*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: FRIDAY, MAY 12 at 5:00 pm****.*

<INSERT DATE>

The Honorable Ricardo Lara

Chair, Senate Appropriations Committee

State Capitol, Room 5050

Sacramento, California 95814

**Re:     SB 456 (Pan) – SUPPORT**

Dear Senator Lara,

On behalf of [INSERT ORGANIZATION NAME], I would like to urge your support for SB 456 (Pan) which will soon be heard by the Senate Appropriations Committee. [INSERT SENTENCE ABOUT YOUR ORGANIZATION INCLUDING WHETHER OR NOT YOUR ORGANIZATIONS PROVIDES CARE COORDINATION SERVICES].

CCHCs provide healthcare services to California’s most vulnerable populations, with 76 percent of CCHCs 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, CCHCs see about 6.2 million patients a year, of these patients 24 percent are uninsured and 57 percent hold Medi-Cal benefits. FQHC services 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 FQHCs to be directly reimbursed for 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, among others. 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 is in keeping with the Whole Person Care Pilots and Section 2703 Health Homes. AB 456 will authorize a FQHC or RHC contracting with a managed care entity to enter into a separate, additional agreement for “services that follow the patient.”

We expect that this bill will reduce overall costs to the health care system through better care coordination, addressing social determinants of health, and incentivizing wellness services that keep patients healthy and out of the emergency room. This bill does not create any new pilot or demonstration project, nor does it obligate the state, managed care plans, counties, or any other entity to participate in or create a program to provide these services. Rather, this bill simply allows for FQHCs and RHCs to participate in existing and future pilots and demonstrations that promote wellness.

**For these reasons,** [INSERT ORGANIZATION NAME] **is pleased to support SB 456, 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 Appropriations Committee

 Senator Richard Pan