

A non-profit, non-partisan corporation of public-spirited leaders who have joined together to be catalysts for the economic well-being of the Inland Empire region of California – San Bernardino and Riverside counties.

## Protecting Access & Stabilizing Healthcare in the IE



The Inland Empire – home to 4.7 million residents – is one of California’s fastest-growing regions, yet it continues to receive disproportionately low healthcare funding. With approximately **41% of residents enrolled in Medi-Cal**, rising uninsured rates, provider shortages, and increasing strain on emergency departments, our healthcare system is under significant pressure.

These challenges are compounded by longstanding funding inequities that leave local hospitals – often the largest employers in their communities – financially vulnerable.

### Legislative Priorities

**Protect** core healthcare funding and avoid compounding federal cuts.

**Stabilize** Medi-Cal financing with ongoing General Fund support.

**Advance** funding equity for under-resourced regions.

**Modernize** outdated funding formulas to reflect current population, utilization and need.

**Invest** in behavioral health infrastructure and capacity.

**Support** independent, nonpartisan, transparent oversight to evaluate and address systemic funding challenges.

### Regional Impact of H.R. 1

Without state legislative intervention, H.R. 1 will have severe consequences for the Inland Empire:

- **Loss of Coverage:** More than 500,000 residents could lose health insurance.
- **Reduced Hospital Funding:** An estimated \$500M–\$900M reduction in Medi-Cal revenue.
- **Increased County Burden:** Significant financial and operational pressure shifted to counties.
- **Emergency Department Strain:** Increased utilization and overcrowding.
- **Hospital Instability:** Heightened risk of financial distress and service reductions.
- **Reduced Access to Care:** Impacting all residents, regardless of insurance status.
- **Higher Costs:** Increased insurance premiums for individuals and employers.

### We Urge the State’s Support To:

- Avoid delays or redirection of critical Medi-Cal funding tied to access and capacity.
- Protect and fully allocate MCO tax funding for its intended purpose – supporting provider payments and rate increases.
- Sustain key funding mechanisms, including Supplemental Directed Payments (SDP) and the Hospital Quality Assurance Fee (HQAF).

### Bottom Line

H.R. 1 creates a significant coverage cliff and fiscal crisis in the Inland Empire. Without state legislative and budgetary action, hundreds of thousands of residents lose coverage, while hospitals and counties absorb unsustainable costs. The result: a strained healthcare system and reduced access to care for all. State action is essential to stabilize the safety net and protect healthcare access for Inland Empire communities.