*Please add your letterhead and signature.*

*Feel free to incorporate information about your organization and your reasons for supporting.*

*Please email a copy to* *advocacy@healthplusadvocates.org* *or fax to 916-440-8172*

***DEADLINE FOR SUBMISSION: TUESDAY, APRIL 11 at 5:00 pm****.*

<INSERT DATE>

The Honorable Ed Hernandez

Chair, Senate Health Committee

State Capitol, Room 2080

Sacramento, California 95814

**Re:     SB 456 (Pan) – SUPPORT**

Dear Senator Hernandez,

On behalf of [INSERT ORGANIZATION NAME], I would like to urge your support for SB 456 (Pan) which will be heard by the Senate Health Committee on April 19, 2017. [INSERT SENTENCE ABOUT YOUR ORGANIZATION INCLUDING information about the important services you provide and your target population/unique community.

Community health centers provide healthcare services to California’s most vulnerable populations, with 76 percent of community health center patients at or below 200% of the Federal Poverty Level (FPL) and nearly 40 percent identifying a language other than English as their primary language. Additionally, community health centers see about 6.2 patients a year, of these patients 24 percent are uninsured and 57 percent hold Medi-Cal benefits. Federally Qualified Health Centers (FQHC) which are a type of community health center, are paid as a bundled all-inclusive PPS rate that is designed to reflect all of the services that an FQHC furnishes. The FQHC PPS rate does not reimburse FQHCs for the non-face-to-face activities required to provide comprehensive, coordinated care management for high-needs beneficiaries with complex conditions. Senate Bill 456 (Pan) will improve the health of California’s most vulnerable people by allowing health plans, counties, and others to partner with FQHCs to provide services that promote continuity of care and wellness in ways not covered by the Prospective Payment System (PPS).

[INSERT: INFORMATION ON HOW THIS BILL WILL POSITIVELY IMPACT CARE DELIVERY IN YOUR COMMUNITY - include information about, or an example of, care coordination activities that your organization is doing, why payments are needed to support care coordination with health centers, and how you believe this bill will positively impact the health of all Californians.]

Without this bill, FQHCs and Rural Health Centers (RHC) will be dis-incentivized and potentially prohibited from participating in innovative pilot projects and demonstration projects that are designed to improve health by addressing social determinants of health, continuity of care, and wellness.. These projects include the Medi-Cal 2020 1115 Waiver Whole Person Care pilots, the Medicare Chronic Care Management program, or county and Managed Care Organization (MCO)-based case management programs. This bill was conceived of as an answer to FQHC participation in Section 2703 Health Homes.

AB 456 will authorize a FQHC or RHC to enter into an agreement for “services that follow the patient to provide care outside of services reimbursed under the PPS.” The bill would define “services that follow the patient” as services that promote continuity of care and contribute to overall patient wellness.. This bill would specify that compensation paid to a FQHC or RHC pursuant to the agreement would be supplemental to, and separate from, the FQHC’s or RHC’s prospective payment rate, and not subject to reconciliation or reduction, as specified.

**For these reasons,** [INSERT ORGANIZATION NAME] **is pleased to support SB 323, and urges your aye vote.**

If you have any questions, please feel free to contact Christy Bouma at (916) 227-2666 or Beth Malinowski at (916) 503-9112.

Sincerely,

[INSERT SIGNATURE, TITLE of INDIVIDUAL AUTHORIZED TO REPRESENT ORGANIZATION]

cc: Members of the Senate Health Committee

 Senator Richard Pan