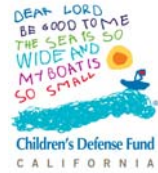




CHILDREN NOW



**For Immediate Release
January 8, 2010**

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Governor Launches Unprecedented Attack on Children's Health Proposed Healthy Families Budget Cuts Puts Health Coverage for Nearly 900,000 Children At Risk

SACRAMENTO – Governor Arnold Schwarzenegger today unveiled a budget proposal for fiscal year 2010-2011 that makes drastic cuts to California's Healthy Families and Medi-Cal programs, which currently provides affordable health coverage for nearly 4.5 million children. On behalf of the state's leading children's advocates, Wilma Chan of Children Now released the following statement responding to the Governor's announcement:

"Governor Schwarzenegger, your proposal to eliminate the Healthy Families Program if an unlikely deal with Washington doesn't materialize, is shameful, reckless, and demonstrates a colossal failure of leadership. These cuts would result in 875,000 children losing health coverage. And the risky financial assumptions in your budget also put the coverage of 3.5 million kids enrolled in the Medi-Cal program in jeopardy.

Insurance can literally mean life or death for children. A recent Johns Hopkins study found that children hospitalized without insurance had a 60% higher mortality rate than those with insurance. If your proposal moves forward, kids in California will die.

Your overall budget proposal relies heavily on receiving additional federal dollars to help address the state's deficit. Yet, your decision to eliminate the Healthy Families program if other federal dollars do not materialize completely undermines that approach. By eliminating Healthy Families, California would leave approximately \$800 million of federal funding on the table.

While you claim that this budget puts children first, it in fact puts the health and well-being of children dead last. It is disingenuous to claim that you are committed to the education of children when your budget proposal will send hundreds of thousands of kids to the ranks of the uninsured. These children will have difficulty learning because of illness or long waits in the emergency room. You can't teach to an empty desk.

We call on California lawmakers to make the wise and responsible choice – the choice a parent would make. We ask California legislators to unite around one clear message: California's children need health coverage now more than ever. The recession continues to cost Californians jobs and health insurance. Your budget is out of touch with the priorities of California's families, and we can not afford to put the health of California's children at risk."

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If you would like to speak to a representative on behalf of children's health, please call Bobby Peña at 916-440-0980 or call one of the organizational representatives listed below. Contact information on next page

The 100% Campaign, a collaborative effort of The Children's Partnership, Children Now and Children's Defense Fund, was created to ensure that all of California's children obtain the health insurance they need to grow up strong and healthy. www.100percentcampaign.org

The PICO California Project is the united effort of 20 California congregation-community organizations affiliated with the PICO National Network. Collectively, we represent 350 congregations and 400,000 families statewide and are actively organizing in over 70 cities in Northern and Southern California www.picocalifornia.org

The California Children's Health Initiatives (CCHI) is a collaboration of local Children's Health Initiatives (CHIs) in 29 counties dedicated to ensuring that all California children have access to quality health care. Together, the CHIs emphasize streamlined enrollment into Healthy Families, Medi-Cal and Healthy Kids insurance programs, and share a goal of creating and maintaining a sustainable health care program for all children in California.

United Ways of California is a state association of local United Ways and is a strong advocate of expanding health coverage to more children in California. United Ways work closely with local community and business leaders, legislators, congressional members and others to promote this achievable and important goal. www.unitedwaysca.org

Children Now

Ted Lempert, President – Contact Ronald Pineda at 510-763-2444 x119 to speak to Ted, or contact Ted directly at 510-763-2444 x155 or 650-245-8166

Wilma Chan, Vice President, Policy – 510-763-2444 x105 or 510-388-7812

Kelly Hardy, Associate Director, Health – 510-763-2444 x126

Children's Defense Fund California

Deena Lahn, Policy Director – 510-663-2984

Cliff Sarkin, Senior Program Associate – 510-663-1294

The Children's Partnership

Wendy Lazarus, Founder and Co-President – Contact Carrie Spencer at 310-260-1220 x12 to speak to Wendy or contact Wendy directly at 310-710-9830

PICO California Project

Rebecca Stark, Acting Director – 916-402-5804

United Ways of California

Judy Darnell, Director of Public Policy – 831-246-3099

California Children's Health Initiatives

Suzie Shupe, Executive Director – 707-527-9213