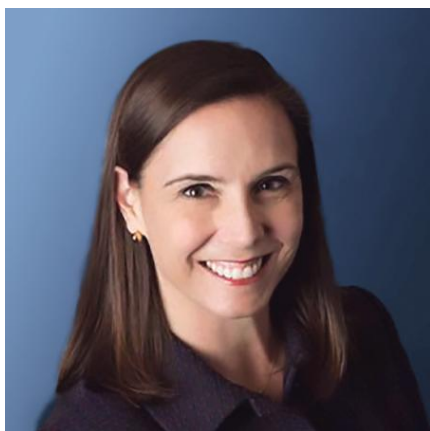


April 4, 2025 - President's Message

Dear Public Health Care System Leaders,

This week, we had the honor of joining many of you at the State Capitol for Lobby Day, an important opportunity to come together and amplify the voices of California's public health care systems. I want to extend my heartfelt thanks to those who joined us for taking time away from your critical work at home to maintain and deepen your relationships with elected officials. These conversations are a crucial piece of our collective advocacy.

Our message to lawmakers was clear and focused. We emphasized the urgent need for:

Protecting Medi-Cal from devastating federal cuts to public health care systems and the patients you serve;
Upholding coverage for all Californians, regardless of immigration status; and
Supporting the Office of Health Care Affordability's goals, while flagging some concerns. Together, 20 of you participated in more than 50 legislative meetings. The stories and perspectives you shared helped connect policy to the people behind it.

Lobby Day is just one day—but it reflects the deep and ongoing work you do every day to deliver high-quality, equitable care to the people of California. Thank you for your continued partnership in this work.

Sincerely,

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

State**Office of Health Care Affordability**

The [Health Care Affordability Board met last month](#) to continue discussions on the Office of Health Care Affordability's (OHCA's) [high-cost hospital target proposal](#). Under the current proposal, no public health care systems are classified as high cost; however, CAPH is closely monitoring for any potential changes. During the meeting, the Board signaled an openness for OHCA to consider incorporating a narrow exclusion for small hospitals from being subject to the high-cost hospital target and encouraged continued exploration of alternative measurement approaches for health systems. CAPH plans on submitting comments on the high-cost hospital target proposal by the April 11 deadline. The Board must vote on the high-cost hospital methodology and target(s) by June 1 for the policy to be effective for 2026, with a vote expected at either the April 22 or May 27 meeting.

The meeting also included presentations from state leaders in Massachusetts and Oregon on their respective health care benchmark programs, and staff from the Department of Health Care Access and Information provided an update on the California's new health care payments database.

CDPH Issues AFL on Medi-Cal Doula Benefit and Recommendations for Hospital Visitation Policies

On March 24, the California Department of Public Health (CDPH) issued an [All Facilities Letter](#) (AFL) 25-13, providing hospitals guidance on supporting the Medi-Cal doula benefit and recommending updates to patient visitation policies and procedures that foster a positive birthing environment. The letter encourages hospitals to review and update their visitation policies to explicitly address doulas, ensure visitation policy FAQs are easily accessible to patients, and provide staff-wide training on these policies to promote consistent implementation.

EMSA Releases Emergency Regulations to Implement AB 40 and Address Ambulance Offload Delays

On April 1, the Emergency Medical Services Authority (EMSA) released [emergency regulations](#) to implement Assembly Bill 40 (2023), designed to address prolonged ambulance patient offload times. The regulations are subject to a five-day public comment period, with comments due to the Office of Administrative Law by April 5. The California Hospital Association plans to submit comments on behalf of the hospital industry. If approved, the emergency regulations will take effect immediately, followed by a formal rulemaking process expected to occur within six to 12 months.

DHCS Will Convene Prop 35 Advisory Committee Meeting on April 14th to Guide Funding Implementation

Proposition 35, which was approved by California voters in November 2024, will make permanent a tax on managed care organizations (MCOs) initially set for a three-year term under the 2023 Budget Act. It also mandated a dedicated spending plan for a significant portion of MCO tax revenue, primarily aimed at increasing specified Medi-Cal provider rates. As part of the process to implement, the Department of Health Care Services (DHCS) is required to consult with a stakeholder advisory committee. DHCS will hold the first meeting of the Proposition 35 “Protect Access to Health Care Act” Stakeholder Advisory Committee on April 14, from 11:30 a.m. to 3:30 p.m. The meeting is open to the public and will be held virtually; registration is now available. Tam Ma with the University of California Office of the President has been appointed to represent public and private hospitals on the advisory committee.

DHCS has also released a fact sheet on the Managed Care Organization (MCO) tax, available on the [DHCS website](#).

Resources

Share Your Stories – Show the Impact of Public Health Care Systems

Public health care systems are lifelines in our communities—and your stories help show why continued investment in them matters.

We’re calling on our members to share patient stories that reflect the powerful, real-world impact of your work. Whether it’s a life saved, a family supported, or a community uplifted, these stories help illustrate why public health care systems are essential—and why they deserve strong, sustained funding.

Have a story to share—or one we can help bring to life?

We’d love to partner with you to spotlight the vital role your system plays in the lives of patients and communities every day.

Reach out to [Claudia Coons](#) to get started.



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