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CONTRA COSTA TIMES

Guest commentary: Urgent need to support state measures that will preserve vital health care services for all

By John Gioia, guest commentary © 2015 Bay Area News Group

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Economically diverse communities like Contra Costa are fortunate to have doctors, nurses and other health care providers willing to accept Medi-Cal patients -- our neighbors who do not have private health coverage.

Medi-Cal providers are lifelines to our community's overall public health, preventing costly chronic illness; keeping patients from unnecessary, expensive trips to the emergency room; and saving lives when emergency care is required.

But Medi-Cal providers are an endangered species; overworked and stretched thin by a higher demand for their services since health care expansion under the Affordable Care Act, coupled with unsustainably low reimbursement rates for providing medical services.

Before California's implementation of health care reform, more than 17 percent of state residents lacked health insurance. That number is down to 11 percent. This is good news! Health coverage saves lives and money.

But, California pays its Medi-Cal fee-for-service health care providers some of the lowest rates in the country.

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For primary care and obstetrics, California ranked 48th among all states in 2012.

Medi-Cal compensates physicians at only 51 percent of Medicare rates.

Dedicated doctors are working harder at the same jobs as their colleagues for much less pay. The result: A severely strained Medi-Cal system that drives away health care providers and threatens the survival of clinics and hospitals.

The recent closure of Doctors Hospital in San Pablo is a tragic example of what can happen under this unfair reimbursement system. For every dollar spent on providing medical care to Medi-Cal patients, the hospital was reimbursed only 60 cents. Of Doctors Hospital's \$18 million annual deficit, \$10 million was due to this gap.

Eighty-percent of Doctors Hospital's patients received Medi-Cal and Medicare. Low reimbursement rates were the major factor in the hospital's unsustainable deficit.

The need to fully fund Medi-Cal is urgent. Not doing so will greatly accelerate the unprecedented loss of health care options for many of our state's residents, especially children, elderly and people with disabilities.

Right now, state legislators have two viable pathways to remedy the inequality of Medi-Cal reimbursements. It's vital to join health care providers and patient advocates in urging support for at least one of these measures.

AB 366 and SB 243 are bills that will bring Medi-Cal reimbursement rates closer to Medicare rates, a major step in paying Medi-Cal providers fairly.

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The second route is for the state to allocate \$950 million to Medi-Cal from two sources -- \$450 million of a federal match for the Children's Health Insurance Program, and \$500 million out of the billions of dollars of additional state revenue gained from this year's tax and fee collections.

Either of these will provide critical stability to health care provider networks and ensure access to medical care for all. A California HealthCare Foundation 2011 survey found that 34 percent of Medi-Cal patients said it was difficult to find health care providers who would accept their insurance compared to only 13 percent for people with other coverage. This divide is unfair and is widening.

Who pays for low Medi-Cal reimbursement rates? We all do.

Private insurers who accept Medi-Cal make up for the low reimbursement by increasing rates for patients with private insurance, several studies show. Health care costs rise for all.

There are also public health and societal costs. Our most vulnerable neighbors can't find care, getting sicker, putting their lives at risk and ending up in emergency rooms with expensive care. Doctors, clinics and hospitals dedicated to the health care of low-income residents are forced to go into debt or close, making Medi-Cal access even worse, with widespread impacts on overall community health.

Let's support these measures before millions more of our friends, family and neighbors lose access to a doctor or hospital bed.

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