
SENATE COMMITTEE ON HEALTH

Senator Dr. Richard Pan, Chair

BILL NO: AB 2680
AUTHOR: Arambula
VERSION: April 07, 2022 Amended
HEARING DATE: June 29, 2022
CONSULTANT: Jen Flory

SUBJECT: Medi-Cal: Community Health Navigator Program

SUMMARY: Requires the Department of Health Care Services (DHCS) to create the Community Health Navigator Program to make direct grants to community-based organizations to conduct targeted outreach, enrollment, retention, and access activities for Medi-Cal-eligible individuals and families. Requires DHCS to contract with a private foundation to administer the grant application and allocation process. Requires DHCS to contract with specified providers to furnish training and technical assistance to grant recipients. Requires DHCS to coordinate and partner with Covered California for marketing to eligible individuals, developing a joint application tracker system to allow specified persons and entities to track application and referrals between commercial and Medi-Cal enrollment, and to facilitate quarterly meetings on enrollment and access barriers and solutions.

Existing federal law: Authorizes federal financial participation (FFP) in the Medicaid program for diagnostic, screening, preventive, and rehabilitative services, including any clinical preventive services that are assigned a grade A or B by the United States Preventive Services Task Force and 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. [42 U.S.C. §1396d]

Existing state law:

- 1) Establishes the Medi-Cal program, administered by DHCS, under which low-income individuals are eligible for medical coverage. [WIC §14000, et seq.]
- 2) Establishes a schedule of benefits under the Medi-Cal program, which includes benefits required under federal law and benefits provided at state option but for which FFP through Medicaid is available. [WIC §14132]

This bill:

- 1) Requires DHCS to create the Community Health Navigator (CHN) Program to make direct grants to qualified tax-exempt community-based organizations (CBOs) to conduct targeted outreach, enrollment, retention, utilization, and access activities for individuals and families eligible for Medi-Cal and the Medi-Cal Access Program.
- 2) Requires CHN Program grants 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: eligible for but not enrolled in Medi-Cal, immigrants, limited-English-proficient low-income residents, experiencing homelessness, seniors, people with disabilities, pending release from incarceration or formerly incarcerated, or lesbian, gay, bisexual, transgender, or gender nonspecific (LGBTQ+); and,

- b) The general need for assistance with health care utilization or access among Medi-Cal eligible persons not identified in a).
- 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) Publish annually the list of grantees and amounts granted to each and publish quarterly progress reports on reaching state and regional outreach and enrollment goals, and related deliverables on its website;
 - b) Contract with an independent entity to conduct an evaluation of the CHN Program every three years;
 - c) Contract with tax-exempt CBOs 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, including:
 - 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 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 pursuant to this bill to be used only for Medi-Cal outreach, enrollment, retention, utilization, and access activities, and program administration and evaluation. Permits the funds to supplement, but not supplant, existing local, state, federal, or foundation funding for such activities. Permits the funds appropriated under this bill to be encumbered starting January 1, 2023. Requires DHCS to seek any necessary federal approval for implementation of this section.

- 7) States that this bill does not change the role or authority of a county in Medi-Cal administration under this chapter, nor impede any county from providing technical assistance, training or other support to CHN Program grantees.

FISCAL EFFECT: According to the Assembly Appropriations Committee, this bill has the following fiscal effect:

- Ongoing costs, likely around \$30 million dollars for DHCS to create the CHN Program, based on prior budget actions and advocacy requests (50% General Fund (GF) / 50% federal funds (FF)). The Budget Act of 2019 (AB 79 (Ting, Chapter 23, Statutes of 2019) allocated \$29.8 million to DHCS for the management and funding of Medi-Cal outreach and enrollment services; this funding expires July 1, 2022. Actual amounts for the CHN Program would be determined pursuant to funding in the annual budget act.
- Total fund costs to DHCS, likely in the low hundreds of thousands every three years, to contract with an independent entity to conduct an evaluation of the CHN Program every three years (50% GF / 50% FF).
- Unknown costs, potentially in excess of one million dollars, to develop 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 (50% GF / 50% FF).
- Unknown increased Medi-Cal caseload costs to the extent outreach and assistance provided by CHNs result in increased Medi-Cal enrollment and greater retention of Medi-Cal coverage. If Medi-Cal enrollment increases by 1% as a result of increased enrollment and retention efforts of CHNs, increased caseload would be an additional 14,000, at a total annual cost of approximately \$80 million (\$24 million GF and \$56 million FF).

