

Date of Hearing: April 26, 2022

ASSEMBLY COMMITTEE ON HEALTH

Jim Wood, Chair

AB 2680 (Arambula) – As Amended April 7, 2022

SUBJECT: Medi-Cal: Community Health Navigator Program.

SUMMARY: Requires the Department of Health Care Services (DHCS) to create the Community Health Navigator (CHN) Program (CHN Program) to make direct grants to qualified non-profit community-based organizations (CBOs) to conduct targeted outreach, enrollment, retention, utilization, and access activities for individuals and families eligible for all Medi-Cal programs. Requires DHCS to coordinate and partner with Covered California and counties that elect to participate on a seamless approach to application assistance outreach, enrollment, retention, utilization, and access activities and for marketing targeted to individuals eligible for health coverage in Medi-Cal and Covered California that includes investment in a coordinated marketing, communications, and messaging strategy for Covered California and Medi-Cal, and development of a joint application tracker system that will allow individuals, county workers, those assisting applicants, CHN Program grantees, and Covered California customer services representatives to track applications and referrals between commercial and Medi-Cal coverage and enrollment progress in real time. Specifically, **this bill:**

- 1) Requires DHCS to create the CHN Program, and establishes as the purpose of the CHN Program is to make direct grants to qualified CBOs that are tax exempt under Section 501(c)(3) of the Internal Revenue Code (IRC) that apply to the program, to conduct targeted outreach, enrollment, retention, utilization, and access activities for individuals and families eligible for all Medi-Cal programs, including but not limited to, the Medi-Cal Access Program.
- 2) Requires grants under the CHN Program to be made based on estimates for both of the following factors in the grant applicant's service area or areas:
 - a) The number of persons who are any of the following:
 - i) Eligible for but not enrolled in Medi-Cal;
 - ii) Immigrants;
 - iii) Limited-English-proficient low-income residents;
 - iv) Homeless;
 - v) Seniors;
 - vi) Disabled;
 - vii) Pending release from incarceration or formerly incarcerated; and,
 - viii) Lesbian, gay, bisexual, transgender, or gender nonspecific (LGBTQ+).
 - b) The general need for assistance with health care utilization or access among Medi-Cal-eligible persons not identified in a) above.
- 3) Requires DHCS to contract with a private foundation to administer the grant application and allocation process for the CHN Program, including establishment of contract deliverables, reporting, and evaluation metrics.
- 4) Requires DHCS to do all of the following:
 - a) Publicly publish both of the following on its website:

- i) The list of grantees and amounts granted to each, updated annually; and,
 - ii) Progress reports on reaching state and regional outreach and enrollment goals, and related deliverables, updated quarterly.
 - b) Contract with an independent entity to conduct an evaluation of the CHN Program every three years;
 - c) Contract with CBOs, qualified under Section 501(c)(3) of the IRC as tax exempt, or nonprofit legal services providers to furnish training and technical assistance to grant recipients of the CHN Program on changes in Medi-Cal eligibility, enrollment, retention, utilization, and access requirements, and the coverage, application, and renewal processes; and,
 - d) Contract with one or more statewide coalitions with the capacity to reach smaller geographically dispersed, racially, ethnically diverse populations, including, but not limited to, Asian American and Pacific Islander populations, LGBTQ+ individuals, rural residents, and persons with disabilities.
- 5) Requires DHCS to coordinate and partner with Covered California and counties that elect to participate on a seamless approach to application assistance outreach, enrollment, retention, utilization, and access activities and for marketing targeted to individuals eligible for health coverage in Medi-Cal and Covered California that includes all of the following:
- a) Investment in a coordinated marketing, communications, and messaging strategy for Covered California and Medi-Cal;
 - b) Development of a joint application tracker system that will allow individuals, county workers, those assisting applicants, CHN Program grantees, and Covered California customer services representatives to track applications and referrals between commercial and Medi-Cal coverage and enrollment progress in real time;
 - c) Facilitation by DHCS of quarterly meetings with CHNs, counties, and Covered California to provide program updates, identify outreach, enrollment, retention, utilization, and access barriers, and identify and implement necessary solutions; and,
 - d) A report on the feasibility of establishing a single, streamlined CHN grant program to assist vulnerable Californians to enroll in both public and commercial coverage by July 1, 2023.
- 6) Requires funds allocated under this bill to be used only for Medi-Cal outreach, enrollment, retention, utilization, and access activities, and program administration and evaluation, and permits these funds to supplement, but not supplant, existing local, state, federal, or foundation funding for such activities.
- 7) Permits the funds appropriated under this bill to be encumbered starting January 1, 2023.
- 8) Requires DHCS to seek any necessary federal approval for implementation of this bill.
- 9) Prohibits this bill from changing the role or authority of a county in Medi-Cal administration, nor impeding any county from providing technical assistance, training or other support to CHN Program grantees.

