



JENNIFER KENT  
DIRECTOR

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



EDMUND G. BROWN JR.  
GOVERNOR

July 11, 2018

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

Dear Senator Portantino:

ASSEMBLY BILL 2342 (AS AMENDED MAY 25, 2018) – OPPOSE

The Department of Health Care Services (DHCS) must inform you of its opposition to Assembly Bill (AB) 2342. AB 2342 would require health care service plans (including Medi-Cal managed care plans (MCPs)), health insurers, and DHCS' Every Woman Counts (EWC) program to provide breast and ovarian cancer susceptibility screening as recommended by the United States Preventive Services Task Force (USPSTF).

DHCS is supportive of the underlying intent of AB 2342. However, DHCS is concerned with AB 2342 because of its impact on both MCPs and the EWC program.

Pursuant to the Affordable Care Act, all Medi-Cal health care delivery systems, including MCPs, are already required to cover all preventative services designated as Grade "A" or "B" recommendations by the USPSTF, those cases where the USPSTF recommends a service be provided because the net benefit is moderate to substantial. While AB 2342 would require coverage of USPSTF recommendations, it does not specify that the recommendations must be Grade "A" or "B." As such, AB 2342 effectively expands Medi-Cal coverage to lower grades of USPSTF recommendations. This would include recommendations designated as Grade "C," where USPSTF recommends selectively providing a service depending on individual circumstances because the net benefit is small.

In the case of DHCS' EWC program, AB 2342 would create a new requirement for EWC to provide breast or ovarian cancer susceptibility screening, which would include breast cancer susceptibility gene (BRCA) testing. The EWC program provides free breast and cervical cancer screening and diagnostic services to California's underserved populations, but does not provide breast or ovarian cancer *susceptibility* screening. The EWC program is funded in large part by a federal grant administered by the Centers for Disease Control

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and Prevention, and though the program also receives some state funds, DHCS does not have the authority under any existing funding sources to cover anything beyond breast and cervical cancer screenings and diagnostic services. AB 2342 would therefore expand the EWC program by mandating services be covered under the program that are not allowable under any existing funding source, thus creating a state-only program without appropriating additional funding.

Due to AB 2342's impact on both MCPs and the EWC program, DHCS opposes AB 2342.

If you have any questions, please contact me at 440-7500.

Sincerely,

o/s/by: CG

Carol Gallegos  
Deputy Director

cc: The Honorable Autumn Burke  
The Honorable Marie Waldron  
Senate Appropriations Committee, Members  
Senate Republican Caucus  
Senate Floor Analysis  
Department of Finance  
CHHS Legislative Unit  
GO Deputy Legislative Secretary