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## **LHPC Statement on Gov. Newsom’s Revised Budget And MCO Tax Proposal**

**SACRAMENTO, CA** -- Following the release of Governor Newsom’s [revised 2023-24 budget](#), Local Health Plans of California CEO Linnea Koopmans released the following statement:

“The revised budget proposal reinforces the importance of the MCO Tax in securing crucial resources that provide an opportunity to strengthen access to quality care for some of the most vulnerable people in California.

“California has made incredible strides in expanding coverage and is in the early stages of transforming how we care for the whole person, but the success of this growth relies on efforts to prevent the system of care from buckling as a result of low reimbursement rates.

“Medi-Cal reimbursement rates present challenges in bringing more providers into the system. The MCO Tax renewal is an opportunity to bolster rates and move us closer to CalAIM’s policy goals of access, quality and equity.

“In the coming weeks, LHPC looks forward to working with our provider partners, the Legislature and the Administration to find the right balance to ensure the health care needs of nearly 40 percent of the state population are met.”

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About [LHPC](#)

Local Health Plans of California (LHPC) is a statewide trade association that represents all 16 of the community-based, not-for-profit health plans that provide access to critical and comprehensive healthcare services for low-income populations enrolled in California's Medicaid program, "Medi-Cal," in 36 out of 58 counties in the state. With over 9.3 million enrollees, our plans serve approximately 70 percent of all Medi-Cal managed care beneficiaries. LHPC member plans cover more lives than 49 other states' entire Medicaid programs. More [here](#).