EXISTING LAW:

- 1) Establishes the Medi-Cal program, administered by DHCS and under which qualified low-income persons receive health care benefits.
- 2) Establishes a schedule of benefits under the Medi-Cal program, which includes benefits required under federal law and benefits which are provided as state option (known as “optional benefits”) but for which federal funding (known as FFP) through Medicaid is available.
- 3) Authorizes, under federal Medicaid law, FFP for other diagnostic, screening, preventive, and rehabilitative services, including any medical or remedial services (provided in a facility, a home, or other setting) recommended by a physician or other licensed practitioner of the healing arts within the scope of their practice under state law.
- 4) Defines, pursuant to federal Medicaid regulation, “preventive services” as services recommended by a physician or other licensed practitioner of the healing arts acting within the scope of authorized practice under state law to:
 - a) Prevent disease, disability, and other health conditions or their progression;
 - b) Prolong life; and,
 - c) Promote physical and mental health and efficiency.
- 5) Requires Medi-Cal to provide coverage for mental health benefits adopted by the state to implement a specified provision of the federal Patient Protection and Affordable Care Act (ACA).
- 6) Requires county mental health plans to be governed by specified guidelines, including a requirement that Medi-Cal covered specialty mental health services be provided in the beneficiary’s home community, or as close as possible to the beneficiary’s home community pursuant to the objectives of the federal rehabilitation option, and permits specialty mental health services to be provided in a facility, a home, or other community-based site.

FISCAL EFFECT: Unknown. This bill has not been analyzed by a fiscal committee.

COMMENTS:

- 1) **PURPOSE OF THIS BILL.** According to the author, California is leading the way in expanding access to health care. However, obstacles to health care still remain for many low-income communities of color, immigrants, and other Limited English Proficient groups. With the expected influx of people eligible for Medi-Cal, either due to the COVID-19 pandemic or efforts to expand benefits to undocumented Californians, it is critical now more than ever to make certain the State has the infrastructure to readily serve the needs of linguistically and culturally diverse communities. This bill will establish the CHN Program to ensure that California can continue to provide life-saving services to enroll, retain, and encourage utilization of Medi-Cal benefits. This grant program will empower CBOs that are uniquely positioned, trained, and experienced in the community to address the needs of low-income Californians by conducting targeted outreach, enrollment, retention, utilization, and access activities for individuals and families eligible for Medi-Cal.
- 2) **BACKGROUND.** The 2019 State Budget, AB 79 (Ting), Chapter 23, Statutes of 2019, made available two separate \$14.9 million allocations (for a total of \$29.8 million) to DHCS for the management and funding of Medi-Cal outreach and enrollment services. This funding

is available for encumbrance or expenditure until June 30, 2022. Under this item, outreach and enrollment may include assistance with retaining and using health coverage and gaining access to needed medical care. DHCS is required to seek any necessary federal approvals for purposes of obtaining federal funding for activities conducted under this item. These funds are required to be made available to selected counties and counties acting jointly. The DHCS Director is authorized, at the director's discretion, in consultation with stakeholders, to also give consideration to CBOs in an area or region of the state if a county, or counties acting jointly, do not seek an allocation, with DHCS being required to determine the number of allocations and the application process and selection criteria to allocate funds for the Medi-Cal outreach and enrollment activities.

- 3) GOVERNOR'S COMMUNITY HEALTH WORKERS (CHW) PROPOSAL.** In the May Revision to the proposed 2022 Budget, Governor Newsom proposed to add CHWs to the class of skilled and trained individuals who are able to provide clinically appropriate Medi-Cal covered benefits and services, effective January 1, 2022. The Budget Act included costs of \$16.3 million total funds (\$6.2 million General Fund (GF)) in fiscal year 2021-22 for CHWs, but implementation was delayed until July 1, 2022 along with a similar proposal to add doula as a Medi-Cal benefit. CHWs were not added to the existing statutory list of Medi-Cal benefits and providers, but was added administratively with funding through the Medi-Cal budget.

DHCS describes CHWs as skilled and trained health educators who work directly with individuals who may have difficulty understanding and/or interacting with providers due to cultural and/or language barriers. CHWs can assist those individuals by helping them to navigate the relationship with their health care providers, assist them in accessing health care services, and provide key linkages with other similar and related community-based resources. As a result, CHWs help to extend the reach of providers into underserved communities, reduce health disparities, enhance provider communication, and improve health outcomes and overall quality measures. Working in conjunction with health care providers, CHWs can bridge gaps in communication and instill lasting health knowledge to individuals within their communities to reduce health and mental health disparities experienced by vulnerable communities in California.

