

MEMBER BULLETIN

OCTOBER
2018

Submitted By:
Vernita Todd, Chief eXperience Officer (CXO) &
SVP, External Affairs

www.HCPSOCAL.org @HCPSOCAL

#ValueCHCs
#BetterTogether



Table of Contents

All Things HRSA	2
Funding	2
Updates.....	2
Shortage Designation Modernization.....	3
Upcoming HRSA Trainings.....	4
CPCA Committee Meetings Summary: October 2018.....	5
SPARC.....	5
WORKFORCE.....	5
Prop 56 Spending.....	5
MA Program Development	5
GOVERNMENT PROGRAMS	5
340B	5
CVS-Caremark.....	6
Licensing Research	6
Clinic Lifeline Grant Funds.....	6
Prop 64.....	6
330	6
State Plan Amendment “Four Walls” draft	6
MFT Implementation FAQs	6
Medicaid Integrity Program (MIP) audits.....	6
A&I Escalation.....	7
LEGISLATIVE.....	7
Federal Update	8
State Update.....	8
Ballot Initiatives.....	8
Governor’s Office of Business & Economic Development (GO-BIZ)	9
CPCA Financial Management Trainings	10
HCP Capacity Building Opportunities	10

The HRSA All Programs Webcast with Jim Macrae was held on September 25, 2018.

[Listen](#) to the archived recording or [review the slides](#).

The next call is scheduled for Tuesday, November 27, 2018.

To submit questions in advance, send an email to bphcta@hrsa.gov by *Wednesday November 21st*,
with the subject line “BPHC All-Programs Question.”

All Things HRSA

Funding

Did you know? The last time CHCs received an annual appropriation prior to the end of the fiscal year (Sept. 30) was in 1997! As we are now in October, it's clear that this year is following in that same predictable pattern. We are now one year away from another funding cliff! While some departments (DOD, Labor HHS) were funded in the “minibus” signed in mid-September to avoid a government shutdown, the remaining government programs are only funded under a Continuing Resolution (CR) which expires on December 7, 2018. Thus, there is no information available for additional CHC funding opportunities currently. It may vary widely based on the upcoming election so *stay tuned!*

HRSA provides a *Health Center Facility Loan Guarantee Program* to support loans for the construction/expansion, alteration/renovation and modernization of CHCs. **Over the last 10 years, HRSA has invested over \$3.5B in CHCs capital financing. For FY18, \$20M in loan guarantees were made, though HRSA is authorized to spend up to \$900M!** Yes, they will help you access capital funding and reduce financing costs by guaranteeing up to 80% of the financing needed to support capital projects. There is no limit on size, but HRSA has typically funded projects starting at \$5M. These applications are accepted year-round. Contact LCProgram@hrsa.gov for more information. You will need:

- a. CHC Name and Grant Number
- b. Type of construction (new construction, renovation, new site, replacement)
- c. Total project cost
- d. Financing needs and potential lender(s)
- e. Timeline & status of project planning.

Updates

1. Quality Improvement
 - a. \$125M invested in one-time funding for quality efforts, along with recognition certificates for national quality leaders.
 - b. Updated OSV Protocol and Compliance Manual released September 6th. [The Progressive Action conditions library](#) holds all potential conditions.
2. Health Center Profiles – showcasing CHCs whose work has made significant improvements in: access to care, high quality health care delivery, health outcomes, health disparities and cost effectiveness. [Learn more and then Share your story!](#)
3. BH Virtual Job Fair for Rural CHCs on November 28th at 3:45 – 7:15 pm PDT. CHCs must have a completed organizational profile on the [Health Workforce Connector](#) site. Update your profile, add a job and then [register](#) to recruit interested candidates to your community.

4. The *BPHC Helpline* has a new name and phone number! It's now called **Health Center Program Support** and the new number is **877-464-4772**.
5. [Disaster Preparedness Resources Page](#) has been updated and includes a section for California wildfire resources.
6. In 2017, DHHS developed a comprehensive strategy to empower local communities on the frontlines combatting the opioid epidemic:
 1. [Access: Better Prevention, Treatment, and Recovery Services](#) - To support the HHS initiative, HRSA provided **\$350M** to health centers to support treatment, prevention, and recovery and expansion of SUD/MH programs.
 2. [Data: Better Data on the Epidemic](#) - Supporting more timely, specific public health data and reporting, including through accelerating CDC's reporting of drug overdose data.
 3. [Pain: Better Pain Management](#) - Ensuring all activities — payments, prescribing guidelines, and more — promote healthy, evidence-based methods of pain management.
 4. [Overdoses: Better Targeting of Overdose-Reversing Drugs](#) - Better target the availability of lifesaving overdose-reversing drugs. The President's 2019 Budget included \$74 million in new investments to support this goal.
 5. [Research: Better Research on Pain and Addiction](#) - DHHS is supporting cutting edge research on pain and addiction

