



CALIFORNIA STATE TREASURER JOHN CHIANG

NEWS RELEASE

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Contact: John Wark
news@sto.ca.gov
916-653-2001

Treasurer John Chiang to Health Clinics: If Trump Cuts Title X Funds, We've Got Your Back

SACRAMENTO – In response to threats by the Trump Administration to adopt a proposed rule change that would cut funding to community health care clinics, Treasurer John Chiang is reminding California health clinics that emergency “Lifeline” grants are available to help impacted clinics keep their doors open a little while longer with the objective of buying them time to secure a permanent source of replacement funding.

The Treasurer is sending the following letter to impacted clinics, including Planned Parenthood:

As State Treasurer and Chair of the California Health Facilities Financing Authority (CHFFA), I wanted to assure you that my office will stand with you in opposing the Trump Administration’s proposed rule to bar access to critical federal funding provided by Title X for family planning and women’s reproductive health services.

President Trump’s Title X funding cuts would apply to health clinics that:

- Counsel women on their full range of family planning options, including abortion
- Make an abortion referral
- Perform abortion procedures, even though they are paid for exclusively with private funds.

Because current law already prohibits the use of federal funds for abortions, this proposed rule change serves only to deny low-income Californians access to basic women’s health services, such as cancer screenings, STD testing and treatment, birth control and accurate information about the full range of reproductive options, including abortion.

Note that 25 percent of Title X patients live in California and are served through 59 health care organizations. Those organizations have 350 health centers operating in most counties and scattered statewide. If even a small percentage of these community

clinics are forced to close because of funding cuts, it will severely undermine our already strained health care safety net.

Last year, in anticipation of cuts to federal funding for health care services by the Trump Administration and Congress, I sponsored a bill that established a \$20 million grant program that provides one-time emergency grants of up to \$250,000 to assist small and rural health facilities that are facing significant financial hardship as a result of federal actions detrimental to the delivery of health care services by the safety net.

The Clinic Lifeline Act is administered by the California Health Facilities Financing Authority (CHFFA) and is funded through a redirection of funds from the current HELP II Loan program also administered by CHFFA. This allocation will support 80 grants at a maximum of \$250,000.

The CHFFA Board will be voting in June on the first round of applications, and we anticipate that there will be more than \$10 million available for a second round of funding later this year. Should the Title X proposed ruling become law, small and rural clinics that are denied Title X funds will be eligible to apply. Our hope is that the grants will provide clinics with some flexible resources to develop and implement more long-term sustainability plans to address the loss of Title X funding.

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