Health Care Council Meeting
July 20, 2015
10 – 11:30 a.m.

1. Welcome and Self Introductions

2. Priorities, Opportunities and Challenges for HHS Region 9

   Melissa Stafford Jones, Region 9 Director
   U.S. Department of Health and Human Services

3. State Budget Update: Special Legislative Session on Health Care Financing

   Senator Dr. Ed Hernandez, O.D.
   California State Senate and Chair for the Senate Committee on Health

4. Closing Remarks

Next Council Meeting:
August 7, 2015
10-11:30am
Los Angeles Area
Chamber of Commerce

Dr. Ed Hernandez, O.D.
Senator
California State Senate

An optometrist and local businessman, Senator Dr. Ed Hernandez, O.D. was first elected to the California State Senate in 2010, and was re-elected in 2014, after serving two terms in the State Assembly. He is Chair of the Senate Committee on Health, a member of the Business, Professions, and Economic Development Committee, the Government and Finance Committee, the Committee for Governmental Organization and the Senate Insurance Committee.

Senator Hernandez grew up in La Puente and graduated from Bassett High School. He attended both Rio Hondo and Mt. San Antonio Community Colleges before receiving his B.S. degree in Biology from Cal State Fullerton. He received a scholarship to study Optometry at Indiana University, which is also where he met his wife, Dr. Diane Hernandez, O.D. After returning home, “Dr. Ed” and his wife setup their first practice in his hometown of La Puente.

He is currently working on legislation to improve access to quality health care for all Californians, and proudly represents the 22nd Senate District, which covers the majority of the cities, county areas and neighborhoods of the San Gabriel Valley.
Melissa Stafford Jones
Regional Director, Region 9
U.S. Department of Health and Human Services

Melissa Stafford Jones is the Regional Director for the U.S. Department of Health and Human Services Region 9. Region 9 includes California, Nevada, Arizona, Hawaii, Guam and the outer Pacific Islands. Melissa was appointed to her position in November 2014.

Prior to her appointment as Regional Director, Melissa was President & CEO of the California Association of Public Hospitals and Health Systems (CAPH) for eight years. While at CAPH, Melissa lead the organization’s work to advance public policies that support the essential role of the safety net and improve access to care for low-income and uninsured patients. In particular, Melissa was involved in the implementation of health reform in California, particularly related to coverage expansion, delivery system transformation and re-structuring of health care financing and payment systems. Prior to her appointment as President & CEO, Melissa led CAPH’s state and federal legislative program for six years as Vice President and Director of Policy.

Before 2000, Melissa was Regional Vice President with the Hospital Council of Northern and Central California. As Regional Vice President she provided local issue management, coordinated grassroots advocacy, and facilitated collaborative community health improvement efforts amongst hospitals and other community groups. Melissa held the position of Senior Research Analyst for the Nevada State Legislature, providing policy analysis and research and assisting legislators in the development of policy and legislation. She also served on the administrative leadership team at Contra Costa Regional Medical Center in the mid 1990s.

Melissa holds a Masters degree in Public Health from the University of California at Berkeley and a Bachelors of Science in Biology from Saint Mary’s College of California. She is married to husband Chris, a high school science teacher, and has two children, Douglas and Juliet.
Health plan tax bill introduced in California special session

California Gov. Jerry Brown holds up a prop during a 2014 news conference on the budget. A California lawmaker has introduced a special session bill that would create an expanded tax on managed-care organizations. | Randy Pench MCT

Every California health plan would pay a flat tax under legislation introduced this week that, for the first time in bill form, responds to federal warnings that the state risks about $1 billion in federal matching money if it fails to expand a tax on managed-care organizations.

Crafting an expanded health plan tax is the focus of a healthcare special session called by Gov. Jerry Brown last month. The governor’s order came after lawmakers, amid resistance by the health plan industry, failed to act on the administration’s January proposal for an expanded tax that would help pay for Medi-Cal and home-care services.

Managed-care organizations with Medi-Cal patients pay a tax of 3.9 percent of their total Medi-Cal revenue. Those plans ultimately break even because of higher Medi-Cal payments made possible by the matching federal funds. But the federal government says the state needs to replace that limited tax with a comprehensive one by next July, when the current tax expires. Such a tax would cover 45 health plans serving more than 21 million people.

Enter ABx2 4 by Assemblyman Marc Levine, D-San Rafael. The bill, introduced Thursday, would impose a flat tax of $7.88 for each plan enrollee, per month. Of the estimated $1.9 billion that would be raised by the tax, $1.1 billion would continue pulling in the federal match for Medi-Cal. The rest would help pay for home-care services, raise reimbursement rates for Medi-Cal providers, and increase funding for programs serving people with developmental disabilities.

“This funding fix is broad-based, stable, and solves the problem we were called here to address,” Levine said in a statement. “Almost half of all California’s children receive health care through Medi-Cal, so we must come up with a real, sustainable solution now.”

Health plans backed the existing managed-care tax approved in 2013 but have raised concerns about the cost of Brown’s proposal. Republican lawmakers, meanwhile, have questioned the push to act on the issue nearly a year before the current tax expires.

Jim Miller: 916-326-5521, @jimmiller2