The Legislature's proposed budget includes approval for the Administration's proposal to continue the existing CHN Program at a cost of \$60 million total funds (\$30 million GF) over three years.

PRIOR VOTES:

Assembly Floor:	59 - 0
Assembly Appropriations Committee:	12 - 2
Assembly Health Committee:	11 - 0

COMMENTS:

- 1) *Author's statement.* 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 we 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) *CHNs.* CHNs predate the Affordable Care Act, but they rose to industry recognition following the Affordable Care Act's healthcare coverage expansion, which included funding for navigators to help people enroll in Exchange-based coverage. More patients were able to afford healthcare coverage, but many of them had never applied for or purchased insurance before. Healthcare navigators were funded to assist these individuals. California's Exchange, Covered California, has had a CHN program since enrollment began. And although CBOs have long had CHNs to help people enroll into Medi-Cal or other public programs, a CHN program is not built into the funding of these programs as it is with Covered California. Many of the communities that need Medi-Cal services have the very barriers that CHN programs were designed to assist – limited English proficiency, limited health care services in their communities, low health care literacy, lower rates of health care coverage, and sometimes distrust of the health care system. CHNs help individuals understand what health care program they are eligible for, enroll in those programs, work through barriers that may have caused a disruption in coverage, help with renewing coverage, and help with finding providers or accessing services once they have health care coverage. Because CHNs are often based in CBOs, they often have close connections to the communities they serve and can assist individuals in a culturally and linguistically appropriate manner.
- 3) *Current navigator program.* Although not a permanent part of the Medi-Cal program, DHCS currently has a CHN program. AB 74 (Ting, Chapter 23, Statutes of 2019) appropriated approximately \$60 million over three state fiscal years (ending June 30, 2022) to provide funding to counties and CBOs to serve hard-to-reach potentially eligible Medi-Cal populations through the Medi-Cal Health Enrollment Navigators Project (Project). These county and CBO groups perform the following activities to reach these populations: outreach, application assistance, enrollment, assistance with accessing and utilizing health care services, assistance with troubleshooting, retention, and assistance with redeterminations. DHCS has identified 11 priority populations to focus health navigation efforts:
 - a) Persons with mental health disorder needs;
 - b) Persons with substance use disorder needs;
 - c) Persons with other disabilities;
 - d) Aged persons;
 - e) Persons who are homeless;
 - f) Young people of color;
 - g) Immigrants and families of mixed immigration status;
 - h) Persons with limited English proficiency;
 - i) Low-wage workers and their families or dependents;
 - j) Uninsured children and youth formerly enrolled in Medi-Cal; and,
 - k) Persons who are in county jail or state prison, on state parole, on county probation, or under post release community supervision.

DHCS is responsible for the Project's implementation including program design, funding allocations, data collection, and reporting requirements. The Administration has proposed extending this program through fiscal year 2025-2026 and the Legislature has approved it in its proposed budget.

This bill would aims to codify the Project. It also includes more detailed implementation criteria, and many of the same priority populations. It does not include persons with mental health or substance use disorder needs, young people of color, low-wage workers and their families, or uninsured children and youth formerly enrolled in Medi-Cal, but it does include LGBTQ+ individuals. It also limits grantees to CBOs, rather than CBOs or county entities and has a number of contracting requirements for funding distribution and evaluation. It adds requirements that DHCS use a private foundation to administer the grants, contract with other CBOs or legal services for technical training for CHNs, and contracts with an outside entity to evaluate the CHN program. It also requires DHCS and Covered California to work together on marketing, a quarterly CHN meeting, a joint tracker system to allow CHNs and other entities to track application referrals, and to report on the feasibility of merging the Covered California navigator program and this CHN program.

