HEALTH CENTER PARTNERS of Southern California

# 2021 Day at the Capitol Talking Points

## Telehealth (AB 32)

**We urgently request you to REJECT the administration's budget "telehealth proposal" and replace it with AB 32, as amended, in the Assembly Health Committee.**

- If enacted in its current form, the administration's telehealth proposal will leave behind 7.4 million patients of Black, Indigenous and communities of color receiving care at a Community Health Center.
- The administration's telehealth proposal will deepen the existing inequities and signal to CHC patients that their care is not as important as commercially insured customers.
- AB 32 would allow all Medi-Cal providers, including FQHCs and RHCs, to continue providing clinically necessary telehealth and telephonic care beyond the declared Public Health Emergency.
- Specifically, AB 32 includes:
    - Maintaining PPS payment for all services for an extended bridge period (Jan 2025 – 3 Years).
    - An indefinite extension (beyond bridge period) for mild and moderate behavioral health services via telephone (audio only) with PPS payment.
    - A post-bridge, non-PPS payment for medical services provided via telephone. This would be an optional payment that allows CHCs not participating in global APM a mechanism to maintain some payment for medical services.
- Telehealth visits will never replace in-person care. It is used to supplement or compliment the patient's overall health care plan and will be used only when medically necessary.
    - *Currently, XX% of our visits are telehealth visits vs. inpatient.*
    - *PROVIDE EXAMPLES of when your CHC uses telehealth.*

## 340B Supplemental Payment (BUDGET ASK)

**We request your SUPPORT of a budget augmentation from $50 million to $100 million (general fund) to strengthen the non-hospital clinic supplemental payment pool proposed in the FY21-22 budget, in preparation for the Medi-Cal Rx transition.**

- The 340B program is a lifeline for many CHCs, particularly those which serve the most underserved populations.
- Eliminating 340B savings would jeopardize patient access to critical supports like dental, optometric, behavioral health, transportation services, health education, and will cause in-house pharmacies to close.
- From the inception of Governor Newsom's Medi-Cal Rx program in 2019, Health Center Partners joined with CHCs across California to voice considerable concern with the proposed transition. While CHCs supported the overall goal of reducing drug costs, it was clear the Medi-Cal Rx transition would have unintended consequences by ending these discounts and therefore the funding for these various critical patient services.
- We thank the legislature for the creation of the supplemental payment pool. However, this fund was established with incomplete data that is now three years old. The financial burden is far greater than originally and quickly proposed.
- Supporting and ensuring the stability of California's FQHCs and RHCs, and their continued ability to provide pharmaceutical services, is necessary if California is to ensure access to health care services for the low-income and minority patients served.
- A substantial number of covered entities enrolled in the 340B program are financially constrained and must rely on contract pharmacies to access the program. Forcing CHCs to convert their services to onsite pharmacies would result in a significant waste of taxpayer and community resources that could otherwise be devoted to patient care.

HEALTH CENTER PARTNERS of Southern California

# 2021 Day at the Capitol Talking Points

## The Health Care Workers Recognition and Retention Act (AB 650)

**We ask you to OPPOSE AB 650, an unfunded state mandate that could result as the tipping point for CHCs on the brink of practice site closures, cuts to employee benefits, delayed expansion of patient services and practice sites, and delayed new staff hires.**

**Budget Ask - If AB 650 is passed into law use budget surplus money to fund this mandate.**

- Prior to the COVID pandemic, nonprofit Community Health Centers (CHCs) already were operating on slim budget margins.
- At the start of the pandemic in 2020 and the start of the "stay at home orders", CHCs saw a significant decrease in patient visits (revenue) and had to close practice sites and furlough staff.
- Even with telehealth flexibilities, CHCs are now only at 90 percent of weekly patient visits compared to pre-COVID numbers.
- The federal funding that CHCs have received is intended to help recoup their losses from 2020.
- This bill could set a dangerous precedent and help to establish who may receive "hazard pay" vs. who may not (i.e. grocery store workers, teachers, firefighters).
- Additionally, during the pandemic, CHCs have gone above and beyond to ensure their staff and patients were PROTECTED. This bill would imply CHCs have put their staff and patients in harm's way, which is misleading and harmful to staff morale and patient trust.
- Most federal funding opportunities have been grants with strict terms and conditions.
- CHCs plan to use federal funding to recoup losses from FY 2020 and to expand access to care and for vaccine efforts.
- Inconsistencies in timing deadlines between the federal funding and AB 650 will not allow CHCs to leverage these funds for hazard pay purposes.

## Same Day Billing (SB 316)

**We ask you to SUPPORT SB 316, which will allow FQHCs and RHCs to bill Medi-Cal for two visits if a patient is provided behavioral health services on the same day as other medical services.**

- In California, if a patient receives treatment through Medi-Cal at an FQHC or RHC, from both a medical provider and a behavioral health specialist on the same day, DHCS will only reimburse the CHC for one "visit," meaning both providers can't adequately be reimbursed for their time and expertise.
- Therefore, a patient must seek their behavioral health treatment on a subsequent day.
- This policy creates an unnecessary financial barrier for FQHCs and RHCs, from maximizing their time with their patients in a timely, comprehensive manner.
- The federal Medicare program and most states already allow for same day billing.
- Allowing FQHCs and RHCs access to the same-day billing statute will ensure more early intervention in mental illness and guarantee CHCs are using the integrated health services available to our communities at their full potential.