



June 13, 2022

The Honorable Jim Wood
Chair, Assembly Health Committee
1020 N Street, Room 390
Sacramento, CA 95814

Subject: Support – SB 1033 (Pan): Demographic data – Commercial Coverage

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 1033, which would require commercial health plans to assess the cultural, linguistic, and health-related social needs of their members. Additionally, SB 1033 would require the Department of Managed Health Care to establish and enforce standardized categories for demographic data and develop technical assistance to promote best practices in data collection.

As you know, California's 21 public health care systems are the core of the state's health care safety net, delivering high-quality care to more than 3.7 million patients annually, regardless of ability to pay or insurance status. Although they represent just six percent of all California hospitals statewide, they provide over 40 percent of all hospital care to the state's uninsured and nearly 40 percent of all hospital care to the Medi-Cal population. Public health care systems primarily serve individuals from underrepresented communities, including persons of color, individuals experiencing financial hardship or homelessness, and individuals with complex social and medical needs. Nearly 60 percent of patients served at public health care systems identify as persons of color, and many report a primary language other than English. Given the patient population served, public health care systems play multiple significant roles in their communities and have a profound impact on the health and health care of millions of Californians.

As core safety net providers, public health care systems are deeply committed to addressing health inequities. We were among the first in California to adopt value-based payments tied to reducing racial and ethnic disparities in care and led the way in collecting standardized, detailed race, ethnicity, preferred language, sexual orientation, and gender identity (REAL/SOGI) data. In California's prior Medicaid 1115 waiver, through the PRIME program, public health care systems collected complete REAL data for an additional 409,200 individuals and SOGI data for an additional 394,000 individuals. Systems also stratified this data to identify disparities and were required to make progress in closing gaps. Our work continues under the Quality Incentive Program, a program in Medi-Cal managed care, which links payment to reductions in health disparities and requires systems to report stratified race and ethnicity data for priority health measures.

Throughout these efforts, public health care systems have worked closely with health plans to align incentives for collecting accurate REAL/SOGI data at the provider and plan levels. Unfortunately, health plan data collection varies substantially, with commercial coverage lagging far behind both Medi-Cal and

Medicare.¹ SB 1033 would bring commercial plans into closer alignment with public plans and providers by establishing a requirement to meet national health equity accreditation and to utilize best practices for the collection and reporting of demographic and health-related social needs data. These requirements would support efforts to identify and eliminate health disparities, improve health care quality and outcomes, and strengthen population health.

It is for these reasons that we support SB 1033. We would be pleased to further discuss our position with you and answer any questions you may have. Please contact 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
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cc: The Honorable Richard Pan
The Honorable Members of the Assembly Health Committee
Kristene Mapile, Consultant, Assembly Health Committee
Gino Folchi, Consultant, Assembly Republican Caucus
Kelly Brooks-Lindsey, Hurst Brooks Espinosa

¹ “Health Equity and Social Determinants of Health in HEDIS: Data for Measurement,” NCQA Issues Brief, June 2021. https://www.ncqa.org/wp-content/uploads/2021/06/20210622_NCQA_Health_Equity_Social_Determinants_of_Health_in_HEDIS.pdf