- 4) *Related legislation.* SB 861 (Limón) establishes the Dementia Care Navigator Grant Pilot Program, to be administered by the California Department of Aging, in partnership with organizations with expertise using community health workers, promotores, and health navigators in order to to incentivize organizations that provide services to local communities to provide dementia care navigation training services, as defined. *SB 861 is pending in the Assembly Appropriations Committee.*

AB 1929 (Gabriel) requires DHCS to establish a community violence prevention and recovery program, under which violence preventive services would be provided by qualified violence prevention professionals as a covered benefit under the Medi-Cal program. *AB 1929 is on the Senate third reading file.*

AB 2697 (Aguiar-Curry) requires DHCS to implement a CHW and promotores benefit (CHW/P benefit) under the Medi-Cal program 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 is set for hearing in Senate Health on June 29, 2022.*

- 5) *Support.* This bill is supported by a broad range of CBOs, legal services organizations, providers, and other health care advocacy organizations. Sponsor California Pan-Ethnic Health Network (CPEHN) writes that this bill will require DHCS to create a permanent program that provides grants to CBOs who can then provide outreach, enrollment, retention, and utilizations services to Californians who are eligible for benefits under Medi-Cal and provide general navigation assistance to communities in need. Additionally, this bill will make programmatic enhancements to the CHN program by requesting recurring program evaluations, increased communication between Covered California and DHCS as it related to their navigation services, and a report on the feasibility of a future, single, streamlined program that includes DHCS and Covered California CHN services. This bill will bring California one-step closer to ensuring historically excluded communities do not continue to be left out. For many Californians of color, Limited English Proficient, immigrants, and seniors, CHNs 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 CHNs tend to focus on enrollment and assisting with Medi-Cal applications, it is also important to note that they provide services on retention of benefits and use of services.

Navigation assistance through community-informed approaches is a proven prevention strategy. This bill would ensure that CHN services are provided through CBOs, or any eligible 501(c)(3) organization, that has a demonstrated ability to work with communities that may have linguistic or cultural barriers. According to research by the University of Southern California in the Journal of the American Board of Family Medicine, community-based organizations in Los Angeles have used funding to significantly improve primary care access for low-income Latino adults. Investigators found that individuals assisted by local CHNs funded by the Los Angeles Children's Health Insurance Outreach program (now the Community Health Outreach Initiative) in 2018 and 2019 were three times more likely to report having a primary care clinic and over two and half times more likely to report having a primary care provider compared to the comparison group. Individuals assisted by CHNs 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.

- 6) *Support if amended.* California Agents & Health Insurance Professionals (CAHIP) write that they would be pleased to support this bill were it amended to include agents as grant recipients to conduct targeted outreach, enrollment, retention and access for Medi-Cal-eligible individuals and families. Their members help millions of individual Californians, families and businesses evaluate, select, purchase, and use their health care coverage plans - including Medi-Cal. Their agents and brokers also serve as consumer advocates for policyholders and their families year-round to help with questions and possible coverage disputes - all at no additional cost to the consumer. While consumers are not charged fees to work with agents there is a commission that is available to agents on the backend of group and individual health plans. That is not the case for Medi-Cal enrollments, and in fact 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. California Coverage and Health Initiatives writes that they will support this bill if it is amended to specify that the private foundation the DHCS contracts with to implement the grants must work closely with all counties across California.
- 7) *Policy comments.*
 - a) *Joint tracker system.* This bill requires 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. There are currently considerable federal privacy and security rules regarding the existing joint Medi-Cal/Covered California application system, CalHEERS, a system that has cost hundreds of millions of dollars since 2012. Building a second system to allow these entities to track information about potential applicants may invoke these same rules, depending on what information is entered into the system and calls into question whether there are additional privacy concerns if the system itself is not built for the purpose of enrolling in health coverage. The author should consider further discussion with Covered California and DHCS about how the existing CalHEERS system can be modified and whether additional consent from the applicants would be needed.
 - b) *Contract requirements.* Although this is not a time-limited program, there are several contracting requirements that may or may not be appropriate years down the road. In