The Governor's January 2022-23 budget continues to propose to add CHWs as another class of skilled and trained individuals who are able to provide clinically appropriate Medi-Cal covered benefits and services, effective July 1, 2022. These services would be available under both the fee-for-service and Medi-Cal managed care delivery system. The November 2022 Medi-Cal Estimate assumes total fund (TF) costs of \$7.4 million (\$2.5 million GF) in 2021-22 and \$47 million TF (\$16.9 million GF) in 2022-23.

- 4) SUPPORT.** This bill is sponsored by the California Pan-Ethnic Health Network (CPEHN) and supported by numerous consumer groups to require DHCS to create a permanent program that provides grants to CBOs who can then provide these services to Californians who are eligible for benefits under Medi-Cal or communities that may require assistance navigating the Medi-Cal system and to ensure collaboration between DHCS, Covered California, state and local entities for a seamless approach to enrolling all Californians into health coverage.

As California continues to experience a growth in Medi-Cal enrollment, CPEHN argues the need for an ongoing statewide program that is specifically equipped to serve this population has never been timelier. The current navigators' pilot program is set to expire on June 30, 2022, meaning that these essential community navigator services will soon be coming to an end. The expiration of the program comes just as California's leaders have launched a statewide campaign to help Californians retain their health coverage in Medi-Cal after the federal public health emergency (PHE) ends and the state is looking to further expand Medi-Cal to thousands of undocumented community members ages 26 to 49 no later than 2024. Challenges in retaining Medi-Cal will come sharply into focus when the state resumes the annual eligibility redetermination process that has been on hold since the beginning of the PHE in 2020 to ensure continuing coverage throughout the COVID-19 PHE. CPEHN states that counties alone cannot effectively reach out to the millions of affected consumers. With adequate resources from the state through the Medi-Cal program, with federal matching funds, CPEHN argues community-based health navigators will make a major contribution here. The expiration of the current navigator program will result in a critical gap in outreach services to vulnerable populations despite the record number of individuals who will soon be subject to annual redeterminations or newly eligible for Medi-Cal coverage under the Governor's proposed expansions, further exacerbating disparities in health care access and utilization.

CPEHN states these navigators serve an invaluable role in connecting individuals to safety net services, informing individuals of their rights to access health care and enrolling individuals in Medi-Cal. While navigators tend to focus on enrollment and assisting with Medi-Cal applications, CPEHN states they provide services on retention of benefits and use of services. CPEHN states that, when working with vulnerable communities, families do not feel comfortable seeking assistance from government entities or workers and there is a preference to work with CBOs, and this bill would ensure that navigator services are provided through CBOs, or any eligible nonprofit organization, that has a demonstrated ability to work with communities that may have linguistic or cultural barriers.

CPEHN continues that navigation assistance through community-informed approaches is a proven prevention strategy citing research that CBOs in Los Angeles have used funding to significantly improve primary care access for low-income Latino adults. Individuals assisted by navigators were also significantly less likely to experience several barriers to care: not having insurance, not being able to pay for a visit, not having a usual place of care, not knowing how or where to get care and not having transportation to care. This bill will provide the state and community stakeholders with the additional capacity to conduct outreach and other enrollment-related services to the communities that have the most need.

Finally, CPEHN writes this bill seeks to create a new foundation for the future of navigator services by requiring quarterly meetings and a joint application tracker system between DHCS and Covered California. While DHCS' CHN Program focuses on Medi-Cal enrollment, Covered California's Navigator Program focuses on enrollment within the Exchange. In some instances, when an individual is being assisted by a Medi-Cal navigator it may become apparent that the person is actually eligible to purchase health care coverage through Covered California. During these moments, an application process will begin a Medi-Cal navigator but will then be transferred to Covered California for completion. Currently, there is no way to track applications when they move to one Navigation Program to the other and this has made is particularly challenging for Medi-Cal navigators since their

reimbursement rates are closely attributed to application completion.

