

FOR IMMEDIATE RELEASE

PR 18:35 June 28, 2018 Contact: John Wark news@sto.ca.gov 916-653-2001

Treasurer Chiang Awards \$8 Million to Buy Time for Community Health Clinics Undermined by Trump

Emergency funds will help 42 clinics serving rural and disadvantaged populations around the state, including 16 Planned Parenthood facilities

SACRAMENTO – Treasurer John Chiang, who chairs the California Health Facilities Financing Authority (CHFFA), today awarded 42 community health clinics more than \$8 million in Lifeline funds, fulfilling a promise to help clinics that may be adversely affected by federal actions. Those actions include new proposed restrictions on the use of Title X funding, regulatory actions that undermine the Affordable Care Act and potential cuts to Medicaid and Medicare that adversely affect the ability of California's safety net providers to continue to provide vital health services to California's most vulnerable residents.

"For many low-income Californians, community clinics are often their only source of health care. Tearing apart this vital safety net would have enormous consequences, leaving our most vulnerable residents with no access to primary and preventative care and no option for treatment other than costly emergency room visits," Chiang said. "Here in California, we do not turn our backs to those in need. We will provide a helping hand to make sure men, women, children and undocumented immigrants continue to have access to the basic health care services they require."

The Clinic Lifeline Act was created through legislation in 2017 sponsored by the Treasurer. The program was designed to specifically provide assistance to California's safety net providers should the Trump administration carry out its threats to slash budgets or change reguations for a range of programs. Those threats are now coming to pass. The Act provided \$20 million in one-time emergency grants to support community clinics that provide vital health services to California's most vulnerable residents.

"The grants to Planned Parenthood will mitigate the impact of Trump's insidious proposal, which would prohibit medical providers from referring patients for abortion and deprive thousands of California women access to health care," said Planned Parenthood Affiliates of California President and CEO Crystal Strait. "We appreciate Treasurer Chiang's leadership during Trump's continued attacks on women's health."

The Lifeline grants do not replace lost federal dollars but rather act as mitigating funds to help clinics remain open while they develop new sources of funding. The awards announced Thursday provide clinics with up to \$250,000 each in emergency funds. Clinics will have to demonstrate the loss that they have suffered before actually receiving payments. Each recipient clinic has six months from the date of its award to receive reimbursement for documented expenses. If a clinic does not experience a loss, or does not utilize its entire award, the money reverts to the Treasurer's Office for future grants.

A second round of awards for the approximately \$12 million in remaining funds are expected later this year.

The grants awarded Thursday were distributed to clinics throughout the state, including:

- \$1.7 million to 11 north and central clinics
- \$750,000 to three central and coastal clinics
- \$2.8 million to 12 Los Angeles and Ventura clinics
- \$2.9 million to 16 southern clinics

The funding for the Lifeline grant program comes from principle and interest payments that have accrued over the last 15 to 20 years in the Treasurer's Help II Loan Program. The Help II Loan Program provides low-interest rate loans to California's nonprofit small or rural health clinics for facilities and equipment.

For a complete list of the Lifeline recipients announced Thursday click <u>here</u>. Click <u>here</u> for a fact sheet about Lifeline.

For further details on how to participate in the Lifeline program call (916) 653-2799 ,or email inquiries to <u>chffa@treasurer.ca.gov.</u>

For more news, please follow the Treasurer on Twitter at <u>@CalTreasurer</u>, and on Facebook at <u>California State Treasurer's Office</u>.

##