

Assembly Bill 899 (Wood) Streamlining Expansion of Primary Care Facilities

April 11, 2019



OVERVIEW

Today, roughly 1,330 community health centers (CHCs) in California provide high-quality comprehensive care to 6.9 million people – that's 1 in 6 Californians. For decades, community health centers have provided care to everyone who walks through their door, regardless of their ability to pay, their immigration status, or their individual circumstances. Community health centers provide the full spectrum of care, from primary care to dental to behavioral health care.

GROWING DEMAND FOR SERVICES

Following the passage of the Affordable Care Act (ACA), and the corresponding Medi-Cal expansion in California, millions of Californians gained access to health coverage, many for the very first time. More than 1/3 of Californians are Medi-Cal beneficiaries and that number will undoubtedly increase as the Legislature and the Governor consider proposals that seek to provide greater access to healthcare.

Community health centers (CHCs) are a top choice among Medi-Cal beneficiaries. When the ACA was implemented, over 54% of Medi-Cal beneficiaries selected a CHC as their primary care medical home.

While expansion of coverage is instrumental to driving down overall health care costs and improving the health of Californians with the greatest need, it has substantially increased the demand for services and the commensurate need to expand facilities to accommodate that demand. Compounding the situation in Medi-Cal specifically is the closure and consolidation of many small and private physician practices, further limiting access for patients in communities throughout the state.

THE PROBLEM

In order to effectively meet growing patient demand for services, CHCs are working to increase access where patients need it most. Purchasing existing health care facilities is the most efficient manner in which to meet the demand. However, currently there are regulatory barriers that prevent CHC operations from expanding their services through the acquisition of existing health care facilities.

THE SOLUTION

AB 899 (Wood) will maximize the ability of CHCs to expand access to health care for all Californians, by giving them the option to repurpose existing outpatient clinics or previously licensed primary care clinics to meet the growing demand for services. In addition, this bill will also ensure that the Community Clinics Advisory Committee is empaneled and operating by 2020 to provide guidance and assistance to the regulators about the most appropriate function and operation of CHCs.

As California continues to move toward universal coverage for all residents, it is imperative that the system is prepared to meet the access needs of newly insured patients. This bill will ensure that CHCs are empowered to expand services in a manner that is timely and consistent with their mission of community-centered and community-driven health care.

SPONSORS

- CaliforniaHealth+ Advocates
- Health Alliance of Northern California
- North Coast Clinics Network
- Redwood Community Health Coalition

FOR MORE INFORMATION

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Talking Points/April 11, 2019



COMMUNITY HEALTH CENTER BACKGROUND

- Today, more than 1,330 community health centers serve the state of California, and provide comprehensive, high quality care to 6.9 million people – or 1 in 6 Californians.
- Community health centers are foundational to a strong health care system and economy in California. They employ over 33,000 people and contribute nearly \$5 billion in spending to our state’s economy, and indirectly influence another \$4 billion in community spending.
- Community health centers provide the full spectrum of care, from primary care to dental to behavioral health care and a variety of enabling and wraparound services.
- In many rural communities throughout California, community health centers serve as the only source of medical and wellness care for middle- and working-class families in the region.

THE PROBLEM

- With the expansion of Medi-Cal in California, the number of health center patients covered under the program has more than doubled – growing from 1.8 million in 2012 to 4.1 million in 2017.
- Moreover, Medi-Cal patient encounters have more doubled over the same period as well, increasing from 6.4 million to 14.1 million encounters. This is encouraging to see, as patients that have obtained coverage are using it to access care.
- Community health centers have been effective conduits of care for very hard to reach, and underserved populations, including rural communities and migrant farmworkers.
- Now, Governor Newsom’s first budget has continued to champion the expansion efforts by introducing proposals to expand access for undocumented individuals between 18-25 years of age and implement a statewide Individual Mandate.
- Community health centers are positioned to most appropriately serve the expansion populations, however, there are barriers that inhibit health centers’ ability to expand to meet this growing demand.
- While purchasing existing health care facilities is the most efficient manner in which to meet the demand, currently there are barriers that may prevent CHC operations from expanding their services through the acquisition of existing primary health care facilities.

BILL CONCEPT & ASK

- Assembly Bill 899 will streamline the expansion process for a licensed health center seeking to expand by giving them the option to repurpose an existing outpatient setting or previously licensed primary care clinic to meet the growing demand for services.
- On behalf of the over 1,300 health center sites across the state, we respectfully request your support on AB 899 (Streamlining Expansion of Primary Care Facilities).