Shortage Designation Modernization

The [Bureau of Health Workforce](#) (BHW) within HRSA, led by Dr. Luis Padilla, has been working to update the Auto-HPSA scoring for a little over a year. These scores for health centers impact the ability to attract and recruit providers through the National Health Service Corps loan repayment or Scholars program. With the fierce competition that already exists for providers, health centers are concerned that changes made within the system could decrease their scores and, ultimately, lessen their ability to effectively use the NHSC program. BWD has been soliciting feedback from health centers during this entire process. **Your EHB contact person** should have received (or will receive shortly) a *Preview Report* to show how the score was calculated. This update is scheduled to go live **April 2019**.

Important Note: Existing NHSC/Scholars within your organization will not be impacted, even if your score is lowered. Their service commitment will be honored with no contract changes. This will affect any **new** NHSC opportunities for your health center.

Find out more in HRSA's Auto-HPSA Update Preview Technical Assistance Webinars during the first two weeks of November. If you can't attend, a recording will be available by the end of the month.

- | | |
|---|---|
| • November 6, 12:00 - 1:30 p.m. (PDT)
Join the webinar
Call-in: 888-381-5776 Passcode: 9501667 | • November 15, 1:00 - 2:30 p.m. (PDT)
Join the webinar
Call-in: 888-982-4613 Passcode: 8684082 |
|---|---|

Upcoming HRSA Trainings

**CDC Diabetes Prevention Program:
Demonstration Projects Webinar Series:
Federally Qualified Health Centers**
American College of Preventive Medicine
Thursday, November 8
9:00 am – 10:30 am (PDT)
[Register here](#)

**Leveraging Diabetes Prevention Programming
for Your Health Center**
National Nurse-Led Care Consortium
Thursday, November 29
11:00 am-12:00 pm (PDT)
[Register here](#)

**2018 Uniform Data System Modernization
Functionality Training**
Friday, November 9
10:00 am-12:00 p.m. (PDT)
[Join the webinar the day of the session](#)
Call-in: 800-369-1855
Passcode: 9626002

Update on the HRSA UDS Sealant Measure
National Network for Oral Health Access
Friday, December 7
10:00 am-11:00 am (PDT)
[Register here](#)
1.0 CDE credit available

Looking for more? Visit [HRSA's Technical Assistance Calendar](#).

**Look at the progress health centers have made –
Now serving more than 27 million!**

Increasing Access to Comprehensive Care

Category	2015	2016	2017	Δ 2015-2017
Number of Sites	9,829	10,415	11,057	^ 12%
Health Centers using Telehealth	--	523	600	--
Total Health Center Patients	24,295,946	25,860,296	27,174,372	^ 12%
Medical	20,616,149	21,880,295	22,866,468	^ 11%
Dental	5,192,846	5,656,190	6,116,732	^ 18%
Mental Health	1,491,926	1,788,577	2,049,194	^ 37%
Substance Use Disorder	117,043	141,569	168,508	^ 44%
Vision	501,647	599,314	670,973	^ 34%
Enabling	2,388,722	2,482,751	2,549,897	^ 07%

CPCA Committee Meetings Summary: October 2018

The CPCA Board & Committee Meetings were held in conjunction with their Annual Conference in Sacramento, October 2-3, 2018. To review all board and committee information, use this link: [CPCA Board & Committee Materials](#). Below is a brief summary of Committee meetings. Additional links and resources are provided by HCP to supplement summaries.

SPARC

CPCA staff introduced the new [Public Charge Resource Page](#) (includes toolkit, resources, talking points and NACHC FAQs) and encouraged all members to make [public comments](#) on the portal sponsored by *The California Protecting Immigrant Families Coalition* on or before December 10th. HCP will submit a comment letter to the Regulations.Gov on behalf of all members, but the more comments the better. As of October 31st, more than 30,000 comments have been submitted.

