



JAMES L. MADARA, MD
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April 13, 2015

The Honorable Ed Hernandez, OD
Chair
Senate Committee on Health
1020 N Street, Room 2191
Sacramento, CA 95814

Re: American Medical Association support for Senate Bill 243

Dear Chair Hernandez:

On behalf of the American Medical Association (AMA) and our physician and medical student members, I am writing in support of Senate Bill (S.B.) 243, which will repeal the recent 10 percent provider payment cut in California's Medicaid program, Medi-Cal, and increase most outpatient provider payment rates to Medicare levels.

The AMA believes that everyone deserves access to quality health care. We applaud California's willingness to extend Medi-Cal coverage to millions of low-income residents; however, Medi-Cal's payment rates are among the lowest in the country, and we are concerned that low reimbursement rates hinder beneficiaries from accessing needed health care services. Research has demonstrated that low reimbursement rates can significantly affect a physician's ability to accept Medicaid patients into his or her practice. Without adequate payment, physicians may not have the financial capacity to continue participating in the program, and, in turn, beneficiaries are likely to face barriers to care, resulting in more frequent emergency department visits, delayed treatment of chronic conditions and poorer health outcomes. By increasing reimbursement rates, S.B. 243 will have a significant impact on the availability of Medi-Cal participating physicians and the health of Medi-Cal patients.

We thank you for your leadership on this important issue and the opportunity to provide our input. If you have any questions, please contact Annalia Michelman, JD, Senior Legislative Attorney, Advocacy Resource Center, at annalia.michelman@ama-assn.org or (312) 464-4788.

Sincerely,

A handwritten signature in black ink that reads "James L. Madara". The signature is written in a cursive style with a large initial "J" and "M".

James L. Madara, MD

cc: Jack Resneck, Jr., MD
California Medical Association