



NJ For Health Care Press Conference

Monday, March 8, 2010 ~ 10:45 AM ~ Statehouse Room 109
Opposing Cuts to NJ FamilyCare and Charity Care

Statement of Eve Weissman, Health Care Campaign Coordinator

Good morning. My name is Eve Weissman. I am the Health Care Campaign Coordinator for NJ Citizen Action, the State's largest, independent citizen watchdog organization representing over 60,000 families and over 100 affiliated organizations across the State. I am also here on behalf of the NJ For Health Care coalition, a broad-based alliance of over 70 health care, consumer, senior, student, disability, women's, labor, faith-based, civil rights and social justice organizations representing over 2 million NJ residents, working to bring guaranteed, high quality, affordable health care to all.

We are joined here today by NJ State Senators Loretta Weinberg (D-37) and Joseph Vitale (D-19) and Assemblyman Albert Coutinho (D-20) to oppose cuts to critical health care programs Governor Chris Christie is unilaterally imposing through Executive Order. NJ FamilyCare and Charity Care are critical health care programs that serve middle and low income families, including some of our state's most vulnerable residents. Particularly in these extremely difficult economic times when the needs of our state's families are increasing, now is not the time to cut these programs particularly when these cuts will create more costs for the state than these cuts save.

NJ FamilyCare provides affordable, quality health insurance for income eligible children and parents. Since its inception it has served as a model program for the nation and currently provides coverage for over 580,000 children and over 200,000 adults in our state. Yet there are still 1.3 million New Jerseyans without coverage.

Governor Christie's proposal to cap parent enrollment, and effectively change the law to dump current and disqualify future legal immigrant adults from enrolling in NJ FamilyCare is bad health policy and bad fiscal policy. On the health side it's simple: hard-working people and their children die from lack of health insurance. On the fiscal side it isn't much more complicated. NJ FamilyCare is part of the federal State Children's Health Insurance Program which is funded through a 65% federal funding match. Because of this high matching rate, every one dollar cut in state funds in FamilyCare results in a loss of \$4.2 in business activity. Therefore, cutting this program costs NJ more than it saves.

We know, through painful past experience that closing the FamilyCare door on parents hurts kids. In 2002 when enrollment of parents was also closed under a previous administration, this caused 45,000 fewer children to be enrolled in FamilyCare over a four-year period with an attendant loss of \$1.2 billion in federal funds. Over this same period Charity Care costs increased by \$750 million.

Governor Christie also plans to slash Charity Care dollars effectively completing a one two punch for the uninsured. Not only will fewer children and their parents get access to affordable health insurance, (at a time when we need it most), cutting Charity Care will result in less services for the uninsured, more hospitals closing their doors and increases on top of the already skyrocketing costs to those of us who are fortunate enough to have health insurance and subsidize care for those who don't.

Like cutting FamilyCare, cutting Charity Care is penny wise but pound foolish. Charity Care also receives federal matching funds. Governor Christie's 4.2% cut in Charity Care is really an 8.4% reduction in real dollars for the program.

No one is more acutely aware of our troubled economic times than the folks we represent – hard working men and women who go to work every day, who are raising families, putting food on the table, struggling to keep a roof over their heads, saving to send kids to college, taking care of parents, putting gas in the car and trying to maintain heat in their homes. For those hard working low and moderate income men and women, the struggle to maintain a decent quality of life in the face of this great recession is even more difficult.

We call on the Governor and State Legislature to stop cuts to NJ FamilyCare and Charity Care.