

April 5, 2023

The Honorable Susan Talamantes Eggman Chair, Senate Committee on Health 1021 O Street, Suite 3310 Sacramento, CA 95414

Re: SB 779 Oppose Unless Amended

Dear Senator Eggman:

On behalf of <u>Health Center Partners of Southern California</u> (HCP) and our members, I regretfully oppose, unless amended, Senate Bill 779 (Stern). This bill seeks to increase data reporting requirements for community health centers in an unnecessary and duplicative manner.

Health Center Partners of Southern California, a family of companies, includes a <u>17-membership organization</u> of federally qualified health centers, Indian Health Services Organizations, both urban and sovereign, and Planned Parenthood of the Pacific Southwest, collectively serving <u>720,000 patients</u> each year, for 3.2 million patient visits, at 190 practice sites across San Diego, Riverside, 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.

SB 779 is a solution in search of a problem. While I support data transparency, this bill is duplicative and unless amended will further exacerbate administrative costs and provider burnout through a burdensome administrative mandate. Community Health Centers (CHCs) already report to the Health Resource & Services Administration (HRSA), the California Department of Health Care Access and Information (HCAI), and various payors. Additionally, the Legislature created the Office of Health Care Affordability (OCHA) last session with a responsibility to manage spending targets, monitor system performance, and assess market consolidation. SB 779 requires duplication of these components. Coordination rather than duplication should be the focus for data transparency and accountability.

Between the reporting to HRSA and HCAI alone, CHCs report over 500 data points for the sake of transparency, accountability, and to improve patient outcomes. Under current law, CHCs report the following information: Prospective Payment System (PPS) rates, full income statements including operating revenue and expenses, and major capital expenditures, including any building projects commenced during the reporting period. CHCs report patient data by preferred language spoken, sexual orientation, gender identity, and payor status category. In addition to patient data, CHCs report workforce data for employees and training programs including a detailed labor report of salaried, contract, and volunteer staff and their respective number of encounters. CHCs also provide workforce development information delineated by pre-graduate and post-graduate training.

We have a workforce crisis and any additional reporting requirements must be considered in the context of its impact on the retention of health care workers. In a recent report on behavioral health workforce in San Diego, health center staff rated documentation and administrative burden as top reasons for dissatisfaction with their jobs. Annual reporting from CHCs is robust and any effort to increase data reporting requirements can have negative consequences for an already overextended workforce.



We clearly need additional investments in workforce education and training programs to expand the pipeline of future workers and retain those in the current workforce. However, this bill proposes funding programs through a civil penalty of \$100 per day imposed on CHCs. **The enforcement mechanism proposed in SB 779 is excessive and unnecessary.** Under current law, the State Department of Public Health may suspend a clinic license until the required data is completed and filed with HCAI. This existing penalty is sufficient to ensure CHCs provide the requested data. CHCs are vital health providers in the communities throughout California and the threat of licensure suspension is sufficient.

Furthermore, data privacy and protection are constantly under threat and remain a priority for health care entities. CHCs provide sensitive services to patients where privacy is of utmost importance and any provisions for increased data reporting must foreground safety provisions to protect patient and staff information.

Finally, the state's workforce issues, particularly the healthcare workforce shortages, have been widely reported, studied, analyzed, and highlighted by this very Legislature. CHCs are already struggling to retain staff and adding overly burdensome reporting requirements may further exacerbate the problem. Furthermore, the true purpose of this legislation is not clear and there is no information indicating the current reporting requirements are insufficient. At a minimum, SB 779 should be amended to remove the \$100 penalty for missing the reporting deadline. Additionally, all duplicative reporting requirements should be eliminated from the bill.

For these reasons, Health Center Partners of Southern California is opposed unless amended to SB 779 (Stern). I ask for your 'no' vote if the author and sponsors do not accept the aforementioned amendments.

Sincerely,

Tim Fraser

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CC: Assembly Health Committee Members