

April 11, 2023

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

Re: AB 1612 (Pacheco) Support

Dear Assemblymember Wood:

On behalf of Health Center Partners of Southern California (HCP) and its' members, I write in **SUPPORT of Assembly Bill 1612 (Pacheco).** 

HCP, a family of companies, includes a 17-membership organization of Federally Qualified Health Centers (FQHCs), Indian Health Services Organizations, and Planned Parenthood of the Pacific Southwest, collectively serving 720,000 patients each year, for 3.2 million patient visits, at 190 practice sites across San Diego, Riverside, and Imperial counties, with the seventh largest provider group in the region. HCP member organizations employ over 8,000 valuable health care professionals across the region.

California's Community Health Centers (CHCs) provide high-quality, comprehensive care to 7.2 million people or 1 in 5 Californians. As a critical component to California's health care delivery system, CHCs provide quality health care services to low-income individuals and families who are often uninsured, underinsured and living in health care deserts in underserved communities.

To operate in California, CHCs must be licensed as primary care clinics (PCCs) by the California Department of Public Health. As part of the PCC licensing requirements, CHCs must also comply with OSHPD 3 building standards as set by The Department of Health Care Access and Information (HCAI), and the California Building Standards Commission. OSHPD 3 building standards apply to PCCs, CHCs, as well as to clinical services at general acute care hospitals. Incorrectly so, the existing statute links the requirements for hospital clinics to the requirements for PCCs including CHCs. However, hospital clinics and PCCs provide different services. PCCs only provide outpatient services, whereas hospital clinics are allowed to provide up to 25% of their care as inpatient services.



Decoupling construction requirements for hospital clinics and PCCs is not a novel concept. Private physician offices and county clinics currently operate outside of the hospital-based construction requirements, without any documented risk to public health and safety or environmental protections. Statutory language is the only barrier for HCAI to modify PCC standards to align with other similar outpatient clinic settings and acuity levels. PCCs only provide outpatient care; therefore, their facilities should not be held to hospital clinic construction requirements, which are tailored to address the higher acuity needs of inpatient services allowed for hospital-based clinics.

AB 1612 will streamline licensing and building standard requirements for CHCs, while continuing to protect the health and safety of patients. This bill will update the construction and building standards for outpatient CHCs. However, existing law requires that any new such facilities follow heightened requirements - equivalent to those of hospital clinics - even though any new such facilities would not provide inpatient services. AB 1612 would allow PCCs to acquire and operate existing outpatient facilities or build new outpatient clinics without the additional and unnecessary burden of standards typically associated with hospital type facilities.

Furthermore, current building standards create an undue financial burden for PCCs and act as a deterrent to expanding vital health care services and establishing new clinic sites in new service areas. Removing such mis-associated licensing and building requirements is critical to increasing patient access - AB 1612 will do this.

AB 1612 ensures CHCs will successfully meet rising operational costs, support a thriving workforce, and continue providing innovative, quality, patient-centered, equitable care to their 7.2 million Medi-Cal members. Health Center Partners of Southern California strongly supports AB 1612 (Pacheco) and respectfully requests your 'AYE' vote on this critical legislation.

Sincerely,

Henry N. Tuttle

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President and Chief Executive Officer