WORKFORCE

The second installment of Song-Brown Teaching Health Center (THC) dollars were made available for FY 18-19 (\$31.3M) – Borrego & SYH are new recipients from the membership. Additionally, \$333k is available for provider loan repayment.

- Allowing reimbursement at qualifying THCs is in the SPA 18-0032 (still waiting final approval from CMS) If approved, goes retro to April 1, 2018.

Budget contains \$1M for Primary Care Clinician Psychiatry Fellowship program – funds should be available in November, through Office of Statewide Health Planning & Development (OSHPD) – specific to UC Davis or UC Irvine. [Fellowship Application Info](#)

Prop 56 Spending

- \$220M total available: physician (\$190M) and dentist loan repayment (\$30M) for providers serving Medi-Cal. CPCA wants to create some parameters so money is dedicated to health centers accepting new Medi-Cal patients.
- Residency (\$40M), one-time dollars for primary care and emergency medicine residency – administered by Physicians for a Healthy California, formerly the CMA foundation.

MA Program Development – CPCA will be developing an MA training program and career ladder development guide. Contact Christina Hicks for more: cmhicks@cpca.org

GOVERNMENT PROGRAMS

340B – seeking common reporting on the use of funds to defend against the loss. Want all CHCs to document “savings” in these 5 categories: workforce, drug management program/increasing access to meds, clinical care coordination, expanded access to health care services, and infrastructure support. Also seeking common definition that accounts for the cost of doing business: subgroup recommends defining 340B proceeds as the total income received from the 340B program, prior to deducting the cost of doing business.

The formulas would be:

- 340B Proceeds = ALL of 340B program earnings by the covered entity (prior to including the cost of business – TPA fees, auditing costs, training, staff time, dispensing fees, legal fees, etc)

Then, identify the SAVINGS:

- 340B Savings = Total 340 Proceeds minus Costs of running the 340 B program

CVS-Caremark – On 9/1/18, CVS-Caremark changed the reimbursement model for brand name drugs to **Average wholesale Price (AWP) minus 30%, with a \$.50 dispensing fee**. Health centers may have difficulty comparing these new rates to actual costs since so many of these comparisons require a case by case analysis. This has health centers worried about being able to retain 340B savings and about reimbursements that are less than actual costs. CPCA is working with NACHC for a national solution.

Licensing Research - CPCA is working with Pacific Health Consulting group with the goal of providing recommendations for alleviating licensing challenges faced by CHCs. Deliverables will also include: primary care licensing guidelines grid, history of the licensing guidelines, alternative models of licensures, and cost calculations. Should be completed in Summer 2019.

The Glimmer Squad – will meet with Pro Tem Atkins staff the week following the elections to share data we have collected regarding OSHPD3 building standards. Our issues have also attracted interest from Assemblymember Jim Wood (North Coast) and Assemblymember Scott Weiner (San Francisco).

Clinic Lifeline Grant Funds – The balance of this fund is roughly \$11.2M. The California Health Facilities Financing Authority (CHFFA) will accept applications at the 1st of each month, but health centers can only apply to the program after a *federal trigger* has occurred. The office seeks to evaluate and score all applications within 60 days of receipt. Access the [application and slides](#) to the instructional webinar.

Prop 64 – The Governor’s office is seeking feedback from community groups about the annual allocation of Prop 64 funds. They’ll be in San Diego on November 2nd. Find more details [here](#).

330

State Plan Amendment “Four Walls” draft was submitted from CPCA after monthly feedback calls with members.

MFT Implementation FAQs have been released. Please review prior to implementing the program as it could have implications for your rate setting moving forward. Remember, you will be required to submit a Change in Scope request. *(Please note: the information in this FAQ is subject to change based on CMS approval of SPA 18-003 and DHCS’ operational implementation. This document should NOT be considered final policy.)* **January 1 – December 31, 2019 is the first full fiscal year of billing MFTs.**

Medicaid Integrity Program (MIP) audits – DHCS’ version of educational materials (the requirement from CMS before restarting) have been added to the Provider Manual Dental Handbook. CPCA staff will continue convening members and a dental workgroup to provide feedback. CPCA believes these changes should be incorporated in the Medi-Cal manual, since FQHCs are not Denta-Cal providers.

