



## CHILDNET PHYSICIANS AND PRACTICE MANAGERS MEETING

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### Valley Children's Advocacy Update

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At the state and federal level, our attention continues to be focused on a number of priorities including preventing premature birth and infant and maternal mortality, maintaining and improving funding for physician training, protecting and enhancing Medi-Cal coverage for children and families, and reducing the price of prescription drugs. As the budget and legislative picture becomes clearer both in Sacramento and in Washington DC, we will have more to report regarding specific legislation and activities.

In the meantime, I have summarized below some key highlights from the last few months of calendar year 2018 and the first few months of calendar year 2019.

#### Governor Newsom's Proposed Budget for 2019-2020

On January 10, Governor Newsom released his proposed budget for the new state fiscal year that will begin July 1, 2019. Items of interest to Valley Children's include the following.

- \$36.5 million from the General Fund to pay for graduate medical education, discontinuing the practice of the Brown Administration to cut the UC's base budget and backfill that cut with GME funds from Proposition 56, which was passed by voters in 2016.
- \$78.9 million for home visiting services for CalWORKS families, and another \$23 million for other home visiting services. It also includes \$7.5 million to increase participation in the Black Infant Health Program.
- \$260 million to expand full scope Medi-Cal coverage to undocumented young adults through age 25. California already provides full scope Medi-Cal coverage to undocumented children under 19 years of age.
- \$3.2 billion from Proposition 56 for supplemental payment increases to Medi-Cal providers. A majority of this funding is a continuation of previous funding currently distributed as supplemental payments for physicians, dentists, women's health, home health agencies, and pediatric day health care programs.

The Governor's January release represents the first of many steps that must occur before final adoption of a budget in June. Valley Children's will be engaged throughout the process to ensure maximum benefit for children and families and the providers who care for them.

## State Legislation

Valley Children's is still sorting through the 2,580 bills introduced in the state legislature this year and will have more to report in future updates.

### Children's Hospital Graduate Medical Education Program

Children's hospitals throughout the country, including Valley Children's Healthcare, will be making a big push this year to increase annual spending on CHGME from the current level of \$325 million annually to \$400 million annually beginning October 2019. This is part of a larger strategy by the California Hospital Association to increase CHGME annual funding to \$635 million in five years.

### Medicare for All

Medicare for All legislation was recently introduced in the U.S. House of Representatives and is cosponsored by 106 Democrats, including two dozen Californians. The measure would not only provide a single source of health care insurance, but would change the way Medicare pays providers, including establishing a global budget for hospitals. There is strong opposition to the measure in the Republican-controlled Senate, so the legislation is likely to end up as a marker for the 2020 presidential race.

### Advancing Care for Exceptional Kids Act

Earlier this month, both the U.S. House and U.S. Senate introduced separate but almost identical legislation called the Advancing Care for Exceptional Kids Act of 2019. This legislation follows the ACE Kids Act of 2017, which passed the House last year by an overwhelming majority but failed to gain traction in the Senate. The ACE Kids Act is designed to improve care for children with medically complex conditions in Medicaid. The ACE Kids Act addresses existing challenges — identified by families and physicians — facing children with medically complex conditions by expanding access to patient-centered, pediatric-focused coordinated care models tailored for these children across multiple providers and services, and by easing access to out-of-state care. Valley Children's supports the ACE Kids Act.

### PREEMIE Reauthorization Act of 2018

In December 2018, Congress passed and President Trump signed legislation that reauthorizes the Prematurity Research Expansion and Education for Mothers who deliver Infants Early (PREEMIE) Reauthorization Act of 2018. First enacted in 2006, the PREEMIE Act funds a number of important efforts focused on premature birth prevention including research and data collection activities at the federal level and support for state level programs and interventions. Valley Children's advocated actively in support of the PREEMIE Reauthorization Act.