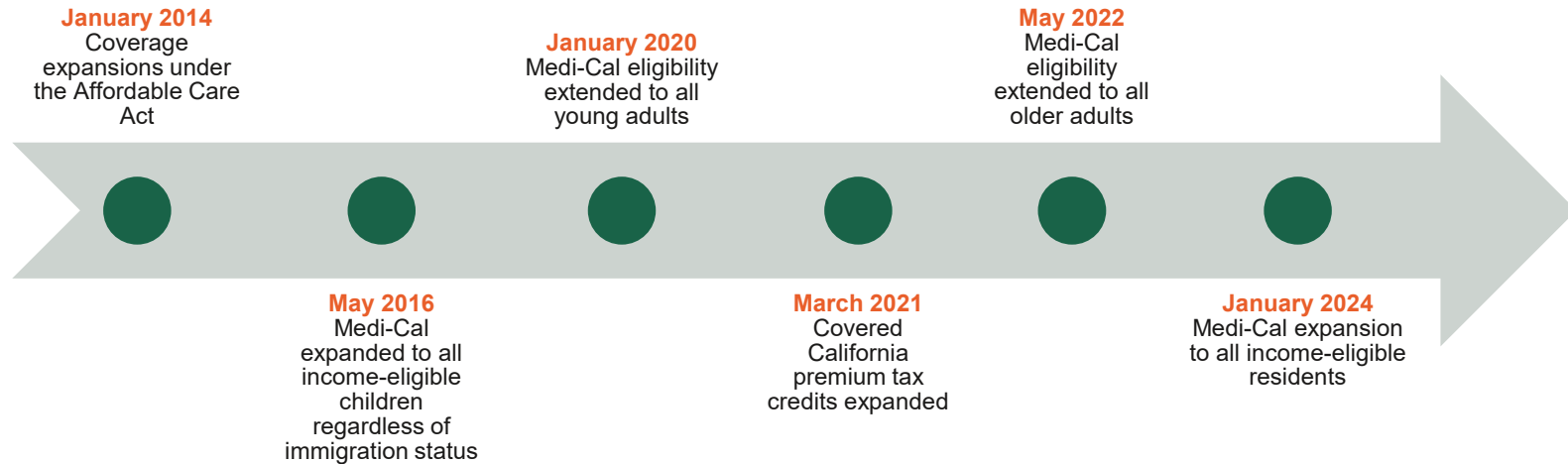
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State and federal policies have expanded publicly funded health coverage

- The federal Affordable Care Act (ACA) significantly expanded publicly funded health coverage over the past decade
 - Federal funding for Medicaid expansion
 - Subsidies for insurance (which were enhanced during the pandemic) purchased through the state marketplace
- California has expanded access to Medi-Cal
 - The state plans to extend coverage to all income-eligible Californians, regardless of immigration status, in January 2024

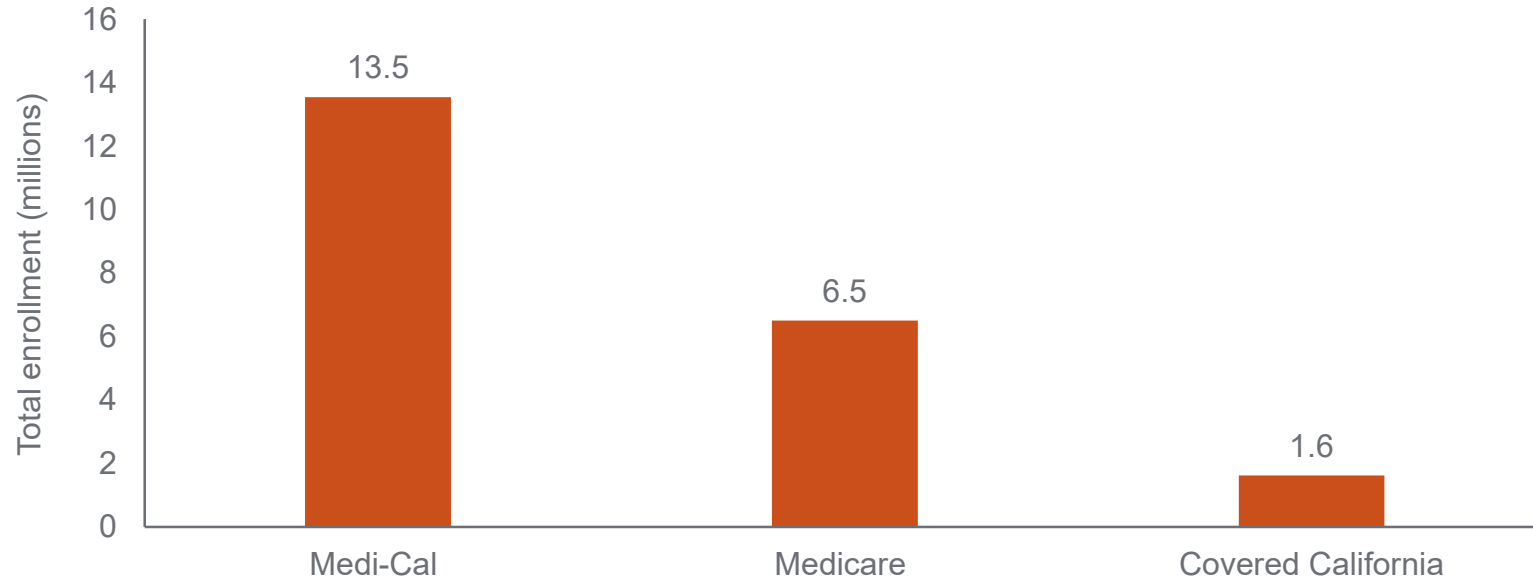
California has augmented federal coverage expansions



