
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2023 - 2024 Regular Session

AB 85 (Weber) - Social determinants of health: screening and outreach

Version: July 3, 2023

Urgency: No

Hearing Date: July 10, 2023

Policy Vote: HEALTH 10 - 0

Mandate: Yes

Consultant: Agnes Lee

Bill Summary: AB 85 would require health plans and insurers, including the Medi-Cal program, to provide coverage for screenings for social determinants of health (SDOH), as specified.

Fiscal Impact:

- The Department of Health Care Access and Information (HCAI) estimates one-time General Fund costs of \$5,077,500, which includes the costs for a contractor for activities related to the working group.
- Unknown General Fund costs, likely hundreds of thousands, due to an increase in CalPERS health plan premiums.
- The Department of Managed Health Care (DMHC) estimates costs for state operations would be minor and absorbable (Managed Care Fund).
- Unknown costs for the California Department of Insurance (CDI) for state operations (Insurance Fund).

Background: SDOH, also referred to as “social drivers of health” refers to the nonmedical factors that influence health outcomes, sometimes more significantly than a particular medical diagnoses. For example, if someone has food insecurity, the lack of food and poor nutrition can have a significant short and long-term impact on that person’s health and can also interfere with other attempts to treat a condition such as diabetes through traditional medical interventions. Several efforts have been made recently in California to screen for and address SDOH through the health care system.

CalAIM is a collection of Medi-Cal initiatives aimed at addressing SDOH, reducing program complexity and increasing flexibility, and modernizing payment structures to promote better outcomes. Population Health Management (PHM) is a specific initiative within CalAIM that identifies and manages member risk and need through whole person care approaches while focusing on and addressing SDOH. The PHM initiative collects SDOH data not just based on information obtained while screening plan enrollees, but also by coding and documenting SDOH among network providers and subcontractors, including providers of enhanced care management and community support services providers, which include social services providers in addition to traditional medical providers. Medi-Cal managed care contracts require plans to identify and track SDOH and develop partnerships with local agencies to support community needs, including supports like housing and other non-health-related programs.

In addition to the PHM initiative, as part of CalAIM, community health worker (CHW) services were added as a Medi-Cal benefit starting July 1, 2022. Covered CHW services include health education, screening and assessment that does not require a license, individual support or advocacy, and health navigation. CHWs may include individuals known by a variety of job titles, including promotores, community health representatives, navigators, and other non-licensed public health workers, including violence prevention professionals. Current law requires HCAI, on or before July 1, 2023, to develop and approve statewide requirements for CHW certificate programs and to approve the curriculum required for programs to certify CHWs. Current law also authorizes HCAI to collect workforce data on CHWs from individuals who have enrolled in or completed CHW certificate programs.

The DMHC regulates health plans under the Knox-Keene Act and the CDI regulates health insurance. According to the California Health Benefits Review Program (CHBRP) about 75 percent of enrollees with health insurance regulated by DMHC or CDI already have coverage for SDOH screening.

Proposed Law: Specific provisions of the bill would:

- Require health plans and insurers to cover screenings for SDOH and to provide primary care providers with adequate access to community health workers, promotores, community health representatives, peer support specialists, lay health workers, or social workers, as specified; and condition implementation upon appropriation to cover the regulating departments' costs.
- Make SDOH screenings a Medi-Cal benefit and require reimbursement for these services, as specified; and condition implementation upon appropriation.
- Require HCAI, upon appropriation, to convene a working group to determine the standardized methods of data documentation to be used in recording SDOH screening responses, to create a standardized model and procedures for connecting patients with community resources, to assess the need for a centralized list of accredited community providers, and to determine gaps in research and data to inform policies on system changes to address SDOH; and require the working group to submit a report to the Legislature by July 1, 2024.

Staff Comments: The CHBRP analysis of AB 85 (as introduced) estimated increased total net annual expenditures of \$9,926,000 for enrollees with DMHC-regulated plans and CDI-regulated policies. This includes an increase of \$415,000 for CalPERS health plans. CHBRP estimates that because all Medi-Cal plans reported providing and paying for SDOH screening, there is no estimated increase in costs for the Medi-Cal program.

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