

★ ARGUMENT IN FAVOR OF PROPOSITION 52 ★

YOUR YES VOTE ON PROPOSITION 52 WILL KEEP A GOOD IDEA WORKING—ONE THAT’S DOING A LOT OF GOOD FOR A LOT OF GOOD PEOPLE WHO NEED THE HELP.

WHAT DOES PROPOSITION 52 DO?

It does two things.

First, it extends the current Medi-Cal hospital fee program that generates more than \$3 billion a year in federal matching funds that would not be available otherwise. This money helps provide Medi-Cal health care services to over 13 million Californians, including:

- 6.7 million children;
- 1.6 million seniors with chronic diseases;
- 4.5 million low-income working families whose wages can’t sustain them; and
- persons with disabilities.

Second, Proposition 52 strictly prohibits the Legislature from using these funds for any other purpose without a vote of the people.

That’s it.

WHO IS BEHIND THIS INITIATIVE AND WHY IS IT ON THE BALLOT?

The Medi-Cal hospital fee program was initially enacted as a bi-partisan program by the Legislature in 2009. It has been renewed three times, but each time there have been attempts to divert the money to some other use. It has been placed on the ballot by California’s over 400 local community hospitals in order to ensure that California continues to receive its fair share of federal matching funds for Medi-Cal in order to serve our most vulnerable citizens and to prevent the diversion of the funds for any other purpose.

WHO IS SUPPORTING PROPOSITION 52?

This Initiative has generated the unprecedented support of virtually all major health care, business, labor, and community organizations throughout the state. It is unlikely that a consensus coalition like this has ever been achieved before. For example, the California Teachers Association, California Building Trades Council, California Professional Firefighters and the Teamsters Union and over 30 local unions have joined with the California Chamber of Commerce, the California Business Roundtable, as well as advocacy organizations for children, seniors and the disabled. Additionally, it has been endorsed by both the state Democratic and Republican parties. In today’s very contentious political environment, this alone is an amazing development.

HOW DOES PROPOSITION 52 IMPACT CALIFORNIA TAXPAYERS?

This measure GENERATES OVER \$3 BILLION IN AVAILABLE FEDERAL FUNDS WITH NO STATE COST TO CALIFORNIA TAXPAYERS.

By extending the current state Medi-Cal hospital fee the state will continue to receive more than \$3 billion a year in available federal matching funds for Medi-Cal. Without it, the shortfall will cause some community safety net hospitals to close.

Please VOTE YES ON PROPOSITION 52 TO KEEP A GOOD IDEA WORKING—THAT’S DOING A LOT OF GOOD FOR A LOT OF GOOD PEOPLE.

- C. DUANE DAUNER**, President
California Hospital Association
- THERESA ULLRICH**, MSN, NP-C President
California Association of Nurse Practitioners
- DEBORAH HOWARD**, Executive Director
California Senior Advocates League

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★ REBUTTAL TO ARGUMENT IN FAVOR OF PROPOSITION 52 ★

PROP. 52 DOESN’T HELP ANYONE BUT HOSPITAL CEOs AND LOBBYISTS.

PROP. 52 IS A BAIT-AND-SWITCH: The money it claims to provide for children and seniors? They already get that money. California law *already provides* the more than \$3,000,000,000 in funding for healthcare services. Prop. 52 won’t change that.

What Prop. 52 really does is change our Constitution to *permanently remove* any accountability, oversight, or guarantee that the \$3,000,000,000 be spent on healthcare by these CEOs and their lobbyists.

Why are they spending tens of millions on Prop. 52? Because they keep getting caught misusing our money:

- Hospital corporations profiting from Prop. 52 have been fined hundreds of millions of dollars for *fraudulent, unnecessary, or excessive Medi-Cal or Medicare billing*.
- Other hospital CEOs took those tax dollars meant for the poor and elderly and spent them on luxury car

leases, country club memberships, and multi-million dollar salaries for executives.

- Hospital CEOs sponsoring Prop. 52 make as much as \$153,000 EVERY WEEK.

All Prop. 52 does is remove any accountability or oversight on the very CEOs who have committed fraud and wasted precious tax dollars on luxury perks for themselves.

Don’t get fooled by this complicated, unnecessary change to our Constitution. It is a special interest trick designed to eliminate oversight of greedy hospital CEOs and their lobbyists—at the expense of taxpayers and vulnerable Californians.