Health coverage—or lack thereof—has a significant impact on household budgets

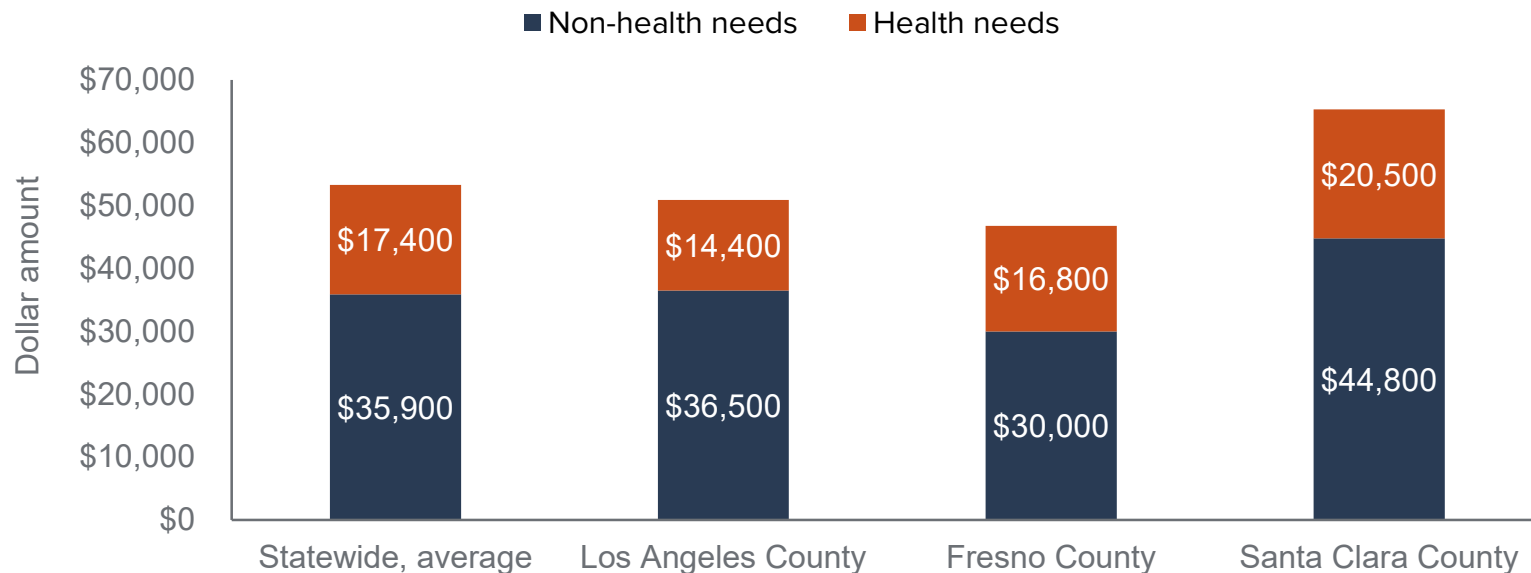
- Adapting the California Poverty Measure (CPM), we looked at the contribution of health insurance to economic well-being
 - The CPM shows high levels of poverty across the state
 - It also highlights the importance of safety net programs
- Medi-Cal coverage and Covered California subsidies are a key focus

