



JENNIFER KENT
DIRECTOR

State of California—Health and Human Services Agency
Department of Health Care Services



GAVIN NEWSOM
GOVERNOR

August 16, 2019

The Honorable Anthony Portantino, Chair
Senate Appropriations Committee
State Capitol, Room 2206
Sacramento, CA 95814

Dear Senator Portantino:

ASSEMBLY BILL 1131 (AS AMENDED JUNE 24, 2019) – OPPOSE

The Department of Health Care Services (DHCS) must inform you of its opposition to Assembly Bill (AB) 1131, which would add Comprehensive Medication Management (CMM) services as a covered Medi-Cal service for any beneficiary who is prescribed eight or more prescription drugs or biologics to treat or prevent two or more chronic medical conditions. The bill would require the Department of Health Care Services (DHCS) to establish reimbursement rates and rate billing codes for CMM services provided by a licensed pharmacist.

Although DHCS acknowledges that pharmacists could provide CMM services within their legal scope of practice, DHCS opposes AB 1131 because the bill is unnecessary and duplicative. Medi-Cal providers prescribing medication are already expected to review a beneficiary's other disclosed medications to ensure that the medications are cumulatively appropriate, effective, and safe, as well as to monitor compliance and adverse reactions to the medication(s).

In addition, the bill is duplicative of DHCS' current establishment of reimbursement rates and rate billing codes. Pharmacies are currently reimbursed for these services through a dispensing fee billed for each prescription dispensed by a pharmacist, in the Fee-for-Service system. Similarly, in Medi-Cal managed care, Managed Care Plans are paid a capitated rate for providing medically necessary services, which includes management of medications.

Finally, DHCS opposes AB 1131 because there would potentially be significant costs associated with this new benefit. The proposed criteria for a beneficiary to be eligible for CMM services is broad and would qualify virtually every Medi-Cal beneficiary for CMM. In addition, DHCS does not currently enroll pharmacists as billable providers. DHCS would have to enroll pharmacists as individual, billable providers, and doing so would be a significant undertaking.

Honorable Anthony Portantino
Page 2
August 16, 2019

For these reasons, DHCS must oppose AB 1131.

If you have any questions regarding our position, please feel free to contact me at (916) 440-7500.

Sincerely,

O/S Carol Gallegos

Carol Gallegos, Deputy Director
Legislative & Governmental Affairs
Department of Health Care Services

cc: The Honorable Assemblymember Todd Gloria
State Capitol, Room 2176
Sacramento, CA 95814

Vice Chair and Members, Senate Appropriations Committee
Senate Republican Caucus
Senate Floor Analysis
Department of Finance
CHSA Legislative Unit
GO Deputy Legislative Secretary