Health Services
LOS ANGELES COUNTY

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To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

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June 13, 2013

TO: Each Supervisor

FROM: Mitchell H. Katz, M.D. For MK
Director

SUBJECT: **DEPARTMENT OF HEALTH SERVICES' REQUEST FOR POSTPONEMENT OF JUNE 18, 2013 BUDGET COMMITTEE OF THE WHOLE REPORT TO SEPTEMBER 2013**

This is to request a postponement to September 2013 of the Department of Health Services' presentation to the Board of the Budget Committee of the Whole report, currently scheduled for June 18, 2013.

Earlier this week, the Department completed lengthy and complicated negotiations with the State regarding the State's proposal to redirect 1991 Realignment funding in anticipation of the implementation of the Affordable Care Act on January 1, 2014. The details of the negotiated agreement are still being refined into a legislative bill which then must be passed by the Legislature and signed into law by the Governor. Once the legislative process is completed, the Department will need time to develop its projections based on the new caps and formulas and other technical details contained in the agreement.

The development of new projections will require the Department's current cost and revenue projection models to be completely rebuilt to account for the full range of components, variables and key technical details included in the agreement with the State. We are requesting the postponement to allow the Department the time necessary to perform this work.

At the next Budget Committee of the Whole scheduled for September 2013, the Department will present the Board with revised projections for the final budget for Fiscal Year (FY) 2013-13 and estimates for FYs 2013-14 and 2014-15.

If you have any questions or need additional information, please let me know.

MHK:aw

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors