



June 2, 2023

Governor Gavin Newsom
State Capitol
Sacramento, CA 95814

Re: 2023-24 Budget Items that Expand Access to Programs for All-Inclusive Care of the Elderly – Support

Dear Governor Newsom,

Our organizations strongly support the inclusion of two items in the final 2023-24 budget that would expand access to Programs of All-Inclusive Care for the Elderly (PACE) – a comprehensive, whole-person health care program for frail seniors living with chronic health conditions and other complex needs while allowing them to remain in their homes and communities. PACE improves quality of life for seniors while costing on average **15 percent less** than the cost of caring for a comparable population through other Medi-Cal services.

1. Funding for DHCS to Regulate and Manage PACE

In Governor Newsom’s 2023 Budget, the Administration allocated 10 new positions to the Department of Health Care Services (DHCS) to administer and oversee PACE. These additional positions will increase capacity for the Department, helping to ensure that new PACE centers can open without unnecessary delays while providing proper oversight. **This funding should remain in the final 2023-24 budget to increase access to PACE for California seniors.**

2. Prevent Fragile California Seniors from Losing Health Care Coverage

Nearly 70% of all PACE participants are dually eligible for Medi-Cal and Medicare, but it can be challenging for frail seniors to navigate the Medi-Cal re-enrollment process. Any interruptions in coverage can be dire for the high-needs seniors PACE serves. **The Legislature should include a 3-month deeming period to ensure that frail seniors do not lose access to needed health care services over small bureaucratic errors.** This item would bring PACE in line with other Medi-Cal programs that provide this kind of grace period.

We urge you to include these 2 items in the final 2023 budget to ensure that California seniors can receive the care they need.

Sincerely,

Marketa Houskova, Executive Director
American Nurses Association\California

Sarita Kohli, President & CEO
Asian Americans for Community Involvement

Dr. Renee M. Poole, President
Association of Black Women Physicians

Sarah Bridge, Senior Legislative Advocate
Association of California Healthcare Districts

Jose Barrera, State Director
California League of United Latin American Citizens

Sawait Seyoum, Senior Policy Advocate
Disability Rights California

Amber King, Vice President of Legislative Affairs
LeadingAge California

Heidi L. Strunk, President & CEO
Mental Health America of California

Cyndi Hillery, Vice President of Government Affairs
WelbeHealth

CC: Senator Angelique Ashby
Assemblymember Carlos Villapudua
Senate Budget Subcommittee 3 on Health & Human Services Members
Senate Budget Subcommittee 3 Consultant Scott Ogus
Assembly Budget Subcommittee 1 on Health & Human Services Members
Assembly Budget Subcommittee 1 Consultant Andrea Margolis