COMMUNITY CLINIC ASSOCIATION OF LOS ANGELES COUNTY

Member Driven. Patient Focused.

April 18, 2023

The Honorable Thomas Umberg
Chair, Senate Judiciary Committee
1021 O Street, Room 3240
Sacramento, CA 95814

RE: OPPOSE UNLESS AMENDED —SB 779 (Stern): Primary Care Clinic Data Modernization Act
AS AMENDED – April 17, 2023

Dear Senator Umberg:

On behalf of the Community Clinic Association of Los Angeles County (CCALAC) and our 66 nonprofit community health center (CHC) member organizations, I write to express our oppose unless amended position on SB 779. CHCs in Los Angeles County provide high-quality, patient-centered health and behavioral health services to over 1.8 million patients at more than 450 sites.

CCALAC appreciates the intent of the bill's proponents to increase accountability, quality, and transparency in health care. While CHCs are supportive of data transparency, it is unclear what specific policy problem this bill seeks to address, and the requirements would add new administrative complexity at a time when CHCs are already struggling with workforce bandwidth and capacity. We appreciate the amendments to-date and welcome continued dialog with the bill's author and sponsor.

Many of the proposed reporting requirements outlined in this bill are already publicly reported by CHCs, leading to a duplicative and overly burdensome administrative mandate. CHCs report to multiple entities including the Health Resource and Services Administration (HRSA), the California Department of Health Care Access and Information (HCAI), and various payors. Under current laws, CHCs report the following information: Prospective Payment System (PPS) rates, full income statements including operating revenue and expenses, major capital expenditures, and building projects. CHCs also report patient data segmented by preferred spoken language, sexual orientation, gender identity, and payor. Related to workforce, CHCs provide a detailed workforce report which delineates CHC staff who are salaried, contract, and volunteer along with their respective number of encounters and level of training.

While improving data standardization is an on-going and well-intentioned effort, the amount of data CHCs currently submit on an annual basis is robust and comprehensive. Between the reporting to HRSA and HCAI alone, CHCs report over 500 data points for the sake of transparency, accountability and to support improving health outcomes for patients. Additionally, with the data already collected from CHCs, it takes HCAI nearly a year to clean and organize the data for public consumption. Adding complexity to the current process has the potential to further delay the public availability of data.

The cost of the bill, to the state and to CHCs, is also a concern. In the state's current fiscal environment, cost is a significant consideration. The proposed requirements outlined in the bill will require substantial implementation

costs to the state including one-time costs for the initial systems redesign, development of reporting forms, and likely ongoing costs to account for staff needed to review and process more comprehensive data submissions.

CHCs will also incur costs including up-front costs to reconfigure systems and staffing costs to account for the increased requirements and complexity. As indicated above, CHCs spend a significant amount of time submitting data to various reporting agencies. Any time there is a change to data reporting requirements, CHCs must reconfigure their electronic health records and practice management systems, adjust operational workflows to ensure data capture, and train staff to generate and submit new reports correctly. Health centers already have challenges with retaining staff, adding new and overly burdensome reporting requirements will exacerbate retention challenges. While the costs of implementing the bill's requirements are substantial, the bill makes no mention of providing funding to support the state or CHCs with implementation. Additionally, due to the work required to update systems and operationalize the bill's new reporting requirements, CHCs would need a delayed implementation timeline.

The true purpose of this legislation remains unclear as there is nothing in the bill indicating which elements of the current reporting requirements are lacking or insufficient. If the objective is to use data to, as stated, "study health care policy questions, to assess trends in workforce, care, finance, and corporate responsibility, including anticipating workforce shortages, and to inform public funding and public policy decisions related to health care equity, quality, and access," we would assert that the data already reported by health centers is sufficient to meet these purposes.

For the reasons outlined above, CCALAC is opposed to SB 779, unless further amended to reduce the burden on CHCs including delaying the implementation date and providing resources to account for implementation costs that CHCs will incur. We respectfully urge committee members to vote no on this bill unless further amended.

Sincerely,

Joanne Preece, MPH
Director of Government and External Affairs

cc: Senator Henry Stern, Bill Author, Senate Judiciary Committee
Senator Ben Allen, Senate Judiciary Committee
Senator Maria Elena Durazo, Senate Judiciary Committee
Senator Scott Wilk, Senate Judiciary Committee