



Member Driven.

Patient Focused.

March 18, 2019

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 the Community Clinic Association of Los Angeles County (CCALAC), 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. CCALAC represents 65 nonprofit community clinics and health centers (CCHC) that operate more than 350 sites throughout Los Angeles County and serve 1.7 million low-income, uninsured and underserved individuals each year.

California's community clinics and health centers are the backbone of the safety-net provider network. For many underserved communities, health centers are the most accessible health care providers in their region. The vast majority of health center patients live at or below the poverty line, and, in Los Angeles, about two-thirds of patients are enrolled in Medi-Cal. Health centers strive to provide cost-effective, high quality, patient-centered care for all of our patients, and unlike private practices, health centers are a place where patients can find a variety of services all under one roof.

Despite health centers' commitment to building healthier communities and improving the lives of our patients, reimbursement policies for preventive services, chronic disease management, and behavioral health integration continue to limit health centers ability to best serve our Medi-Cal patients and coordinate 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. Proposition 56 incentive programs are intended to help ensure high quality care for Medi-Cal patients; health centers are a critical Medi-Cal provider and as such should be allowed and encouraged to participate in these incentive programs.

***VBP Program Proposal***

Incentive programs are a common tool used in Medi-Cal managed care. Most MCOs already incentivize providers to move toward the provision of higher quality care through programs that reward quality improvement, preventive care, chronic disease management, patient experience, and reducing unnecessary utilization. The goal of these incentive programs is to improve the overall health of the patient population with the long-term goal of reducing costs. These types of "value-based" contracting arrangements are a desired element of managed care provider agreements with health centers.

Unfortunately, we have learned that the Department of Health Care Services (DHCS) does not plan to allow health centers to participate in the Value Based Payments (VBP) program. We understand that the position of the department is that Prop 56 dollars were intended to target non-FQHC providers. Given that the larger goals of both the administration and the Medi-Cal program are to improve quality and lower costs, we would argue that excluding the *one-third of Medi-Cal beneficiaries statewide who are receive their care at FQHCs* would undermine the effectiveness of the program.

For these reasons, CCALAC recommends that all Medi-Cal providers, including FQHCs, be eligible providers for the VBP program so that all eligible Medi-Cal beneficiaries can benefit from the added services and supports.

***Developmental Screening and Trauma Screening Proposals***

CCALAC 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. Screenings are the first element of a much larger effort that the entire system is now beginning to embrace – addressing the social determinants of health (SDOH). Additional payments for screenings will incentivize providers in Medi-Cal to focus on these critical areas. Additionally we appreciate the Department’s understanding that these screenings require new workflows and operational considerations in order to sustain their implementation. Some health centers have tested and implemented SDOH screening which has shown that a large percentage of their patients are or have experienced challenges and experiences that may be impacting their health. It is crucial that we take steps, such as incentivizing developmental and trauma screenings, to identify these challenges so patients can get the care they need and can move toward better health.

For these reasons, we fully support the inclusion of health centers as a provider type eligible to receive these additional payments, and that these payments will not be included in the required annual FQHC reconciliation process.

Thank you again for the opportunity to comment on the proposals. CCALAC looks forward to working with the Department and others to successfully implement these proposals in California.

Sincerely,

Louise McCarthy,  
MPP President &  
CEO