



## **COUNTY OF SANTA CLARA**

### **2019 STATE LEGISLATIVE PRIORITIES**

#### **Redevelopment**

In 2011, the California Supreme Court unanimously upheld the Legislature’s power to abolish redevelopment agencies (RDAs) statewide. Redevelopment agencies throughout the state were required to wind-down operations with public dollars being returned to local governments as redevelopment debts were fulfilled. At the time of dissolution, over 400 RDAs statewide were diverting 12 cents of every property tax dollar away from counties, cities, special districts, and schools through property tax increment financing. This amounted to the diversion of over \$5.6 billion annually. Instead of being used for core public services, these funds were being used to provide economic subsidies for private development.

In the past few years, new property tax increment financing proposals have been suggested but none have been successful. The County anticipates that proposals to fund infrastructure and housing activities will be pursued again this year. The County supports the development and use of new funding sources for affordable housing, economic development, and sustainability; the diversion of local property tax revenue from one agency to fund another public agency will be opposed. Further, the creation of infrastructure financing districts or a related agency must include an “opt-in” provision for local jurisdictions and include any participating entity in the governing structure.

#### **Health Care**

Health care issues will continue to be an area of focus in California this year. Efforts to implement universal health care – coverage for all – are anticipated to intensify given the Governor’s interest in the issue, stated priorities of some legislators, and the requirement for the Council on Health Care Delivery System to determine the feasibility of a public health insurance plan option to increase competition and choice for health care consumers.

The County supports efforts to expand coverage including to undocumented individuals, provide full parity between medical and behavioral health, ensure meaningful and affordable access to care, and operate an effective health care system. Those without coverage do not have ready access to health care services and as a result, receive less preventative care, are diagnosed at more advanced stages of disease, and tend to receive fewer therapeutic interventions once a diagnosis is established. The lack of full parity of medical and behavioral health oftentimes results in individuals not receiving the care they need to experience recovery until they become destitute. These populations are sicker and become dependent on the county safety net at a higher cost.

The County is mindful that at the same time the State may undertake efforts to expand and improve health care in California, administrative efforts at the federal level will continue to be aimed at weakening coverage provided under the Affordable Care Act. The County supports state legislative actions to counter the effects of federal rulemaking efforts to dismantle the ACA such as charging for pre-existing conditions, denying coverage for pre-existing conditions and the availability of short-term health insurance policies.

A federal-state-local partnership structure provides the financing and delivery of health care services for the most vulnerable people in our state. The County will support efforts to protect existing funding and maintain the safety net, including protecting the savings the County realizes from the 340B drug discount program; diversion of these funds from health care providers to the State will be opposed. Additionally, in 2019 the County will focus on development of a new Section 1115 Medicaid Waiver that allows for continued delivery of care to the whole person, policies and funding to coordinate and integrate care, including full parity between physical and mental health, new funding approaches for the remaining uninsured, continuous coverage expansion through programs like the Global Payment Program (GPP), and financing between and among delivery systems that support the full continuum of care. The current waiver supported redesign of public health care delivery systems and achieved increases in health care coverage; these gains in coverage must be protected. In addition, a new waiver must provide local flexibility to support developing local coverage programs to help advance the call for universal coverage, the ability to maximize federal funding, and the continued redesign and transformation of public health care delivery system efforts to advance better health, better care, better service and better value.

## **Homelessness**

Two years ago, the Legislature and Administration established a permanent source of funding for affordable housing and last year, invested one-time funds to assist local governments in addressing homelessness. Homelessness issues are expected to remain a high priority in 2019 partly because California's poverty and homelessness rates remain among the highest in the nation. In Santa Clara County, a point-in-time count at the beginning of 2017 indicated that nearly 7,400 men, women, and children are homeless on any given night. Additional, ongoing funding for homelessness prevention programs, permanent supportive housing, and rapid-rehousing services are needed to improve the health, stability, and prosperity of the State's most vulnerable residents.

Locally, the County has taken significant action to address the issue of homelessness in our communities. In 2016, County voters approved a \$950 million bond measure to fund the development of housing to address the complex needs of our homeless populations. As this work is implemented, the County needs the ability to maximize and leverage available federal, state, and local funding to provide services for at-risk and homeless families and single persons.

## **Parity to Promote and Advance Truly Universal and Comprehensive Coverage**

The County supports efforts that promote and advance full parity of medical and behavioral health to treat the whole person as one. "Parity of care" values the dimensions of mental health just as much as physical and medical care. Efforts toward integrating primary care and behavioral health embody the philosophy our County has been working towards taking care of the "whole person" as we strive for total health.

Advancing full parity laws and provisions, including effective enforcement of current parity law, will help achieve full and comprehensive universal coverage, advance an integrated and coordinated continuum of care, reduce system fragmentation, and ensure equitable opportunities to seek and receive appropriate treatment for both physical and behavioral health conditions.

Current state and federal parity laws provide a platform to drive true integration, but fundamental policies fall short of truly and effectively advancing parity. Disparity continues to exist 10 years after enactment of the federal Mental Health Parity and Addiction Equity Act (MHPAEA) and behavioral health coverage experienced only small gains after the Affordable Care Act (ACA) designated mental health and substance abuse services as an essential health benefit. Historic

and current lack of effective consistent enforcement and compliance allow discriminatory practices to continue and contributes to an overall lack of awareness on coverage rights the law affords, which often prevents people from seeking treatment. Reform strategies are averted with short-term solutions such as integration through the use of Waivers. Furthermore, even if individuals have health care coverage, because behavioral health is covered at far lower levels than physical illness, people do not receive the care needed to experience recovery until they are almost destitute and qualify for services under Medicaid. This limits access to care for all socioeconomic backgrounds and forces populations that are sicker to become dependent on the county safety net at a higher cost.

Achieving parity assures behavioral health coverage and with integration, helps drive timely access to critical services, an imperative in today's environment and essential to care for the "whole person". Effective integration builds a strong delivery system and continuum, linking critical access points like primary care settings that can detect, engage, and effectively treat common behavioral health conditions.

Given the far-reaching impact behavioral health plays in one's health and other areas of people's lives, ensuring access and timely care can prevent illnesses from worsening. It is vital that we work towards total health. The County supports advancement of a health care delivery system with full parity to drive upstream changes that improves access, integration of care, care coordination, and positions the County one step closer to Universal Coverage, and the County's goal of achieving Better Health For All.