



February 8, 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: 2022-23 Budget Request for Medi-Cal Provider Data Sharing and Infrastructure**

Dear Governor Newsom, Pro Tem Atkins and Speaker Rendon:

We write today to request that this year’s state budget include a \$95 million General Fund allocation to accelerate Medi-Cal provider data sharing and build the data infrastructure needed to deliver on our commitment to improve Medi-Cal quality, address longstanding equity concerns and make the promise of whole person care a reality.

A \$95 million investment in this year’s budget, and ongoing state-federal financing through Medi-Cal, will support two critical and inter-connected programs:

- *Performance payments for Medi-Cal providers that join and share data with qualified health information organizations (HIOs), providing resources and motivation for small physician practices, behavioral health and safety-net clinics, skilled nursing facilities, county health and human services and hospitals to join and share data with HIOs. Experience from other states and from within California demonstrates that financial incentives can rapidly accelerate HIO participation and data sharing. These performance payments would be matched 50/50 by the federal government.*

- *Funding for qualified HIOs to build and maintain the health data infrastructure needed for California Advancing and Innovating Medi-Cal ([CalAIM](#)) to succeed.* California has committed over \$2.6 billion in state funds for this sweeping set of Medi-Cal delivery system reforms. But that commitment will falter without the timely clinical and other health data needed to coordinate care, improve quality, fill prevention gaps, identify high risk patients and address disparities.

With the funding in our request, qualified HIOs will connect to Medi-Cal providers' electronic health records and aggregate and clean clinical data to support CalAIM and other Medi-Cal activities including enhanced care management, community supports, behavioral health system modernization, quality improvement and population health management. DHCS can draw down enhanced federal matching funds for this work.

These two initiatives will address the [substantial data gaps](#) identified by California Health and Human Services Agency (CalHHS) in December 2021—including and especially organizations' capacity to store, electronically share, and use health and human service information.

The Governor's 2022-23 proposed January budget did not include resources to implement the statewide [Health and Human Services Data Exchange Framework](#) alongside our bold efforts to transform and strengthen Medi-Cal. The undersigned coalition stands ready to work with you on ensuring funding for these linked priorities in the final spending plan. California needs to invest now to accelerate provider data sharing, integrate clinical information, and support the data infrastructure essential for the success of CalAIM and our public health and equity goals.

Sincerely,

America's Physician Groups  
Anthem Blue Cross  
Blue Shield of California  
California Association of Health Information Exchanges  
California Medical Association  
CaliforniaHealth+ Advocates  
CalOptima  
Central California Alliance for Health  
The Coalition of Orange County Community Health Centers  
Connecting for Better Health  
Health Plan of San Joaquin  
Health Net  
Inland Empire Health Information Organization  
Inland Empire Health Plan  
L.A. Care Health Plan  
Local Health Plans of California  
Los Angeles Network for Enhanced Services  
Manifest MedEx

Orange County Partners in Health Health Information Exchange  
Orange County Partnership Regional Health Information Organization, Inc.  
Riverside County Medical Association  
Riverside University Health System  
SacValley MedShare  
San Joaquin Community Health Information Exchange  
Santa Cruz Health Information Organization

CC:

Michelle Baass, Director, DHCS  
Jacey Cooper, State Medicaid Director and Chief Deputy Director, DHCS  
Dr. Palav Babaria, Chief Quality Officer and Deputy Director, DHCS  
Dr. Mark Ghaly, Secretary, CalHHS  
Marko Mijic, Undersecretary, CalHHS  
Brendan McCarthy, Deputy Secretary, CalHHS  
John Ohanian, Chief Data Officer and Director, CalHHS Center for Data Insights and Innovation  
Keely Bosler, Director, California Department of Finance  
Ana Matosantos, Cabinet Secretary, Office of the Governor  
Richard Figueroa, Deputy Cabinet Secretary, Office of the Governor  
The Honorable Nancy Skinner, Chair, Senate Budget and Fiscal Review Committee  
The Honorable Phil Ting, Chair, Assembly Budget Committee  
The Honorable Susan Eggman, Chair, Senate Budget Subcommittee #3  
The Honorable Joaquin Arambula, Chair, Assembly Budget Subcommittee #1  
The Honorable Richard Pan, Chair, Senate Health Committee  
The Honorable Jim Wood, Chair, Assembly Health Committee  
Chris Woods, Budget Director, Office of the Senate pro Tem  
Jason Sisney, Budget Director, Office of the Assembly Speaker  
Elisa Wynne, Staff Director, Senate Budget & Fiscal Review Committee  
Scott Ogun, Deputy Staff Director, Senate Budget & Fiscal Review Committee  
Christian Griffith, Chief Consultant, Assembly Budget Committee  
Andrea Margolis, Principal Consultant, Assembly Budget Subcommittee #1  
Marjorie Swartz, Policy Consultant, Office of the Senate pro Tem  
Agnes Lee, Policy Consultant, Office of the Assembly Speaker