A&I Escalation – DCHS is finally listening to our concerns about auditor inconsistency and are engaging CPCA in conversation. Both have agreed to develop a roadmap for escalating issues within A&I and ways to address CHCs top challenges, listed below. *Links include an explanation of inconsistencies, along with potential solutions/recommendations to DCHS.*

- a. [Incident to costs](#)
- b. [Medicare imputation of revenue](#)
- c. [Reasonableness criteria for cost allowability \(leases, providers' salaries, etc.\)](#)
- d. [Comparable sites for rate setting](#)
- e. [Clear outline of situations that require a mandatory scope of service rate change request \(pharmacy contracting, deletion of intermittent clinic etc.\)](#)
- f. [Relationship of what costs are allowable on a rate setting cost report/scope of service rate change request to what gets reported on the PPS reconciliation](#)
- g. [Trying to tie Trial balance or audited financials \(accrual\) to reconciliations \(cash basis\)](#)

A&I Escalation Process (Aug 2018)

Use these options *prior* to an informal appeal

1. Health centers should attempt to address and resolve their concerns with the district office assigned auditor
 - a. Auditor should review the health center's permanent file and consult with previous auditors
2. If no resolution, the health center should contact the assigned auditor's supervisor.
 - a. Copy clinics@dhcs.ca.gov to keep a record of the matter
3. If the district office staff and health center are at an impasse, the health center will escalate their concern to **Allison Clinton**, FQHC/RHC Section Chief, Allison.Clinton@dhcs.ca.gov
 - a. FQHC/RHC Section Chief will assist in resolving and tracking the issues for identifying trends and internal A&I and/or industry training needs
 - b. Health center should copy CPCA, **Ginger Smith**, gsmith@cpca.org, in the communication for CPCA tracking purposes onl
4. If the health center is unable to get resolution with the FQHC/RHC Section Chief, they can escalate to the FAB (Financial Audit Branch) **Assistant Deputy, Jim Burkhardt**, Jim.Burkhardt@dhcs.ca.gov
5. If the health center is unable to get resolution with FAB Assistant Deputy, they can escalate to the **FAB Chief, Steve Gary**, Steven.Gary@dhcs.ca.gov
6. Lastly, if the health center is unsuccessful with resolving their concern at all levels, they can contact the **A&I Deputy Director, Bruce Lim**, Bruce.Lim@dhcs.ca.gov

If you have additional challenges that you'd like considered for action, please [email Vernita](#).

LEGISLATIVE

Catch up on CPCA's Legislative review by reviewing the [2018 Final Bill Report](#) – a packet which documents all the bills of interest to health centers and our patients along with their status at the end of the legislative year. CPCA sponsored 3 pieces of legislation during the session, but this report contains all bills of interest during the year, making it 119 pages long! Look ahead at FY2019 policy priorities and state bill concepts [here](#). Main issues focus on licensing and workforce, along with other social justice issues.

Federal Update

It's election season so the federal update was light regarding progress on health center appropriations. The focus remains squarely on the Administration's threatened changes to the Public Charge determination. For nearly a year, we have been concerned over leaked documents alluding to drastic changes in the Public Charge determination. Now the rules have been made public. Fortunately, we now know that CHC Sliding Fee Scale will NOT be used in the criteria, but it will include other assistance-based programs like Medi-Cal and SNAP. The rules apply to individual immigrants applying for a green card/citizenship. Other legal permanent residents, asylum seekers and refugees are exempt. Regardless of the facts, the current environment and falsehoods being spread about immigration are causing concern in our communities and with patients who may choose to decline services in fear of being deemed a public charge and face deportation. As with all regulatory changes, the government must post the recommendations for public comment for a period of 60 days. They must then review all submitted comments and address what they consider "relevant concerns" prior to implementing the policy. A large volume of comments delays the process because it takes time to consider each comment. *To move forward with a final rule, the agency must conclude that its proposed solution will help accomplish the goals or solve the problems identified. The agency must include public comment consideration in its final reasoning.*

State Update

California will have a new Administration in January 2019 with either Gavin Newsome or John Cox as the new Governor. As it appears likely the Newsome will win the race, we may have an opportunity to make some headway with health care legislation. Newsome will be the first California Governor, in 20 years, to have health as a top priority. We are encouraged to think about bold steps along with incremental goals to help move our issues forward. There will be some issues that we lead (CHC matters); some issues we work in partnership with coalitions (immigration/social justice); and other issues that we join as a matter of principle (Health4All).

