



June 5, 2018

The Honorable Jim Wood, Chair
Assembly Health Committee
State Capitol, Room 6005
Sacramento, CA 95814

Subject: Support – SB 1125 (Atkins) Federally Qualified Health Center and Rural Health Clinic Services

Dear Chairman Wood,

On behalf of the members of the California Association of Public Hospitals and Health Systems and the millions of patients they serve, I am writing to voice our support for SB 1125. This bill would allow safety-net health clinics to be paid appropriately for follow-on mental health and dental visits provided on the same day as a medical visit.

As you know, California's 21 public health care systems play a central role in the state's safety net and health care landscape, delivering care to all who need it, regardless of ability to pay or circumstance. Though just six percent of all California hospitals statewide, they serve 2.85 million Californians each year, provide 35 percent of all hospital care to the Medi-Cal population in our communities, and provide nearly 40 percent of all hospital care to the state's uninsured residents. They also serve hundreds of thousands of Californians as their chosen source for primary, specialty, and hospital care. To a large extent, their patient population has complex and multiple medical needs. Filling their significant and multiple roles, public health care systems have a profound impact on the health care and health of millions of Californians.

Public health care systems also operate a number of federally qualified health centers (FQHCs), which are critical to their delivery systems and allow our members to meet the ambulatory care needs of their patients. Medi-Cal reimburses FQHCs using the Prospective Payment System, which pays only once for any number of services provided to the same patient on the same day. This rule has historically limited the capacity of these clinics to expand to provide behavioral health services on a co-located basis, even though providing more diagnostic and preventative behavioral health care in or near the primary care setting is a vital ingredient to improving health outcomes and alleviating California's ongoing mental health crisis. SB 1125 would allow clinics, on a voluntary basis, to apply to the Department of Health Care Services to recalculate their rates counting mental or dental visits separately. After this reapplication, they could be reimbursed appropriately for all medical, mental, and dental visits, fostering patient access, well-being, and functioning.



For these reasons, we support SB 1125. We would be pleased to further discuss our position with you and answer any questions you may have. Please contact Terri Thomas, our Sacramento representative, at 916-325-1010 if you would like to follow-up. Thank you for your consideration.

Sincerely,

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cc:

The Honorable Toni Atkins
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