



POLICY UPDATE

Bills, ACA, Pilots & Advocacy Efforts



MARCH 23, 2017

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| Desk (RLS Committee) | Policy (Committee) | Fiscal (Appropriations) | Floor (Vote) | Desk | Policy | Fiscal | Floor | Conf. Conc. | Enrolled | Governor's Desk | Chaptered |
|----------------------|--------------------|-------------------------|--------------|-----------|--------|--------|-------|-------------|----------|-----------------|-----------|
| 1st House | | | | 2nd House | | | | | | | |

Legislative Cycle 2017

For this year's legislative cycle, the Coalition will be tracking and providing updates on the following bills. Any requests from members on specific bills to track and provide updates should be made via email to Ekurdoglu@coccc.org

CPCA SPONSORED BILLS

SB 456 (Pan) would authorize FQHCs contracting with managed care to enter into a separate agreement for the provision of services that follow the patient. The bill would define "services that follow the patient" as services that promote continuity of care and contribute to overall patient wellness. The payment for these services would be supplemental to, and separate from, FQHC's PPS rate, and not subject to reconciliation or reduction.

STATUS: Referred to Com. on Health; set for hearing April 19, 2017.

SB 323 (Mitchell) would eliminate a barrier that prevents community health centers from participating in the Drug Medi-Cal and Specialty Mental Health programs. It would provide legal certainty and clarify that FQHCs can be reimbursed for specialty mental health services and Drug MediCal on a FFS basis.

STATUS: Referred to Com. on Health; in committee process.

SR 16 (De Leon) Relative to immigration. It is resolved by the Senate of the State of California, that the Senate condemns the executive order signed on January 27, 2017, as a discriminatory overreach that illegally targets immigrants based on their national origin and religion, and urges the President of the United States to immediately rescind the executive order.

STATUS: Read and adopted on January 30, 2017.

GOP American Health Care Act released March 7, 2017

On March 7, 2017, the GOP released their plan to replace Obamacare, entitled the American Health Care Act. The AHCA is not a viable ACA replacement. Key provisions include:

- Establishes a per capita cap for Medicaid based on 2016 Medicaid enrollees. Medicaid expansion states will no longer receive the enhanced federal match (FMAP) for newly eligible Medicaid enrollees after December 31, 2019. For persons enrolled before December 31, 2019, who do not experience a gap in coverage, states will continue to receive the enhanced rate.
- Tightens eligibility requirements for Medicaid after December 31, 2019, including provisions that require states to re-evaluate eligibility every 6 months, and removes the 5% income disregard used to prevent "churning" in and out of coverage for those whose incomes fluctuate on a month to month basis.
- Prohibits Medicaid and other federal funding to go to Planned Parenthood for one year. The one year funding, estimated to be \$422 million, will be reallocated to Federally Qualified Health Centers. At the same time that this plan was released, the Energy and Commerce Committee introduced [H.R. 1121, the Pre-Existing Conditions Protection Act of 2017](#), which would address pre-existing conditions. This bill is an example of what seems to be a strategy for addressing the policy pieces of the ACA they want to preserve but cannot include in budget reconciliation. The budgetary pieces would be addressed during the budget reconciliation process while other policy pieces would be introduced as free-standing legislation.
- Repeals all taxes related to the ACA- prescription drug, health insurance premiums and medical devices- starting 2018
- Repeals employer and individual mandates.



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- Repeals employer and individual mandates.
- Requires insurers to charge 30% extra to individuals who have a lapse in insurance coverage of more than 63 days, including those with pre-existing conditions.
- Removes the enhanced match rate for Children's Health Insurance Program (CHIP)
- Provides 100 Billion over 10 years to help states deal with high cost, chronically ill patients in established high risk pools. This funding is an attempt to stabilize premium pricing in future insurance market.

Capital Link Reports

Economic Impacts: According to a just-released report from Capital Link, California's community health centers contributed more than \$8 billion to the California economy and supported nearly 60,000 jobs in 2015.

- In 2015, community health centers saved the state's Medi-Cal program \$5.5 billion and saved the overall health system \$7.5 billion.
- The repeal of the ACA and roll back of the Medicaid Expansion would leave millions of Californians without access to affordable health insurance. Moreover, it would cost the state 27,000 jobs and will result in a loss of \$3.8 billion dollars in GDP.
- In Orange County, nearly 1,500 jobs would be lost and almost \$200 million would be lost in GDP.

State Pilots

DENTAL TRANSFORMATION INITIATIVE (DTI)

Domain 1- Incentives: The first incentive payments were made in January 2017 and will be paid on a semi-annual basis to service office locations that meet or exceed a predetermined increase in preventive services to additional Medi-Cal beneficiaries. The first incentive payments (paid in January 2017), reflect achievement of two (2) percentage points increase by service office locations during January 2016 through June 2016. Service office locations are eligible to earn full incentive payments at 75% above the Schedule of Maximum Allowances (SMA) or partial incentive payments at 37.5% above the SMA reflecting achievement of a 1 to 1.99 percentage point increase if the benchmark is partially met. Please contact DTI with questions at the following email address: DTI@dhcs.ca.gov.

Domain 4 - LDPP: Orange County has been selected as 1 of 15 Local Dental Pilot Projects (LDPP). The pilots selected around the state are part of a 4-year program authorized under California's Medi-Cal 2020 waiver. The goals of the LDPP are to use innovative local approaches to increase dental preventive services, caries risk assessment and disease management, and continuity of care among Medi-Cal children. Under the terms of the Waiver, DHCS could fund up to 15 projects, using available funding not to exceed \$185 million (total funds) over the four-year project time period. Orange County's project will include a rollout of the Virtual Dental Home model (or Tele-dentistry) with Healthy Smiles for Kids of Orange County as well as technical assistance and training for health centers and clinics facilitated by the Coalition. Some FQHCs will also be implementing Tele-dentistry.

Coalition Advocacy Engagements

PRESS CONFERENCE: Protecting Health Care Access in Orange County

Together with partners from New America Media, The Children's Partnership, and National Immigration Law Center, the Coalition will participate in a news briefing for media and community members about how the proposed changes to the Affordable Care Act would impact Orange County. Speakers include Esen Korduglo, Coalition and Daniela Ojeda, AltaMed. This will be held on Friday, March 24, 2017 from 11:00 am-12:30 pm at The Village, Santa Ana.

Other upcoming events:

- NACHC Policy and Issues forum in DC- March 28-31
- Jump on the Bus tours with elected officials- April 17-21
- White Coat event- April 22