Millions of Californians rely on public health insurance



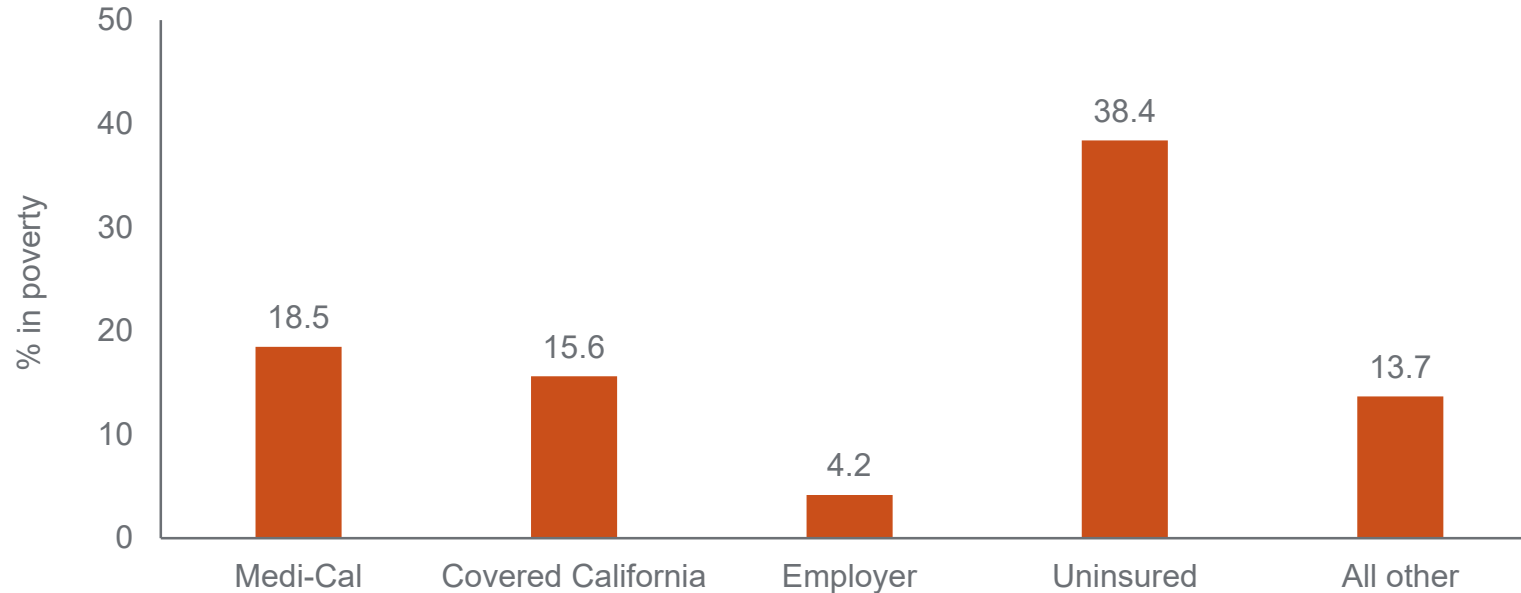
Sources: California Department of Health Care Services, Medi-Cal certified enrollees, 2021; California Department of Health Care Services, Medicare enrollees, 2021; Covered California, 2021.

Health coverage makes up a substantial part of family budgets across the state



Source: Author calculations from the fall 2021 health-inclusive California Poverty Measure.

