



March 22, 2023

The Honorable Susan Talamantes Eggman
California State Senate
1021 O Street, Suite 8530
Sacramento, CA 95814

Subject: SB 282 (Eggman) – Co-sponsor

Dear Senator Eggman,

The California Association of Public Hospitals and Health Systems is pleased to co-sponsor, along with CaliforniaHealth+ Advocates, SB 282. This bill would allow California's safety net clinics to be paid appropriately for mental health services provided on the same day as a physical health visit, creating additional opportunities to expand mental health services and help address our state's mental health crisis.

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. Public health care systems include both county-operated and -affiliated facilities, as well as the five University of California medical centers. Statewide, public health care systems employ 85,000 workers, provide nearly 40 percent of all hospital care to persons who are uninsured, and 35 percent of all hospital care to persons covered by the Medi-Cal program in the communities they serve.

Many public health care systems operate an extensive network of Federally Qualified Health Centers (FQHCs) to meet the ambulatory care needs of their patients. Medi-Cal reimburses FQHCs via the Prospective Payment System (PPS), which limits reimbursement to one visit per day, unless the second visit is dental related. Consequently, FQHCs cannot bill for a physical health visit and a mental health visit on the same day. This policy forces FQHCs to absorb the costs of providing physical and mental health visits on the same day or make patients return on a different day, which often results in missed appointments and patients going without needed care. It has historically limited the capacity of clinics to expand 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 282 would allow FQHCs to be reimbursed appropriately for physical health and mental health visits, fostering improved access for patients. By creating this additional flexibility, public health care systems and other clinic partners will have opportunities to

expand mental health services, further integrate their care delivery, and more effectively meet the needs of their patients.

For these reasons, we are proud to co-sponsor SB 282, and we thank you for your leadership in authoring this important legislation.

Please contact Kelly Brooks-Lindsey, our Sacramento representative, at 916-753-0844 if you would like to follow-up. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Erica B. Murray", with a long horizontal flourish extending to the right.

Erica B. Murray
President and CEO
California Association of Public Hospitals and Health Systems

cc: The Honorable Members of the Senate Health Committee
Jen Flory, Principal Consultant, Senate Health Committee
Joe Parra, Policy Consultant, Senate Republican Caucus