

# Medi-Cal Managed Care: Economic Snapshot

## Medi-Cal Contributes to a Healthy California Economy

**Every dollar invested in Medi-Cal creates ripple effects far beyond the doctor's office.** It sustains jobs, stabilizes families, and fuels local economies — from helping a restaurant worker stay healthy enough to keep working, to enabling older adults to remain in their communities.

Medi-Cal Managed Care Plans (MCP) are central to this impact — **keeping clinics and hospitals open, especially in rural and underserved areas**, and building partnerships that strengthen both community health and the economy.

## Health Care Jobs: Powered by Medi-Cal

- Medi-Cal accounts for ~15% of the state's general fund spending (FY 2021-22), sustaining millions of well-paying jobs.
- Over 3 million Californians work in health care and social assistance (16.5% of the workforce, up from 14% in 2019).
- By contracting with providers, vendors, and community organizations, MCPs generate tax revenue and help keep small businesses afloat.
- Every \$1 spent creates a multiplier effect — directly supporting health care jobs and indirectly sustaining jobs in related industries and local businesses.

When Medi-Cal funds a doctor's visit or pays a home health aide, that payment supports a job. That job strengthens local economies.

## Where Californians Work in Health Care

**1 million+**  
in Ambulatory Health Care Services

**440,000+**  
in Hospitals

**345,000+**  
in Nursing & Residential Care Facilities

## Keeping Providers' Doors Open

In many rural and underserved areas, Medi-Cal funding is the difference between a local clinic staying open or shutting down. Managed Care Plans protect both access to care and the economic stability of communities where health systems are top employers.

## Healthy Communities, Stronger Economies

**Medi-Cal Managed Care Plans address the root causes of poor health while driving local economic benefits:**

- Enhanced Care Management and Community Supports tackle housing instability, food insecurity, and mental illness.
- Services are cost-effective — reducing ER visits, preventing hospitalizations, and avoiding costly long-term care — all while creating local jobs.
- Nearly 1 in 5 California workers are covered by Medi-Cal.
- 2 in 3 nondisabled, nonelderly adults in Medi-Cal work — keeping the workforce healthy, productive, and stable.
- Medi-Cal stabilizes businesses reliant on part-time or minimum-wage workers by ensuring employees have consistent health coverage.

## Why This Matters Now

Recent state and federal budget cuts threaten to reverse more than a decade of progress in expanding access to care and helping to stabilize California's economy. Protecting Medi-Cal Managed Care means:

- Preserving millions of jobs statewide
- Keeping hospitals and clinics open in vulnerable areas
- Maintaining cost-effective, community-based services that provide whole person care and improve health outcomes
- Protecting the economic stability of working families, small businesses, and local economies

Since 2022, 368,400+ Medi-Cal members have received Community Support services such as housing navigation, medically tailored meals, asthma remediation, assisted living transitions, and more.

