

Assembly Bill 1113 (Mark Gonzalez) Fact Sheet

April 2025



Assembly Bill 1113 is a Dangerous and Unnecessary Attack on California's Most Vulnerable Patients and Community Health Centers and Clinics AB 1113 Plays Politics with Patients' Lives

Amid looming federal Medicaid cuts, Assembly Bill 1113 (Gonzalez) delivers yet another blow to California's most vulnerable patients and the community health centers and clinics that serve them. AB 1113 imposes **unnecessary** and **dangerous** restrictions that would destabilize community health centers and clinics that are on the front lines ensuring all Californians have access to quality and affordable healthcare. This bill would force community health centers and clinics and the State of California to waste tens of millions of limited funds and staff resources on unnecessary bureaucracy and red tape instead of patient care. Here is why a broad coalition of health care providers, community groups and others oppose AB 1113:

AB 1113 is a dangerous attack on vulnerable patients

- AB 1113 imposes **dangerous** restrictions on Federally Qualified Health Centers (FQHC), threatening to destabilize the health centers and clinics that serve California's most vulnerable patients.
- AB 1113 imposes an arbitrary spending ratio that requires health centers and clinics to spend at least **90%** of their total revenue on narrowly defined categories.
- These arbitrary requirements would prevent FQHC's from funding essential services for patients including community outreach, enrollment assistance, case management, medical devices such as mammogram machines, and all management staff, including Nurse Managers, Behavioral Health Directors, and Chief Medical Officers.
- With Medicaid already under attack in Congress, California should protect patients and community health centers and clinics. Instead, AB 1113 further attacks patients most in need.

AB 1113 diverts limited resources from patients to unnecessary bureaucracy.

- AB 1113 would create a new, onerous, and expensive reporting process that will force health centers and clinics to spend millions on unnecessary bureaucracy and red tape that does nothing to improve patient care.
- Community health centers and clinics, on average, already operate at a deficit. This bill will further limit their resources, risking closure and jeopardizing access to care for vulnerable patients.

AB 1113 is an attack on community health centers and clinics.

- Community health centers and clinics provide **care for every person and strengthen every community** across the state.
- Community health centers and clinics care for nearly 8 million Californians and play a vital role in reducing barriers to health care access by ensuring that *all* Californians have access to high-quality, whole person care regardless of income, immigration status or insurance status.
- Approximately 67% of community health center and clinic patients are on Medi-Cal, and they serve 1 in 3 Medi-Cal patients in the state.

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- Amid pending federal Medicaid cuts, AB 1113 would further destabilize already-struggling community health centers and clinics, especially in communities where they are the only care provider.

AB 1113 is unnecessary

- Community health centers and clinics are already heavily regulated by the federal and state government and have strict reporting requirements including frequent audits that detail how resources are spent on patient care.
- And patients and communities play a strong role in governing community health centers and clinics. At least half of the board of directors must be patients of that facility, ensuring decisions are shaped by lived experience.

AB 1113 puts politics above patients and deepens health inequities.

- This bill **exempts** health centers and clinics participating in **one** union's sponsored labor management committee – creating an unequal playing field that punishes non-conforming health centers and clinics and deepens inequities among health centers and their patients.
- Even community health centers and clinics with collective bargaining agreements but under separate labor-management committees would be penalized by this bill.
- All workers have a right to join a union, but using legislation to threaten patients and community health centers and clinics is unconscionable.

Stop the Unnecessary and Dangerous Attack on Vulnerable Patients.

REJECT AB 1113.