



March 20, 2018

Jennifer Kent, Director
Department of Health Care Services
1500 Capitol Avenue
Sacramento, California 95814

RE: Value Based Payment (VBP) Program, Developmental Screening, and Trauma Screening Proposals in the Governor's Budget

Dear Director Kent:

On behalf of [Health Center Partners of Southern California](http://www.hcpsocal.org) and our seventeen member health centers I am writing to submit comments on proposals in the Governor's budget relating to the **Value Based Payment (VBP) program, developmental screening and trauma screening.**

Health Center Partners' seventeen-member community health center non-profit corporations operate over 133 sites throughout **San Diego, Imperial and Riverside counties.** In 2017, our members served 926,000+ patients with 2.99 million patient encounters.

CHCs are on the frontline, providing care to the most indigent, vulnerable populations in the state. Today, 1,330 CHCs provide care to more than 6.9 million patients, the vast majority of which live at or below the poverty line, and a substantial number are enrolled in Medi-Cal. CHCs strive to provide cost-effective, high quality, patient-centered care for all patients. More importantly, CHCs offer a different type of health care environment than private practices, offering quality care in a place where patients can find a variety of services under one roof.

Despite CHCs' commitment to building healthier communities and improving the lives of our patients, limiting reimbursement policies for preventive services, chronic disease management, and behavioral health integration continue to challenge CHCs from better serving the Medi-Cal eligible population or coordinating care with the rest of the delivery system.



It is our goal to partner with managed care organizations (MCOs) and other Medi-Cal providers including public hospitals and specialists to increase communication throughout the delivery system and align incentives around whole person, coordinated care.

Voters approved Proposition 56 because they want to see better access to high quality care for all Medi-Cal patients. As CHCs are delivering care to more than 4 million Medi-Cal patients, we are a critical provider to be targeted by these incentives.

The majority of MCOs already seek to incentivize providers to move toward the provision of higher quality care through incentive programs that reward improved quality, increased preventive care, chronic disease management and wellness, improved patient experience, and reduced unnecessary utilization. The goal of these incentive programs is to reward providers, who put in extra effort to improve the overall health of the enrolled population with a goal of reducing immediate or long-term costs. Managed care plans and their enrollees benefit from such provider actions, making this sort of “value-based” contracting arrangements a desired element of managed care provider agreements.

CHCs serve over 4 million Medi-Cal beneficiaries; therefore, are a valuable group of providers to participate in this program, but unfortunately, in discussions with DHCS, the state is not allowing CHCs to participate in this specific program, arguing these dollars come from Prop 56 monies, which are intended to target non-FQHC providers.

We believe:

1. Excluding FQHC Medi-Cal beneficiaries, which constitute one-third of Medi-Cal population, from this program immediately undermines the effectiveness and opportunity of the state’s investment.
2. Excluding CHCs that are legally allowed to participate in incentive arrangements does not serve the larger goals of the Administration or the Medi-Cal program, which are to improve quality and lower costs.

For these reasons, Health Center Partners of Southern California **recommends all Medi-Cal providers, including CHCs, be eligible providers for the VBP program** so all eligible Medi-Cal beneficiaries can benefit from the added services and supports.



Health Center Partners of Southern California wholly supports the budget proposal to include \$105 million (\$53 million from Prop 56) to expand developmental screenings for children and trauma screenings for children and adults. The added payments for the screenings will incentivize providers in Medi-Cal to focus on these important areas. We appreciate the Department's understanding that these screenings require new workflows and operations in order to fully operationalize and sustain their implementation. Screenings are the first element to a much larger body of work that the entire system must fully embrace – addressing the social determinants of health (SDOH).

We fully support CHCs being included as a provider type eligible to receive these added payments, and that these payments will not be included in the reconciliation process.

From an array of SDOH screenings CHCs have utilized we are aware a large percentage of CHC patients experience a myriad of past and present challenges. We are supportive of this important first step to fully address the challenges and begin to understand how to help patients.

Health Center Partners and our members look forward to working with the Department and others to successfully implement these proposals in California.

If you have any questions, please do not hesitate to contact Tim Fraser, VP of Government Affairs, tfraser@hcpsocal.org or 619.542.4392.

Sincerely,

Henry N. Tuttle
President and CEO

Members Located in San Diego, Riverside and Imperial Counties

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| Borrego Community Health Foundation | Clinicas de Salud del Pueblo | Community Health Systems, Inc. |
| Imperial Beach Community Clinic | Indian Health Council, Inc. | La Maestra Health Centers |
| Mountain Health & Community Services | Neighborhood Healthcare | North County Health Services |
| Samahan Health | Planned Parenthood of the Pacific Southwest | San Diego American Indian Health Center |
| San Diego Family Care | San Ysidro Health | Southern Indian Health Council |
| Sycuan Medical /Dental Care | Vista Community Clinic | |