

# Medi-Cal RX Supplemental Payment Pool Advocacy

*The information in this advocacy toolkit was created by the CaliforniaHealth+ Advocates.*

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Submit a public comment to Governor Gavin Newsom's office by visiting:

<https://govapps.gov.ca.gov/gov40mail/>

## MESSAGING

- Dear Governor Gavin Newsom, my name is [name] writing on behalf of [insert organization name].
- For over 50 years, health centers have proudly served anyone who needs care.
- Today, more than 1,300 community health centers serve the state of California, and provide comprehensive, high-quality care to over 7.2 million people – that's 1 in 5 Californians and 1 in 3 Medi-Cal recipients.
- Your budget proposal is overall positive for health care but there remains a shortfall to California's community health centers (CHCs) due to the loss of savings resulting from the implementation of the 340B Drug Discount Program Medi-Cal Rx transition, Executive Order N-10-19 on lowering drug costs.
- The loss of savings to community health centers is estimated at more than \$200M.
- The loss of 340B savings will impact patient services by reducing hours of operations for both primary care sites and pharmacies, which will translate into limiting access to pharmaceuticals, increasing wait times for patients to be seen and overall patient access. {INSERT INFORMATION ON HOW YOUR PHARMACY SERVICES WILL BE IMPACTED BY THE LOSS OF 340B SAVINGS}
- In 2020, the legislature and administration committed to a \$105 (\$50 million) General Fund ongoing in the form of a non-hospital clinic Supplemental Payment Pool (SPP) in the budget, and reaffirmed that commitment in 2021, but we know those dollars will not be enough.
- We are seeking an additional \$50 million budget augmentation from California to the non-hospital clinic Supplemental Payment Pool (SPP) which was created to help community health centers mitigate the losses incurred by the Medi-Cal Rx Transition.
- This \$50 million for the SPP, combined with existing state funds and federal matching funds, will relieve the \$205 million shortfall for community health centers.
- Community health centers serve California's most diverse populations and are key to overcoming COVID-19's public health and race equity crises.
- CHCs are critical to translating Medi-Cal coverage to true access. CHCs are the backbone of the Medi-Cal system, providing care to 1 in every 3 Medi-Cal recipients.