particular, the requirement that DHCS contract with a private foundation to administer the grant might not be appropriate. While DHCS can generally contract out functions such as grant administration, should an appropriate foundation not be available, it is not clear what DHCS should do. Furthermore, contracting out to a foundation what the contract deliverables are for CBOs performing the CHN services calls into question DHCS's oversight and policymaking authority over the CHN program. The author should consider whether several of these requirements should be permissive if the author wishes to indicate how these functions might be accomplished at the outset. In addition, the requirement that DHCS contract with one or more statewide coalitions to reach smaller geographically dispersed diverse populations, including, but not limited to, Asian American and Pacific Islander populations, LGBTQ+ individuals, rural residents, and persons with disabilities does not state what the purpose of this contract is, whether for additional technical assistance or for CHN services. This contract should be further defined.

- c) *Frequency of program evaluation.* The author may want to consider whether the requirement that DHCS contract with an independent entity to conduct an evaluation of the CHN Program every three years could be reduced, particularly after the program is established. As this bill intends to codify a temporary program, at some point, such frequent evaluations or evaluations at all may not be necessary, particularly as the grants themselves will require specific deliverables and evaluation.

SUPPORT AND OPPOSITION:

Support: California Pan-Ethnic Health Network (sponsor)
 AAPI Equity Alliance
 Abrazar
 Access Reproductive Justice
 Altamed Health Services
 American Diabetes Association
 API Equality-LA
 Asian Pacific Health Care Venture, INC.
 Asian Pacific Islander Forward Movement
 Asian Resources, INC.
 Association of Regional Center Agencies
 Be Smooth
 CA Council of Community Behavioral Health Agencies
 California Black Health Network
 California Commission on Asian and Pacific Islander American Affairs
 California Food and Farming Network
 California Immigrant Policy Center
 California Medical Association
 California Rural Legal Assistance Foundation
 California School-based Health Alliance
 Central Valley Immigrant Integration Collaborative
 Centro Binacional Para El Desarrollo Indígena Oaxaqueno
 Centro La Familia Advocacy Services
 Child and Family Guidance Center
 Children Now
 City of Long Beach
 Clinica Monseñor Oscar A. Romero

Coalition for Humane Immigrant Rights
Community Action to Fight Asthma
Community Clinic Association of Los Angeles County
Community Health Councils
Community Health Partnership
Crystal Stairs
Cultiva La Salud
Dignity Community Care
Dignity Health St. Mary Medical Center
East Los Angeles Women's Center
Emanate Health
Empowering Pacific Islander Communities
Esperanza Community Housing Corporation
Fresno Barrios Unidos
Give for A Smile
Having Our Say Coalition
Health Access California
Healthy San Gabriel Valley
Human Services Association
Jovenes, Inc.
Justice in Aging
Korean American Coalition - Los Angeles
Korean Community Center of The East Bay
LAC+USC Medical Center Foundation
Latino Coalition for A Healthy California
Law Foundation of Silicon Valley
LeadingAge California
Little Tokyo Service Center
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
Northeast Valley Health Corporation
Pacific Asian Counseling Services
Para Los Niños
Prime Healthcare Services - St. Francis LLC dba St. Francis Medical Center
Racial and Ethnic Mental Health Disparities Coalition
Regional Asthma Management and Prevention (RAMP)
Regional Pacific Islander Taskforce
San Diegans for Healthcare Coverage
Services, Immigrant Rights and Education Network
South Asian Network
Southeast Asia Resource Action Center
Strategic Concepts in Organizing and Policy Education
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
Women's Foundation California
Worksite Wellness LA
Yolo County Children's Alliance

Oppose: None received

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