VOTE NO ON PROP. 52

www.NoOn52.com

- VIRGINIA ANDERS-ELLMORE**, Nurse Practitioner
- MICHELLE ROSS**, Healthcare Worker
- JOVITA SALCEDO**, Medi-Cal Beneficiary

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“Our health care dollars should be treating patients, not funding lavish perks for millionaire CEOs. *Prop. 52 takes resources from patients and communities and siphons it into the pockets of rich special interests, with no oversight, no accountability, and no guarantee it is even spent on health care.* That’s wrong and makes nurses’ and doctors’ jobs harder.”—*Virginia Anders-Ellmore, Nurse Practitioner*

- *Prop. 52 gives hospital CEOs a check worth more than \$3 billion—with no strings attached, no oversight, and no requirement the money is spent on health care.*
- *Prop. 52 gives more than \$3,000,000,000 to the same CEOs already being paid millions and using our tax dollars for perks like luxury car leases and golf fees, with zero accountability.*
- *Prop. 52 is great for hospital CEOs and their lobbyists, but bad for patients, low-income women and children, seniors, and veterans.*

The wealthy hospital CEOs and their lobbyists are spending millions—including our tax dollars—to trick you into believing Prop. 52 helps Medi-Cal patients. It doesn’t. It hurts the people who need it most and only helps hospital lobbyists and their overpaid CEOs.

This is what it really does:

- *Prop. 52 frees hospital CEOs and lobbyists from any oversight or accountability for how they spend the \$3,000,000,000 of taxpayer dollars they receive to treat low-income residents.*
- *Forces the state to give billions in federal low-income health care benefits to hospitals with no oversight, no accountability, and no guarantee it will be spent on health care at all, let alone health care for low-income women, children, and seniors.*
- *These same CEOs and lobbyists have spent millions intended for low-income health care on overpriced*

CEO salaries, luxury boxes at sporting events, country club memberships, payments to Wall Street investors, and other perks.

Here is what advocates for low-income patients say:

“This initiative takes money from needy Californians and gives it to rich millionaires instead, with no oversight and no requirement it be spent on health care for poor people, or even health care at all. Our healthcare system is already broken—and this no-strings attached money grab by rich CEOs will only make it worse.”—*Michelle Ross, Healthcare Worker*

“I’m already struggling to make ends meet and can’t afford to take my children to the doctor. Now they want to take what little I have and give it to the special interests and corporations who run for-profit hospitals, no questions asked.”—*Jovita Salcedo, Medi-Cal Patient*

The corporate-funded California Hospital Association wrote Prop. 52 in order to permanently guarantee more than \$3,000,000,000 of our federal and state health care dollars go to them no matter what, *with no oversight and no guarantee it be spent on health care.*

It rigs the system in favor of corporations and millionaires and hurts low-income women, children, and seniors. It eliminates oversight of how this \$3,000,000,000 in our tax money is spent and asks us to trust the CEOs and lobbyists instead.

We need more oversight of CEOs, not less.

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What Proposition 52 IS . . . and what it’s NOT.
Prop. 52 is about providing access to Medi-Cal health care services for children, seniors and low-income families.

It simply EXTENDS the CURRENT state Medi-Cal hospital fee that generates over \$3 billion a year in federal matching funds that pay for that care.

Proposition 52 IS NOT ABOUT COMPENSATION OR SALARIES.

Who is FOR Proposition 52 . . . who is AGAINST?

Go to www.YesProp52.org for the entire list of nearly 1,000 supporters, but here is a representative sample: California Hospital Association; California Teachers Association; California Chamber of Commerce; California Building Trades Council; California State Association of Counties; California Labor Federation; the California Business Roundtable; California Professional Firefighters; as well as advocacy organizations for children, seniors and the disabled.

There is ONLY ONE SMALL ORGANIZATION FUNDING OPPOSITION TO 52. Its representative testified to

lawmakers that the LEGISLATURE SHOULD HAVE THE POWER TO DIVERT HEALTH CARE DOLLARS to other purposes.

We vigorously disagree.

Proposition 52, PROHIBITS THE LEGISLATURE FROM DIVERTING these funds to any other purposes WITHOUT a VOTE OF THE PEOPLE.

Medi-Cal has been caring for Californians for over 50 years. Today over thirteen million are touched, cared-for, healed and made healthier because of Medi-Cal and it’s made stronger by a good idea that’s working.

That good idea is Proposition 52.

Please vote YES on 52.

ANN-LOUISE KUHNS, President
California Children’s Hospital Association
GARY PASSMORE, Vice President
Congress of California Seniors
DR. SHANNON UDOVIC-CONSTANT, Trustee
California Medical Association