

IMPROVING THE HEALTH OF CALIFORNIA'S CHILDREN

The Tobacco Tax Act of 2006 achieves two goals: it will reduce smoking, especially among kids, and fund critical healthcare priorities such as disease prevention, medical research, children's health insurance and emergency room care.

800,000 California children—nearly 10%—do not have even basic health insurance. The Tobacco Tax Act of 2006 provides the essential funds needed to ensure California children have access to affordable, comprehensive health insurance.

Health insurance is the ticket to children getting healthcare. Health insurance keeps children healthy and ready to learn. Health insurance is also good for the economy; when children are insured, the savings are passed on to the state, communities and individuals.

- Children with health insurance receive healthcare more regularly and in more appropriate settings. Uninsured children are nearly eight times less likely than insured children to have a regular source of care.¹ Uninsured children are also five times more likely to use the emergency room as a regular source of care.²
- Children with health insurance miss less school due to health issues such as asthma, dental disease and other health problems than children without health insurance.³
- The majority of uninsured children in California are already eligible for either Medi-Cal or Healthy Families. For every dollar California spends to cover these children, the federal government provides up to two dollars in matching funds.⁴

Specifically, the Tobacco Tax Act of 2006:

— **Ensures all children under age 19 have access to affordable, comprehensive health insurance.** Children in families with incomes at or below 300% of the poverty level (\$60,000/year for a family of four) not currently eligible for public programs will become eligible for health insurance through California's Healthy Families Program.

— **Makes it easier for families to enroll their children and keep them covered.** Paperwork will be reduced. Application, enrollment, and coverage renewal processes for health insurance programs will be simplified.

— **Ensures that taxpayer dollars are spent wisely.** A panel of consumers, healthcare providers, health plans, schools, business and labor leaders, and others will provide oversight and accountability.

The Tobacco Tax Act of 2006 is supported by a broad coalition, including the American Cancer Society, American Heart Association, and the American Lung Association. They are sponsoring this initiative because it will help keep kids from starting to smoke. They are also sponsoring this initiative because it provides immediate and tangible solutions to some of California's major health challenges.

The initiative puts in place strict safeguards and audits to ensure that funds go exactly where voters intend. Legislators will not be able to raid the trust funds.

¹ American College of Physicians-American Society of Internal Medicine. *No Health Insurance?: It's Enough to Make You Sick*. American College of Physicians-American Society of Internal Medicine, Philadelphia, November 1999.

² Ibid.

³ B. Shenkman, Healthy Kids Program: Access to Care; Provision of a Medical Home; Quality of Care for Children with Asthma, Institute for Child Health Policy, October 2001; E. Shenkman, Institute for Child Health Policy, Children's Health Insurance Program in Texas: The New Enrollee Survey Report 2003, Texas Health and Human Services Commission, March 2003.

⁴ Federal Register, November 24, 2004 (Vol. 69, No. 226), pp. 68372, at <http://aspe.os.dhhs.gov/health/fmap06.htm>.