



February 28, 2022

The Honorable Gavin Newsom  
Governor, State of California  
1021 O Street, Suite 9000  
Sacramento, CA 95814

The Honorable Toni Atkins  
Senate President Pro Tempore  
1021 O Street, Suite 8518  
Sacramento, CA 95814

The Honorable Anthony Rendon  
Speaker of the Assembly  
1021 O Street, Suite 8330  
Sacramento, CA 95814

**RE: Support for 2022-23 Budget Request for Medi-Cal Provider Data Sharing and Infrastructure**

Dear Governor Newsom, Pro Tem Atkins, and Speaker Rendon:

As a coalition dedicated to advancing health information exchange in California, [Connecting for Better Health](#) is pleased to submit this letter in support of [multistakeholder efforts](#) to include a \$100 million General Fund allocation for Medi-Cal performance payments and health information exchange organization (HIO) health data infrastructure.<sup>1</sup>

Connecting for Better Health is a coalition representing diverse health care stakeholders including consumers, providers, and health plans, that supports the advancement of health data exchange policy in California. Our vision is that every Californian and their care team have the information and insights they need to make health care seamless, high quality, and affordable. One of our policy priorities for 2022 is to ensure that we collectively secure an ongoing source of funding for health data exchange. Key to this work is ensuring our state leverages federal Medicaid match dollars available for health information technology activities.

We have hosted several guest speakers that have highlighted how their state Medicaid programs have actively incented the participation of providers and plans in their states' various health information exchanges. For example, we learned from Arizona representatives about their state Medicaid program's Differential Adjusted Payment program that has incentivized

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<sup>1</sup> Letter from America's Physician Groups et al. to Governor Newsom, Pro Tem Atkins and Speaker Rendon (Feb. 8, 2022).

providers to share data with the state's health information exchange and improve data quality,<sup>2</sup> and about their Targeted Investments Program that includes payments to providers based upon completion of certain health information exchange milestones.<sup>3</sup> We have also heard from representatives from states like Colorado who outlined how their states are leveraging generous federal matching funds for existing health information exchange activities as part of their Medicaid technology systems.<sup>4</sup> Together, these success stories give valuable insights into how California can and should provide foundational funding for health data sharing efforts in our state.

Following these examples, we believe this year's state budget should include performance payments for Medi-Cal providers to share data with California's HIOs, as well as funding for these HIOs to serve as infrastructure for moving and using high-quality health information among stakeholders. These investments will draw down significant federal dollars; help the state achieve its goal of health equity; and support programs like the California Advancing and Innovating Medi-Cal (CalAIM) and the state's ongoing COVID-19 response. These activities require substantial data sharing to coordinate care, manage population health, and get critical data like immunization status in the hands of providers. They will also support the California Health and Human Services Agency Data Exchange Framework, currently in development.

We recommend the performance payments and CalAIM funding for HIOs require HIOs to have direct messaging capabilities and query-based access to data through national networks and frameworks. This will help ensure we build out a truly statewide health information network that connects HIOs and other networks.

Our coalition supports the proposal for a \$100 million General Fund allocation for both Medi-Cal provider performance payments and funding qualified HIOs to modernize and maintain health data infrastructure critical to CalAIM and other Medi-Cal priorities. We urge additional and sustained funding for these and other data sharing efforts to ensure we connect all actors that share health and health-related data. We sincerely thank you for considering this request.

Sincerely,

Timi Leslie  
Connecting for Better Health  
President, BluePath Health

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<sup>2</sup> Arizona Health Care Cost Containment System, AHCCCS Differential Adjusted Payment (DAP) Activity: CYE 2022 Final Public Notice (March 26, 2021),

<https://www.azahcccs.gov/AHCCCS/Downloads/PublicNotices/rates/DAPFinalNoticeCYE2022.pdf>.

<sup>3</sup> Arizona Health Care Cost Containment System, Targeted Investments Program Overview, <https://azahcccs.gov/PlansProviders/TargetedInvestments/>.

<sup>4</sup> Colorado Department of Health Care Policy and Financing, FY 2021-22 Funding Request (November 1, 2020), <https://hcpf.colorado.gov/sites/hcpf/files/FY%202021-22%2C%20HCPF%2C%20R-12%20ARRA-HITECH%20Funding%20Transition.pdf>.