



February 7, 2019

The Honorable Toni Atkins  
Senate President Pro Tempore  
State Capitol, Room 205  
Sacramento, CA 95814

**Subject: Support – SB 66 (Atkins) Medi-Cal: Federally Qualified Health Center and Rural Health Clinic Services**

Dear Senator Atkins,

The California Association of Public Hospitals and Health Systems (CAPH) is pleased to co-sponsor—along with the California Primary Care Association (CPCA) and the Steinberg Institute—Senate Bill 66. This bill would allow safety-net health clinics to be paid appropriately for mental health services 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 66 would allow clinics, on a voluntary basis, to apply to the Department of Health Care Services to recalculate their rates, counting mental health visits separately. After this reapplication, they could be reimbursed appropriately for all medical, mental, and dental visits, fostering improved patient access and well-being. By creating this additional flexibility, public health care systems and other clinic partners will have opportunities to expand mental health and other services, more effectively meeting the needs of their patient populations.



For these reasons, we support and are proud to cosponsor SB 66. We would be pleased to discuss further with you and answer any questions you may have. Please contact myself or Kelly Brooks-Lindsey, our Sacramento representative, at (916)272-0011 if you would like to follow-up. Thank you for your consideration.

Sincerely,

Sarah Hesketh  
Vice President of External Affairs  
510.874.7113  
[shesketh@caph.org](mailto:shesketh@caph.org)

cc: Marjorie Swartz, Policy Consultant, Office of President Pro Tempore Toni G. Atkins  
Kelly Brooks-Lindsey, Hurst Brooks Espinosa