



June 5, 2019

The Honorable Senator Holly Mitchell
Chair, Senate Budget and Fiscal Review Committee
State Capitol, Room 5019
Sacramento, CA 95814

The Honorable Assemblymember Phil Ting
Chair, Assembly Budget Committee
State Capitol, Room 6026
Sacramento, CA 95814

Re: Item # 4260 (DHCS), Issue #9, Proposition 56 Supplemental Provider Rates
SUPPORT: Trailer Bill Language requiring the Department to seek three-year federal approval for supplemental rate increase

Dear Chairs and Members of the Budget Conference Committee,

I am writing on behalf of the Gary and Mary West Health Institute (WHI), an applied medical research organization and part of the nonprofit and nonpartisan West Health, which also includes the Gary and Mary West Foundation and the Gary and Mary West Health Policy Center. Our organizations work together toward a shared mission dedicated to lowering the cost of healthcare to enable seniors to successfully age in place with access to high-quality, affordable health and support services that preserve and protect their dignity, quality of life and independence.

West Health requests your support of the legislative proposal that requires the California Department of Health Care Services (DHCS) to seek three-year federal approval, rather than a single year, of the State Plan Amendment (SPA) to continue Proposition 56 supplemental rate increases. Three-year funding will create more certainty about the Proposition 56 revenue stream and encourage greater improvements in access to healthcare for Medi-Cal beneficiaries.

Last year, the state budget contained funding for supplemental payments reimbursing providers for dental services for patients with special needs. Denti-Cal patients with special needs include California's low-income children and adults whose physical, mental, behavioral or developmental conditions and disabilities complicate their receipt of dental care. Individuals with these conditions, including many seniors, face greater challenges in accessing appropriate dental care than healthier people, because their dental care often requires additional time and potentially other costs. Previously, Denti-Cal's standardized policies and payments, which are generally based on a healthier population, did not acknowledge the additional costs of caring for individuals with special needs and inhibited providers' ability to receive proper payment for their care. The recognition of patients with special needs in last year's state budget was an important step in improving access for this very vulnerable population.

The DHCS intends to submit an updated SPA to continue current Proposition 56 allocations into the next fiscal year. Obtaining federal approval for a three-year cycle would give providers greater confidence that the time they spend with patients with special needs will be fairly compensated.



West Health believes your support for the referenced trailer bill language is critical. More predictable, additional reimbursements for Denti-Cal providers will give vital financial support to Denti-Cal providers currently serving California's most vulnerable low-income children and adults and will encourage additional dental care providers to treat people with special needs. This legislation is an important step toward developing a Denti-Cal system that ensures all individuals have access to high-quality and appropriate dental care.

Sincerely,

Timothy A. Lash
Chief Strategy Officer, West Health
Executive Vice President, West Health Institute

For more information about West Health, visit westhealth.org.

CC: The Honorable Members of the Budget Conference Committee