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ACTING EXECUTIVE OFFICER

April 30, 2015

Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol
Sacramento, CA 95814

Dear Governor Brown:

We are writing to request the expeditious resolution of the critical issues with the California Health Eligibility, Enrollment and Retention System (CalHEERS), and urge the continuation and expansion of funding for counties to administer the Medi-Cal Program for the ongoing manual work efforts required as a result of the CalHEERS functionality issues. This is important to ensure that Los Angeles and other counties can effectively provide health coverage to the increasing number of eligible residents.

CalHEERS is designed to interface with State and county systems used to support eligibility determination for Medi-Cal benefits and for health care plans available through Covered California. However, the ongoing problems with CalHEERS continue to impede the effective administration of the Medi-Cal Program and have resulted in significant delays in enrollment for Medi-Cal benefits, erroneous termination or denial of Medi-Cal benefits, and other adverse consequences for families and individuals seeking health care benefits. These problems include incorrect income computations, lack of notices of action, and inability to identify eligible former foster youth and provide them with the appropriate Medi-Cal benefits.

In March 2015, the State established a "24-month Roadmap" which prioritizes critical changes needed in the CalHEERS system through March 2017, and we appreciate that counties' priorities were taken into account. It is important to note, however, that a number of major ongoing issues with the CalHEERS system may not be resolved by March 2017, even with the full implementation of the Roadmap.

Despite the extraordinary challenges with the CalHEERS system, Los Angeles County has effectively established and maintained Medi-Cal coverage for more than 2.6 million County residents. With the implementation of the Affordable Care Act (ACA), the number of individuals seeking health care coverage only continues to grow. Accordingly, we very much appreciate your recognition that ongoing problems with CalHEERS have resulted in significant workload for counties and a corresponding need for increased funding. The

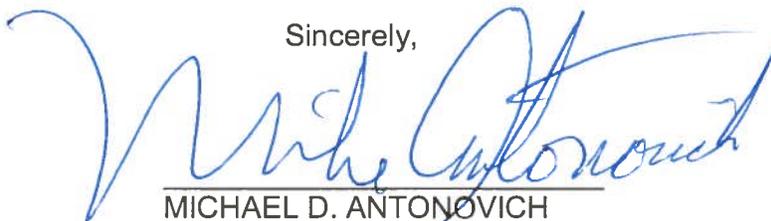
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\$150 million statewide mid-year increase for FY 2014-15, in addition to the ongoing \$240 million in statewide ACA base funding, has helped the County address the need this fiscal year. However, it is essential that funding for Medi-Cal administration be sustained and increased in FY 2015-16 to provide Los Angeles and other counties with sufficient funding to manage existing Medi-Cal caseload.

We, therefore, respectfully urge your Administration to take all possible actions to expeditiously resolve the significant issues with the CalHEERS system, and to provide counties with the necessary funding to ensure effective service delivery for Medi-Cal applicants and beneficiaries.

Your consideration of these important issues is greatly appreciated.

Sincerely,



MICHAEL D. ANTONOVICH
Mayor of the Board



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Supervisor, First District



MARK RIDLEY-THOMAS
Supervisor, Second District



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Supervisor, Third District



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