Ballot Initiatives

The Legislative Committee took a support position on Proposition 2: No Place Like Home act of 2018 which will dedicate up to \$2B in bond proceeds to invest in the development of permanent supportive housing for people who are in need of mental health services and are experiencing homelessness or at risk for homelessness. *(Full list available on p. 25 of Legislative packet)*

HCP's monthly Government Affairs will provide comprehensive election results the week of Nov. 12th.

Governor's Office of Business & Economic Development (GO-BIZ)

On Friday, November 2nd, the Governor's Office of Business & Economic Development (GO-BIZ) hosted a [public forum in San Diego](#) to solicit feedback on how to spend the Cannabis Tax dollars. When the proposition (Prop64) passed on the ballot in 2016, the state was given the direction to identify ways to spend the revenue by supporting local health departments and community based organizations. These monies are designed to impact communities that were disproportionately affected by the War on Drugs. Funding available through this stream will begin at \$10M in the first year, and increase to a maximum of \$50M by 2022, where it will remain until at least 2028. Based on how the proposition was worded, the legislature **cannot** touch this money until 2028.

The focus of the funding revolves around 6 areas:

1. Job placement (all placements including within cannabis industry)
2. Mental Health Treatment
3. Substance Use Disorder
4. Legal services to address barriers to reentry (convicted criminals)
5. Linkages to Medical Care
6. System Navigation Services (purposefully broad)

One key component of the grant application will be describing how your proposal "serves a community disproportionately impacted by past federal and state drug policies." Grants will range from \$50K to \$250K, and a wide range of nonprofit entities will be eligible to apply (including paper-start ideas.) GoBiz representatives indicated that the goal was to have geographic diversity and they encourage collaboration among agencies. Entities can apply for one or all categories, but the full grant (over course of 2 years) cannot exceed \$250,000. There will be an online application available.

Learn more by reviewing the slides provided with this summary, and then be sure to sign up for the [Go-Biz distribution list](#) where additional information (FAQs, Timelines, and the RFP) will be listed. A tentative draft RFP should be available by Spring 2019 with initial disbursements happening before the end of the state's 2018-19 fiscal year (before 6/30/19).

Contacts:

CalCRG@gobiz.ca.gov | Phone: 916-322-0694 | www.business.ca.gov/CalCRG

CPCA Financial Management Trainings

FinancialManagement+: UDS 101

DATE: Monday, November 5, 2018

TIME: 10:00 a.m. - 11:30 a.m. (PDT)

SPEAKER: Michelle Vatalaro,
Consultant, John Snow, Inc.

[Register](#)

FinancialManagement+: PPS 101

DATE: Monday, November 19, 2018

TIME: 10:00 a.m. - 11:30 a.m. (PDT)

SPEAKER: Steven Rousso, MBA, MPA, Partner,
Wipfli, LLP

[Register](#)

FinancialManagement+: 330

Requirements and Governance

DATE: Monday, December 3, 2018

TIME: 10:00 a.m. - 11:30 a.m. (PDT)

SPEAKERS: Gregory A. Facktor,
Managing Partner, Greg Facktor &
Associates & Darrell Gardner, Partner,
Greg Facktor & Associates

[Register](#)

HCP Capacity Building Opportunities

Debunking Public Charge Myths

Thursday, November 8, 2018

11:30 a.m. – 1:00 p.m.

La Maestra Community Health Center

Lunch provided

[Register](#)

Annual UDS Training for HCP Members

November 30, 2018

San Diego (exact location TBD).

8:30 a.m. to 4:30 p.m.

Cost: \$ 50.00 per person, non-refundable*

Register via emailing [Candy calvarez@hcpsocal.org](mailto:Candy.calvarez@hcpsocal.org) by Nov 23 with names, titles, e-mail addresses of attendees.

**Cancellations received by noon on Nov 28 will be excluded from your invoice. After, all registrations are non-refundable. Feel free to substitute staff.*

Capital Link Training: Patient Access Training (Front End Revenue Cycle)

Wednesday, December 12

Full day (specific time TBD)

HCP's **new** office, 3710 Ruffin Road, San Diego, California 92123

[Please register for this event by clicking here!](#)

Breakfast and lunch will be provided.

Attendees will also receive a copy of Capital Link's new RCM Patient Access toolkit

Our Team is Here to Help!



Stay in Touch!

www.HCPSOCAL.org

Twitter @HCPSOCAL

Facebook @HealthCenterPartners

Linkedin @HealthCenterPartners