



JOHN CHIANG
TREASURER
STATE OF CALIFORNIA

July 31, 2018

Deputy Assistant Secretary Diane Foley, M.D., FAAP
Office of the Assistant Secretary for Health, Office of Population Affairs
Attention: Family Planning
Hubert H. Humphrey Building, Room 716G
200 Independence Avenue, SW
Washington, D.C. 20201

Submitted online via <http://www.regulations.gov>

RE: Comments on Proposed Rule Titled Compliance with Statutory Program Integrity Requirements [RIN: 0937-ZA00]

Dear Deputy Assistant Secretary Foley:

I am writing to strongly oppose the proposed rule titled Compliance with Statutory Program Integrity Requirements, [RIN: 0937-ZA00] issued by the U.S. Departments of Health and Human Services, Office of the Assistant for Secretary of Health, and Office of Population Affairs that was published in the Federal Register on June 1, 2018 [83 FR 25502].

California has the largest and most diverse Title X delivery system in the nation that collectively serves more than one million low income and rural individuals. Twenty-five percent of Title X patients live in California, 91 percent of whom have incomes at or below 250 percent of the Federal Poverty Line. They are served through 59 health care organizations, with 350 health centers operating in 37 of California's 58 counties.

As Treasurer of the State of California, I chair the California Health Facilities Financing Authority (CHHFA) which provides loans and grants to small and rural health facilities, so I know firsthand the financial challenges faced by California's safety net providers. I know you will be receiving detailed comments from California health care providers, so I will focus my comments on three key consequences. The proposed rule (1) undermines California's family planning and reproductive health care delivery system; (2) denies access to evidence-based, comprehensive reproductive health information contravening state law; and (3) increases the financial and service burden on California's already strained health care safety net.

Undermines California's Family Planning and Reproductive Health Care Delivery System:

The majority of Californians who receive services under Title X are served by Planned Parenthood clinics. In 2016, Planned Parenthood clinics served nearly 770,000 patients, 90 percent of whom have incomes of less than 200 percent of the federal poverty level. In California, 56 percent of Planned Parenthood health centers are in health professional shortage areas and rural or medically underserved areas. According to Essential Access Health, California's Title X administrator, six in 10 women who obtain health care from a family planning provider consider it to be their only or usual source of health care.

The Department's proposed rule to eliminate funding for Title X providers who offer abortion services and counseling essentially disqualifies Planned Parenthood, a backbone of Title X services in California. As a result, the many low-income and rural Californians who rely on Planned Parenthood clinics for reproductive health services will be faced with significant financial and geographic barriers to accessing essential, comprehensive family planning services. Rural residents, in particular, simply don't have the option of going down the street to another provider.

In some communities there may be Federally Qualified Health Centers (FQHCs); however, a 2017 Congressional Research service report found that they did not have the same capacity or specialized training as Planned Parenthood facilities to administer the wide range of FDA-approved contraceptive methods and support the same number of patients. In fact, many FQHC sites do not offer reproductive care or may provide limited contraception care.ⁱ Ironically, by increasing the barriers to reproductive health services, these rules will undoubtedly have the effect of increasing unintended pregnancies and the demand for abortion services. The National Family Planning and Reproductive Health Association, in a 2016 research paper,ⁱⁱ estimated that if there were no publicly funded family planning clinics, the rate of unintended pregnancies would be 59 percent higher.

Denying access to scientifically accurate, evidenced-based and comprehensive reproductive health care services, contravenes state law.

The proposed rule replaces the current Quality Family Planning guidelines (QFP) incorporated in Title X grantee requirements stating that contraceptive services should include consideration of a full range of FDA approved contraceptive methods for women. Instead they promote unscientific and non-medically -based care. The proposed "gag rule" eliminates the requirement that Title X grantees provide abortion referral and counseling, and instead makes counseling on abortion and where to seek such services virtually impossible.

California's Reproductive Privacy Act, (Cal Health & Safety Code Sec. 123462 (2011)), which went into effect in 2003, gives providers the authority to exercise their best professional judgement when providing reproductive care to their patients. California's Healthy Youth Act, (Cal Ed Code Sec. 51931 (2016)), requires that school districts provide students with integrated,

comprehensive, accurate sexual health education. The law also requires that instruction includes all legally available pregnancy outcomes including parenting, adoption and abortion.

Given the fundamental disconnect between state law and the proposed regulations, California's Title X providers who believe in providing scientifically accurate and comprehensive services to best meet the needs of their patients, will be ineligible for funding. Those who provide services in schools, will likewise be ineligible. Patients receiving care from those who comply with the new regulations will be deprived of the accurate information they need to make the best health care decision for themselves and their families, which may in turn lead to actions that put their health at risk.

Increases the financial burden on California's already strained safety net.

By requiring both physical and financial separation of abortion counseling and services, the proposed rule would impose a huge financial burden on existing Title X providers that also provide abortions. Many will simply not have the resources to comply. The loss of a Title X funded provider in low-income and rural communities will have a ripple effect throughout the community and surrounding communities, as patients are forced to seek care elsewhere. This in turn will significantly increase the financial burden on the remaining providers affecting not only their finances, but also their ability to meet the needs of their patients as their patient loads increase.

Current Title X providers who would no longer be eligible for funding, but feel an obligation to continue to provide comprehensive family planning and reproductive services, will face significant financial challenges and will be forced to divert funding from other services or cut services. The result is the weakening of the financial health of California's health care safety net and reducing the ability of low-income and rural Californians to easily access basic family planning and reproductive health services.

In conclusion, Title X has been an invaluable program in California. California's Title X funded clinics successfully prevented more than 200,000 unintended pregnancies in 2014, which would have resulted in 112,300 unintended births and 83,300 abortions.ⁱⁱⁱ

By all appearances, these proposals are not designed to improve access to reproductive health care services, or to actually reduce unintended pregnancies and abortions. Rather they are ideologically driven, focused on undermining the ability of California's 108 Planned Parenthood clinics from providing comprehensive reproductive services and counseling. This punitive approach punishes low-income and rural Californians who rely on Planned Parenthood clinics for their care, and who will face significant financial and geographic barriers as they are forced to seek alternative providers.

Given these barriers, many may simply go without care which will not only harm their own health, but also that of their families and their communities. Without easily accessible comprehensive family planning and reproductive health care services, sexually transmitted diseases will surely rise, there will be an increase in unintended pregnancies, and an increase in

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abortions. Given the consequences, I fail to see how this proposed rule, actually serves to strengthen the integrity of Title X.

To protect the health of Californians, I strongly oppose the proposed regulations.

Sincerely,



JOHN CHIANG
California State Treasurer

ⁱ Congressional Research Service. Factors related to the use of Planned Parenthood affiliated health centers and Federally Qualified Health Centers. Washington, DC: April 5, 2017.)

ⁱⁱ National Family Planning and Reproductive Health Association. (2016), Title X in California, Improving Public Health and Saving Taxpayer Dollars [Fact Sheet]

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