

Budget

Protect Medi-Cal, Protect Health Centers - Under immense budget pressure both federally and in state calculations, we urge you to prioritize funding for Medi-Cal populations, benefits, and rates to support Health Centers, who continue to provide high-quality, comprehensive care to communities.

- For decades Medi-Cal (California's Medicaid program) has provided essential health care services and economic security for our patients – it must be protected.
- Medicaid is currently under threat at the federal level – with 62% of California's Medicaid funding coming from the federal government – we are especially vulnerable.
 - Federal cuts to Medicaid could cost California \$10-\$20 billion a year.
- Health Centers know what it takes to serve our communities.
 - As the primary access point for Californians on Medi-Cal we aim to be a partner with the legislature and the administration navigating uncertain financial futures.
- A strong Medi-Cal program creates jobs, strengthens families, and fuels economic growth.
 - In California - Medi-Cal serves 15 million Californians.
 - Health Centers serve 1 in 3 Medi-Cal beneficiaries.
 - Nationally - Health Centers saved \$25.3B in taxpayer dollars in 2021 for Medicare and Medicaid programs.
 - For Medicaid, CHCs save 24% per patient compared to other providers.
- Federal Threats to Medicaid May Include:
 - Work Requirements
 - Lowering the federal matching rate for certain services or the expansion population
 - Reducing or eliminating MCO and provider taxes
 - Reducing or eliminating State Directed Payments Penalizing states that cover specific populations or services such as undocumented communities or gender affirming care.

Priority Legislation**AB 1460 (Rogers): Contract Pharmacy Restriction**

We strongly support this bill. CPCA and San Ysidro Health are Sponsors.

- AB 1460 aims to allow Health Centers and other healthcare safety-net providers to use as many contract pharmacies as necessary to best serve their patients.
- This bill prohibits drug manufacturers from placing restrictions on covered entities in using contract pharmacies to distribute affordable prescription drugs.
- This bill seeks to increase access to affordable medications, particularly in rural communities.
- Inaction at the federal level on 340B reform has forced action at the state level.
 - California would be one of at least twelve states to pass a contract pharmacy restriction law and among 20 additional states that have introduced legislation on the issue.
 - This bill does NOT seek to change or modify the Federal 340B Program.

AB 1113 (M. Gonzalez): FQHC Mission Spend Ratio

We strongly oppose this bill.

- The bill imposes dangerous restrictions that would destabilize Health Centers at a time when the federal government is looking to cut safety-net and Medicaid funding.
- The bill would create an expensive reporting process that will force health centers and clinics to spend critical resources that should be used on patient care and, instead, funds unnecessary bureaucracy that does not improve patient care.
- This bill specifically exempts health centers and clinics that participate in a union sponsored labor management committee, revealing the bill's true intent is NOT to improve patient care but to penalize health centers and clinics that do not participate in the union sponsored labor management committee—using patients as pawns to force unionization.

END