



June 13, 2017

The Honorable Adam Gray
Member, California State Assembly
State Capitol, Room 3152
Sacramento, CA 95814

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**SUBJECT: AB 447 (GRAY): MEDI-CAL COVERAGE: CONTINUOUS
GLUCOSE MONITORS – SUPPORT**

Dear Assembly Member Gray,

The California Association of Health Underwriters (CAHU) is pleased to **SUPPORT** your **AB 447**, as amended May 26, 2017, that will ensure wider availability of continuous glucose monitors (CGM) for Medi-Cal recipients, which will, in time, reduce health care costs both in Medi-Cal and the private health insurance marketplace.

A study completed by the UCLA Center for Health Policy Research reported that nearly one third of hospitalizations in California involved a diagnosed diabetic. The study also showed the cost of hospitalizations for patients with diabetes is significantly higher than the costs for hospitalization of non-diabetic persons. Additionally, of those diabetic hospitalizations, more than 75 percent of those costs were covered by Medicare and Medi-Cal. More than 90 percent of private insurers already provide for CGMs because they have proven that future cost savings are well worth the initial investments.

CAHU believes that the added access to CGMs outlined in **AB 447** will improve overall patient outcomes, save future tax dollars, and provide health care parity between Medi-Cal patients and patients in private health plans. When Medi-Cal enrollees have access to CGMs and eventually earn out of Medi-Cal eligibility, they are healthier and less costly to insure in the private insurance market. Access to diabetic management and support services and equipment improves the strength and stability of both public and private health care markets.

For these reasons and more, CAHU looks forward to working with you and your staff in **SUPPORT** of **AB 447**. Faith Lane or Julianne Broyles may be reached at (916) 441-5050.

Sincerely,

Faith Lane

Julianne Broyles

On behalf of the California Association of Health Underwriters