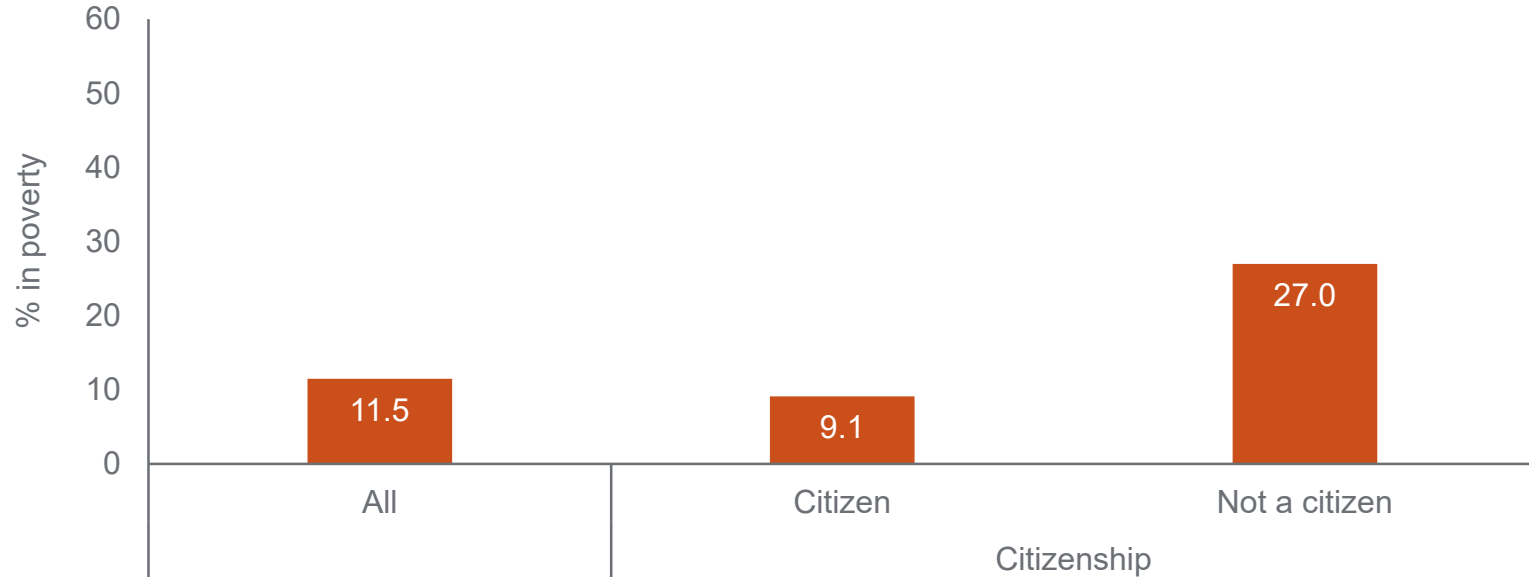
Health-inclusive poverty rates are at least twice as high among uninsured Californians



Source: Author calculations from the health-inclusive CPM (fall 2021).

Notes: Estimates are for Californians under age 65. "All other" includes Indian Health Service, Veterans Affairs, and Medicare.

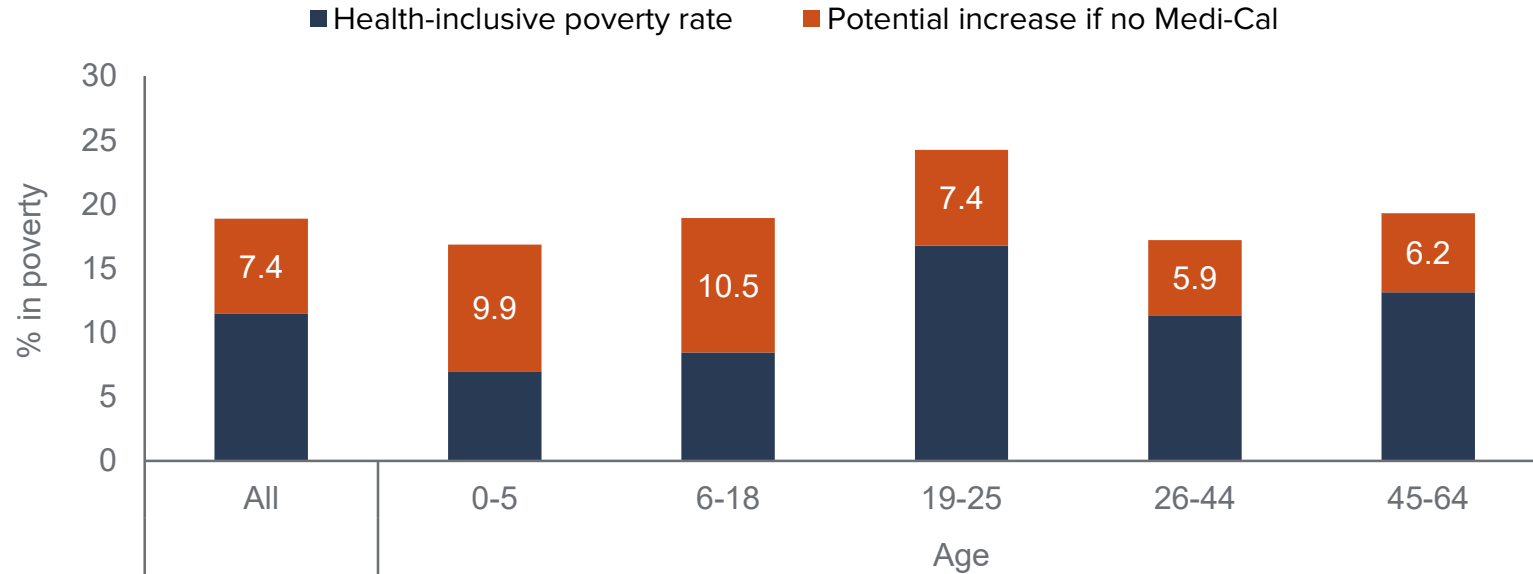
Health-inclusive poverty rates are sharply higher for non-citizens



Source: Author calculations from the health-inclusive CPM (fall 2021).

