



June 4, 2018

The Honorable Philip Ting  
Chair, Budget Conference Committee  
Capitol Office, Room 6026  
Sacramento, CA 94249-0019

The Honorable Holly Mitchell  
Vice Chair, Budget Conference Committee  
State Capitol, Room 5080  
Sacramento, CA 95814-4900

**Subject: Support – Budget Allocation for Same-Day Billing for Medical and Behavioral Health Services (HHS 32)**

Dear Chair Ting and Vice-Chair Mitchell,

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 the Senate approved budget allocation that would allow safety-net health clinics to be paid appropriately for mental health visits provided on the same day as a medical visit. This proposal would support the implementation of SB 1125 (Atkins) and enable safety-net health clinics to be paid for mental health 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 operate a number of Federally Qualified Health Centers and 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.

Federally Qualified Health Centers and Rural Health Clinics are fundamental to the health care safety net. Medi-Cal reimburses these clinics 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. Appropriating this funding 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 medical and mental health care, fostering patient access, well-being, and functioning.



For these reasons, we support the Senate's allocation in the Budget Act of 2018. 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,

Sarah Hesketh  
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cc:

The Honorable Toni Atkins, President pro tempore  
The Honorable Anthony Rendon, Speaker  
The Honorable Dr. Joaquin Arambula  
The Honorable Richard Bloom  
The Honorable Rocky Chavez  
The Honorable Jay Obernolte  
The Honorable Nancy Skinner  
The Honorable Richard Roth  
The Honorable John M.W. Moorlach  
The Honorable Jim Nielsen  
Andrea Margolis, Assembly Committee Consultant  
Alex Khan, Assembly Republican Consultant  
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