



February 11, 2021

The Honorable Phil Ting
Chair, Assembly Committee on Budget

The Honorable Nancy Skinner
Chair, Senate Budget and Fiscal Review
Committee

The Honorable Joaquin Arambula
Chair, Assembly Budget Subcommittee No. 1 on
Health and Human Services

The Honorable Susan Eggman
Chair, Senate Budget Subcommittee No. 3 on
Health and Human Services

RE: Support Children's Health and Eliminate the Suspension of Prop. 56 Medi-Cal Payments

Dear legislative budget leaders,

The undersigned organizations are writing to ask you to **take action in the FY 2021-22 budget by eliminating - not just delaying - the suspension of Proposition 56-funded Medi-Cal investments** that support children's health. The Governor's budget proposes a one-year delay (to July 1, 2022) in the suspension of Proposition 56 Medi-Cal payments that support children's health services, like well-child visits, developmental screenings, pediatric specialty care, and trauma screenings. While the delay is positive in the short-term, the threat of a future suspension of these critical payments is premature and not sufficient for kids because it:

- Creates instability in the Medi-Cal program for child health providers, who will long be addressing the repercussions of the pandemic on children, including mental and emotional health needs, delays in vaccination schedules, and lags in other preventive and specialty care services;
- Jeopardizes successful recruitment and retention of Medi-Cal medical and dental providers;
- Removes the incentive to commit to and invest in the long-term changes in Medi-Cal needed for quality improvement, making it difficult to improve upon the dire pre-pandemic utilization rates of services and screenings; and
- Establishes discord with the Administration's rhetoric and legislative action towards ensuring Medi-Cal children receive the timely and appropriate care to which they are entitled.

We call on lawmakers to eliminate, not just delay, the suspension of Proposition 56 Medi-Cal payments that support health care for children.

The Public Health Emergency resulting from the COVID-19 pandemic has made it only more imperative that the state take all necessary steps to ensure the stability of the Medi-Cal Program, including the robustness of the provider network. The Proposition 56 funds have directly led to securing additional providers in the Medi-Cal program. The possible suspension of those funds acts as a direct threat to the progress that has been made to attract and retain providers in the Medi-Cal program and the ability of Medi-Cal members to access timely, high-quality health care that the state must guarantee under federal law.

Proposition 56 funds should be used to increase Medi-Cal access as voters intended, for example, to address the state's terribly low screenings rate for infants and toddlers. According to the state's recent report on children's preventive services, prior to the pandemic (in 2019), only 25% of infants and toddlers in Medi-Cal had a developmental screening. A one-year delay in the suspension of the payments for developmental screenings is not enough to create the stability or certainty the health care system and providers need to invest in more screening and referral for their patients.

A future suspension of Proposition 56 payments is also in direct conflict with the Administration's previous statements on prioritizing investment in young kids and supporting kids who have experienced trauma, as well as previous legislation passed to support developmental screenings for young children (by way of AB 1004 in 2019) and address the impact of childhood trauma (by way of AB 340 in 2017).

Heading into 2021, California has a healthier fiscal outlook than what was expected on the heels of the public health emergency. Continuing to delay the Proposition 56 payment suspension only causes instability and undue burden on providers heavily impacted by the COVID-19 pandemic. **Without delay, legislators should reject the Governor's proposal to suspend payments in 2022, and instead eliminate the suspension altogether and continue the Medi-Cal investments that support children's health through Proposition 56.**

Sincerely,

American Academy of Pediatrics – California
Association of Regional Center Agencies
California Academy of Family Physicians
California Children's Hospital Association
California Dental Hygienists Association
California Health+ Advocates
California Pan-Ethnic Health Network
California School-Based Health Alliance
Children Now
Children's Defense Fund-CA
Children's Specialty Care Coalition
Community Clinic Association of LA County
Council for a Strong America
Early Childhood OC
First 5 Association of California
First 5 Kern
First 5 Monterey County
First 5 San Benito
First 5 Santa Clara
First 5 Sonoma County

Health Net
Health Plan of San Mateo
Kids Dental Land
LA Care Health Plan
Latino Coalition for a Healthy CA
LIBERTY Dental Plan
March of Dimes
NHeLP
Oral Health Awareness Society
Public Health Advocates
Regional Asthma Management and Prevention
Sacramento County Oral Health Program
Sacramento District Dental Society
Strategic Concepts in Organizing and Policy Education
The Children's Partnership
The L.A. Trust for Children's Health
UCLA Center for Children's Oral Health (UCCOH)
UCSF Pediatric Dentistry
United Ways of California

cc: Assembly Budget Committee members
Senate Budget Committee members
Agnes Lee, Assembly Speaker's Office
Marjorie Swartz, Senate Pro Tem
Tam Ma, Deputy Legislative Secretary, Office of the Governor

Richard Figueroa, Deputy Cabinet Secretary, Office of the Governor
Dr. Mark Ghaly, Secretary, California Health and Human Services Agency
Michelle Baass, Undersecretary, California Health and Human Services Agency
Marko Mijic, Deputy Secretary, California Health and Human Services Agency
Will Lightbourne, Director, Department of Health Care Services
Jacey Cooper, Chief Deputy Director, Department of Health Care Services
Keely Martin Bosler, Director, Department of Finance