Notes: Estimates include Californians under age 65. Non-citizens include both legal permanent residents and undocumented immigrants.

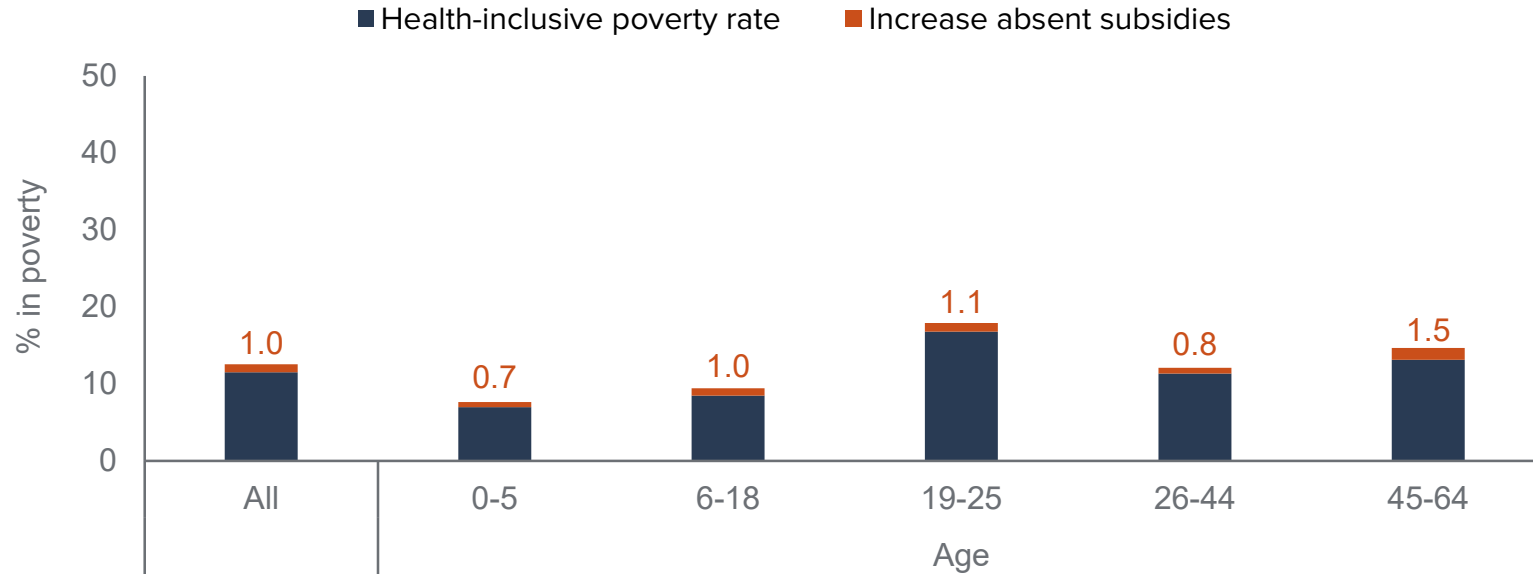
Without Medi-Cal, health-inclusive poverty could be much higher—especially for children



Source: Author calculations from the health-inclusive CPM (fall 2021).

Notes: Estimates include Californians under age 65. Orange segments show the percentage point increase in health-inclusive poverty after zeroing out Medi-Cal from family resources, and assumes that all recipients would be uninsured.

Covered California subsidies also reduce poverty



Source: Author calculations from the health-inclusive CPM (fall 2021).

Notes: “All” includes only Californians under age 65. Increases shown in the orange segment of each bar are based on the assumption that everyone who has directly purchased insurance would maintain this coverage without government subsidies.

Policy takeaways

- State and federal expansions have heightened Medi-Cal's contribution to family resources
 - Planned 2024 expansion should have an impact on undocumented immigrants and families with mixed immigration statuses
- Resumption of eligibility determinations—which paused during the pandemic—might cause millions to lose Medi-Cal coverage
- Covered California subsidies have also played a key role—particularly during the pandemic, when they were increased

Notes on the use of these slides

These slides were created to accompany a presentation. They do not include full documentation of sources, data samples, methods, and interpretations. To avoid misinterpretations, please contact:

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Thank you for your interest in this work.