

April 18, 2019

The Honorable Jim Wood  
State Capitol #6005  
Sacramento, CA 95814

**SUBJECT: AB 290 (Wood) Third Party Dialysis Clinics**

Dear Assemblymember Wood,

On behalf of BizFed, a grassroots alliance of more than 180 business organizations that represent 400,000 employers with over 3.5 million employees in LA County, we are writing to express our strong opposition to AB 290. This bill harms low-income dialysis patients by setting artificially-low caps on commercial reimbursements for the care of dialysis patients who receive charitable premium assistance to help pay their insurance premiums.

BizFed believes that AB 290 will slash these payments to Medicare rates which are below the cost of care. According to a January 2019 report by the payment advisory committee for the federal government (MedPAC), Medicare reimbursement levels are 1.1% below the actual cost of providing dialysis care.

AB 290 jeopardizes access to life-saving care for all dialysis patients. Ninety percent (90%) of dialysis patients rely on government coverage that pay clinics rates that are below cost. By setting rates for commercially-insured patients also below the cost of care, AB 290 jeopardizes access to care for all patients.

No business can afford to keep its doors open if reimbursements do not cover the cost of care. Accordingly, AB 290 would cause long-term access to care issues, particularly for patients in low-income and rural areas of the state. Patients could be forced to seek treatment in hospital emergency rooms, which are 3-8 times more expensive than the outpatient setting. This will increase costs for the state to cover those patients covered by Medi-Cal.

The impact of AB 290 will be to force low-income dialysis patients who receive premium assistance off of private insurance and onto taxpayer-funded government coverage. Ultimately, taxpayers will assume the cost of this short-sighted bill.

Sincerely,



Steve Bullock  
BizFed Chair  
Cerrell Associates



David Fleming  
BizFed Founding Chair



Tracy Hernandez  
BizFed Founding CEO  
IMPOWER, Inc.

# BizFed Association Members

Action Apartment Association  
AIA - Los Angeles  
Alhambra Chamber  
American Beverage Association  
American Hotel & Lodging Association  
Antelope Valley Board of Trade  
Angeles Emeralds  
Apartment Association, California Southern Cities  
Apartment Association of Greater Los Angeles  
Arcadia Association of Realtors  
AREAA North Los Angeles SFV SCV  
Asian Business Association  
Association of Independent Commercial Producers  
Azusa Chamber  
Beverly Hills Bar Association  
Beverly Hills Chamber  
Beverly Hills / Greater LA Association of Realtors  
BNI4SUCESS  
Burbank Association of Realtors  
Building Industry Association, LA / Ventura Counties  
Building Owners & Managers Association, Greater LA  
Business & Industry Council for Emergency Planning & Preparedness  
CalAsian Chamber  
California Apartment Association, Los Angeles  
California Asphalt Pavement Association  
California Business Roundtable  
California Cannabis Industry Association  
California Construction Industry and Materials Association  
California Contract Cities Association  
California Fashion Association  
California Gaming Association  
California Grocers Association  
California Hotel & Lodging Association  
California Independent Oil Marketers  
California Independent Petroleum Association  
California Life Sciences Association  
California Metals Coalition  
California Restaurant Association  
California Small Business Alliance  
California Sportfishing League  
California Trucking Association  
CALInnovates  
Carson Chamber of Commerce  
Carson Dominguez Employers Alliance  
CDC Small Business Finance  
Central City Association  
Century City Chamber of Commerce  
Cerritos Chamber  
Citrus Valley Association of Realtors  
Commerce Industrial Council/Chamber of Commerce  
Construction Industry Air and Water Quality Coalitions  
Consumer Healthcare Products Association  
Council on Trade and Investment for Filipino Americans  
Covina Chamber of Commerce  
Culver City Chamber of Commerce  
Downey Association of Realtors  
Downtown Long Beach Alliance  
El Monte/South El Monte Chamber  
Employers Group  
Engineering Contractor's Association  
F.A.S.T.-Fixing Angelenos Stuck In Traffic FilmLA  
Foreign Trade Association  
FuturePorts  
Gardena Valley Chamber of Commerce  
Gateway to LA  
Glendale Association of Realtors  
Glendale Chamber  
Glendora Chamber  
Greater Antelope Valley AOR  
Greater Lakewood Chamber  
Greater Los Angeles African American Chamber  
Greater Los Angeles New Car Dealers Association  
Harbor Trucking Association  
Historic Core Bid  
Hollywood Chamber  
Hong Kong Trade Development Council  
Hospital Association of Southern California  
Hotel Association of Los Angeles  
Independent Cities Association  
Industry Manufacturers Council  
International Warehouse Logistics Association  
Investing in Place  
Irwindale Chamber  
Japan Business Association of Southern California  
La Canada Flintridge Chamber  
LAX Coastal Area Chamber  
League of California Cities  
Long Beach Area Chamber  
Los Angeles Area Chamber  
Los Angeles Cleantech Incubator  
Los Angeles County Bicycle Coalition  
Los Angeles County Medical Association  
Los Angeles County Waste Management Association  
Los Angeles Gateway Chamber of Commerce  
Los Angeles Gay & Lesbian Chamber of Commerce  
Los Angeles Latino Chamber  
Los Angeles Parking Association  
Maple Business Council  
Motion Picture Association of America  
MoveLA  
NAIOP Southern California Chapter  
National Association of Royalty Owners  
National Association of Tobacco Outlets  
National Association of Women Business Owners  
National Association of Women Business Owners, LA  
National Hispanic Medical Association  
National Latina Business Women's Association  
Nederlands-America Foundation  
Orange County Business Council  
Pacific Merchant Shipping Association  
Pacific Palisades Chamber  
Panorama City Chamber  
Paramount Chamber of Commerce  
Pasadena Chamber  
Pasadena-Foothills Association of Realtors PhRMA  
Planned Parenthood Southern California Affiliates  
Pomona Chamber  
Rancho Southeast Association of Realtors  
Recording Industry Association of America  
Regional Black Chamber - San Fernando Valley  
Regional San Gabriel Valley Chamber  
Rosemead Chamber  
San Gabriel Chamber  
San Gabriel Valley Civic Alliance  
San Gabriel Valley Economic Partnership  
Santa Clarita Valley Chamber  
Santa Clarita Valley Economic Development Corp.  
San Pedro Peninsula Chamber  
Santa Monica Chamber  
Santa Monica Junior Chamber  
Sherman Oaks Chamber of Commerce  
South Bay Association of Chambers  
South Bay Association of Realtors  
Southern California Contractors Association  
Southern California Golf Association  
Southern California Grantmakers  
Southern California Minority Supplier Development Council Inc.  
Southern California Water Coalition  
Southland Regional Association of Realtors  
The Young Professionals at the Petroleum Club  
Torrance Area Chamber  
Town Hall Los Angeles  
Tri-Counties Association of Realtors  
United Chambers San Fernando Valley  
United States-Mexico Chamber  
Unmanned Autonomous Vehicle Systems Association  
US Resiliency Council  
Valley Economic Alliance  
Valley Economic Development Corp.  
Valley Industry & Commerce Association  
Vernon Chamber  
Vietnamese American Chamber  
Warner Center Association  
West Hollywood Chamber  
West Los Angeles Chamber  
West San Gabriel Valley Association of Realtors  
West Valley/Warner Center Chamber  
Western Manufactured Housing Association  
Western States Petroleum Association  
Westside Council of Chambers  
Westwood Village Rotary Club  
Wilmington Chamber  
World Trade Center  
Young Professionals in Energy - LA Chapter