CPEHN writes a joint application tracker system will alleviate many of the application tracking issues that are currently experienced by both entities, in addition to assisting *all* navigators with their ability to closely monitor their own progress and outreach to as many Californians as possible. Additionally, through quarterly stakeholder meetings between DHCS and Covered California there will be more frequent communication and collaboration taking place between the two agencies and encourage further cooperation on outreach, retention, and utilization efforts as part of a more uniformed, statewide approach. Stronger coordination between these entities, will not only assist navigators with increasing their own deliverables, but will ultimately increase the success of the CHN Program, while also allowing for the further identification and solution to persistent barriers that continue to prevent Californians from opting to access care in the first place. Last, this bill would require DHCS to produce a report with recommendations on the feasibility of establishing a single, streamlined Navigators Program that can assist all Californians with enrollment in both public and private insurance in the future.

- 5) SUPPORT IF AMENDED.** The Collective: Choice (a certified insurance agency) and California Agents & Health Insurance Professionals (CAHIP) writes they would support this bill if it were amended to include agents as grant recipients to conduct targeted outreach, enrollment, retention and access for Medi-Cal-eligible individuals and families. CAHIP states its members help millions of individual Californians, families and businesses evaluate, select, purchase, and use their health care coverage plans - including Medi-Cal. CAHIP writes that, while consumers are not charged fees to work with agents, there is a commission that is available to agents on the backend of commercial group and individual health plans, but that is not the case for Medi-Cal enrollment. CAHIP writes that every time an agent services an individual or family with enrollment or utilization assistance for Medi-Cal it is with no commission or compensation and is a direct financial loss to the agent or agency that is paying staff, building overhead, their own health insurance premiums and other operational costs.

CAHIP writes that agents are proud to serve as “boots on the ground” and the “faces of Covered California and Medi-Cal” when consumers need a person in their communities to assist with enrollment or a coverage dispute. However, agents are provided no compensation for their service to a Medi-Cal enrollee. Over 11,000 agents contract with Covered California and their contracts specify that they must assist Californians with enrollment regardless of an enrollee’s eligibility either on the Exchange or through Medi-Cal. CAHIP writes that, while agents are proud of their work as the primary enrollers in Covered California, and their service to Medi-Cal beneficiaries, they would like to be treated fairly with eligibility to apply for state resources proposed in this bill. CAHIP writes that excluding agents from community-based grant funding defies California values by not only denying agents serving low-income Californians a livable wage, but also by demanding they work with no wage at all. CAHIP states that agents run into the same kinds of problems that navigator partners experience such as tracking application transitions between Covered California and Medi-Cal. Excluding agents from necessary financial resources maintains a barrier between Californians who desperately need the time, expertise, and service of an agent in their community, to ensure they have coverage and that the coverage is utilized in a meaningful way to their health and wellbeing.

The California Coverage & Health Initiatives (CCHI) writes it would support this bill if it were amended. CCHI is a statewide association of outreach and enrollment organizations focused on helping families navigate affordable health coverage and access to high quality health services with a membership of 34 navigator agencies and affiliations with 625 CBOs that is currently involved with a statewide navigator project to expand enrollment support services to Medi-Cal beneficiaries. CCHI requests an amendment that the requirement in this bill that DHCS contract with a private foundation to administer the grant program include an additional requirement that the foundation be an entity “that works closely with all counties across California.”

6) RELATED LEGISLATION.

- a) AB 2697 (Aguiar-Curry) requires DHCS to implement a CHW and promotores benefit (CHW/P benefit) under the Medi-Cal program subject to federal approval and federal financing being available, and defines CHW/P services as preventive services pursuant to federal Medicaid regulation for specified target populations to provide health education and navigation, as defined. AB 2697 would also require Medi-Cal managed care (MCMC) plans, if the CHW/P benefit is implemented, to engage in outreach and education efforts to providers about the benefit, specifies the components of that outreach, requires MCMC plans to conduct an annual assessment of CHW and promotores capacity and enrollee need, requires the assessment be shared with DHCS, requires DHCS to annually review outreach and education plans developed by MCMC plans, and requires DHCS to annually publish an analysis of the CHW/P benefit on its website that includes specified elements. AB 2697 is scheduled for hearing in the Assembly Health Committee on April 26, 2022.
- b) AB 1929 (Gabriel) requires DHCS to establish a community violence prevention and recovery program, under which violence preventive services are required to be provided by qualified violence prevention professionals as a covered benefit under the Medi-Cal program. Defines the eligibility of Medi-Cal beneficiaries for violence prevention services, and training and certification program and continuing education requirements for violence preventive professionals. AB 1929 passed out of the Assembly Health Committee on a 13-0 vote on April 6, 2022 and is currently awaiting hearing in the Assembly Appropriations Committee.

7) PREVIOUS LEGISLATION.

