

March 21, 2025 - President's Message

Dear Public Health Care System Leaders,

Last week's passage of the continuing resolution gives us a brief reprieve, but our work is far from over. As we turn our focus back to budget reconciliation, we must remain steadfast in our advocacy to protect Medicaid —because for our patients, these dollars mean access to care, stability, and dignity.

I want to give a special shout-out to the team at Arrowhead Regional Medical Center who created a moving example of advocacy in action. Their “I Matter” video beautifully captures the voices of Medi-Cal beneficiaries whose lives have been touched by the care they receive at a public health care system. It's a powerful reminder that our hospitals do more than treat illnesses—we restore hope, ensure equity, and serve as a critical lifeline for millions.

**Now, we need more stories.**

The reality is simple: the more we highlight Medicaid's impact through real patient experiences, the stronger our advocacy becomes. These stories are a reminder to decision-makers that their choices are not made in a vacuum—they have real consequences for real people. As we engage with policymakers in the coming weeks, we want to amplify the voices of those who rely on the care you provide every day. We must make them understand what is truly at stake.

I encourage each of you to consider following Arrowhead's lead—whether through a short

video, patient testimonials, or social media content that brings their stories to life. If you already have patient stories to share, please send them our way. We will make sure they are seen, heard, and used to fight for the funding that keeps our hospitals strong.

Your work changes lives. Let's make sure those stories are told.

With gratitude,

Erica Murray

President & CEO

California Association of Public Hospitals & Health Systems

State

State Legislation Update

The Assembly and Senate Health Committees have begun the hearings on bills introduced this session. CAPH is reviewing legislation and engaging with members for feedback on specific bills. We will share a legislative update soon, with ongoing updates throughout the year.

State Lobby Day: April 1-2, 2025

CAPH invites members to participate in State Lobby Day, taking place on April 1-2, 2025, in Sacramento. This is an opportunity to engage with state legislators, including newly elected members and key committees as we collectively work to educate state lawmakers on the potential impact of proposed Medicaid changes on public health care systems, and to share background on the Office of Health Care Affordability (OHCA). To confirm your attendance, please contact [Andrea Rivera](#) by March 11.

DHCS Reaffirms Medi-Cal's Coverage of Community Supports Following CMS' Recession of HRSN Guidance

Following the Centers for Medicare and Medicaid Services (CMS)' recent rescission of prior guidance on health-related social needs, the Department of Health Care Services (DHCS) released [a statement](#) confirming that existing approvals, including California's 1115 waivers supporting Community Supports, remain unaffected. DHCS will continue implementing CalAIM and Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment, which help deliver these services.

HCAI Releases Resources to Support AB 1204 Compliance

The Department of Health Care Access and Information (HCAI) has released a [Hospital Equity Toolkit](#) to support hospitals complying with health equity reporting requirements under Assembly Bill 1204. This legislation mandates hospitals to submit annual reports on patient access, quality, and outcomes—broken down by race, ethnicity, language, disability status, sexual orientation, gender identity, and payer—along with plans to address disparities among underserved populations. The first report is due September 30.

The toolkit offers guidance on collecting demographic and health-related social needs data to better patient diversity, inform equitable care, and support the development of equity plans that reduce disparities and promote fair distribution of resources and services. To further support hospitals in meeting these requirements, HCAI plans to offer technical assistance sessions and has launched a [survey](#) to identify key areas where additional support is needed. The California Hospital Association's [Hospital Quality Institute](#) (HQI) is also offering services to assist hospitals in completing the required report.

CDII Releases Final DxF Roadmap with Stakeholder Input

The Center for Data Insights and Innovation (CDII) has released the [final Data Exchange Framework \(DxF\) Roadmap](#), incorporating stakeholder feedback from last fall. The roadmap outlines California's data exchange priorities and milestones through 2027, including stronger alignment with federal standards and the Trusted Exchange and Common Agreement. It also includes plans to establish a governance structure for the DxP, an addition supported by CAPH in earlier comments.

CAPH remains concerned about the lack of emphasis on DxF security oversight and protections, which are not addressed in the final roadmap.

Federal

Final Action on the Continuing Resolution

On the evening of March 14, Congress passed a Continuing Resolution (CR), narrowly avoiding a federal government shutdown. While Senate Minority Leader Chuck Schumer had previously stated that Senate Democrats would not support the House-passed version, he and other Senate Democrats ultimately voted in favor due to concerns over the risks and long-term impacts of a shutdown.

While seen as a political win for Republicans and a point of tension among Democrats, the final CR included important wins for public health care systems. It delayed Medicaid DSH cuts, which were originally set to begin in April, through September 30, 2025, and extended current Medicare telehealth flexibilities through September, preserving access to care and preventing the cancellation of telehealth appointments across California.

Federal Judge Blocks Attempt to Cut Grants for Gender-Affirming Care

On March 4, a federal judge in Baltimore issued a temporary injunction, which states that federal agencies could not condition, withhold or terminate federal grants because a healthcare entity or health professional provides gender affirming medical care to a patient under the age of nineteen. This will continue while a broader lawsuit around the executive order seeking to restrict gender affirming care continues to be heard by the courts. CAPH will continue to monitor developments on this and keep members informed of any updates.

Resources

Apply Now: CHCH

Applications are now open for the next cohort of California Health Care Foundation (CHCF) Leadership Program. Designed for clinicians, this program helps participants build leadership skills to drive health care improvement in a competitive, complex environment. Since 2001, over 700 health professionals have completed the CHCF Health Care Leadership Program and joined a robust alumni network of collaborative leaders.

Deadline to apply is May 23, 2025.

Apply [here](#), or [visit the CHCF](#) website to learn more.

Coverage Ambassadors Webinar – March 25

Join DHCS on March 25, from 11a.m. to 12 p.m. for a Coverage Ambassador webinar. The session will cover health care options and updates to Medi-Cal. Advance registrations is required, register [here](#) to attend.

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