- a) AB 166 (Gabriel) of 2019 would have required Medi-Cal to provide coverage for violence preventive services in a minimum of nine counties provided by a qualified violence prevention professional for a Medi-Cal beneficiary who meets specified criteria, including those who received medical treatment for a violent injury, such as a gunshot wound or stabbing injury. AB 166 would have established training and experience criteria for individuals providing violence preventive services, would have defined "violence preventive services" and would have required the services to be offered for a minimum of three months to a maximum of 12 months, and to include care coordination, home and community visitation after discharge and peer support services, including mentorship, conflict mediation, and crisis intervention. AB 166 would have sunset five years after implementation, and DHCS would have been required to issue a report on implementation.

Governor Newsom vetoed the bill, stating the 2019 Budget Act provided \$30 million in the GF for the California Violence Intervention and Prevention (CalVIP) Program, the largest investment in the program's history. The Governor also stated that he signed AB 1603 (Wicks), Chapter 735, Statutes of 2019, into law, which codified the CalVIP program in statute and increases the grant amount that can be distributed, and noted that hospital-based violence intervention programs are eligible for grant funding through CalVIP. The Governor concluded that, while he appreciated the Legislature's intent to secure additional funding for these programs, these changes should be considered in the annual budget process where we can have a comprehensive conversation about spending priorities for the Medi-Cal.

- b) SB 207 (Reyes) of 2019 would have required asthma preventive services to be a covered benefit, by July 1, 2020, for Medi-Cal beneficiaries with poorly controlled asthma. Requires an asthma preventive services provider to provide those services, as specified. Requires DHCS to develop and establish asthma preventive services. Establishes requirements for asthma preventive service providers, the curricula for these providers, and their supervising health care providers. Requires DHCS to approve at least two accrediting bodies with expertise in asthma to review and approve training curricula for asthma preventive service providers. SB 207 was gutted and amended and used for an unrelated issue.
- c) AB 391 (Chiu) of 2017 would have required asthma preventive services to be a covered Medi-Cal benefit subject to utilization controls; and establishes requirements for qualified asthma preventive service providers, and established requirements for an entity or supervising licensed provider who employs or contracts with a qualified asthma preventive services provider. AB 391 was vetoed by Governor Brown together with AB 447 (Gray). In his veto message, Governor Brown stated DHCS has considerable administrative authority to make changes to benefits based upon new medical evidence and clinical guidelines, and therefore, these statutory changes are unnecessary.

REGISTERED SUPPORT / OPPOSITION:

Support

California Pan-Ethnic Health Network (sponsor)
 AAPI Equity Alliance
 Abrazar, Inc.
 Access Reproductive Justice
 API Equality-LA
 Asian Pacific Health Care Venture, Inc.
 Asian Pacific Islander Forward Movement
 Asian Resources, Inc.
 Association of Regional Center Agencies
 Be Smooth, Inc.
 California Council of Community Behavioral Health Agencies
 California Commission on Asian and Pacific Islander American Affairs
 California Immigrant Policy Center
 California Medical Association
 California Pan - Ethnic Health Network

California Rural Legal Assistance Foundation, Inc.
California School-Based Health Alliance
Centro LA Familia Advocacy Services
Child and Family Guidance Center
Children Now
City of Long Beach
Clinica Monsenor Oscar A. Romero
Coalition for Humane Immigrant Rights
Community Clinic Association of Los Angeles County
Crystal Stairs, Inc.
Cultiva LA Salud
Dignity Community Care Db. California Hospital Medical Center
Dignity Health St. Mary Medical Center - Families in Good Health
East Los Angeles Women's Center
Emanate Health
Empowering Pacific Islander Communities
Having Our Say Coalition
Health Access California
Healthy San Gabriel Valley
Jovenes, Inc.
Justice in Aging
Korean American Coalition - Los Angeles
Korean Community Center of The East Bay
LAC+USC Medical Center Foundation, Inc.
Maternal and Child Health Access
Mi Familia Vota
Mixteco Indigena Community Organizing Project
Multi-Ethnic Collaborative of Community Agencies
National Association of Social Workers, California Chapter
National Health Law Program
Pacific Asian Counseling Services
Para Los Niños
Prime Healthcare Services - St. Francis LLC Db. St. Francis Medical Center
Regional Asthma Management and Prevention
South Asian Network
Southeast Asia Resource Action Center
Tarzana Treatment Center
Thai Community Development Center
The Cambodian Family
The Children's Partnership
The Fresno Center
Valley Community Healthcare
Venice Family Clinic
Vision Y Compromiso
Western Center on Law & Poverty, Inc.
Women's Foundation California
Worksite Wellness LA

Opposition

None on file.

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