



October 20, 2015

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The Honorable Nancy Pelosi
Minority Leader, United States Congress
Cannon House Office Building, #223
1st & Independence Ave SE
Washington, DC 20515

The Honorable Zoe Lofgren
Member, United States Congress
Longworth House Office Building, #1401
New Jersey & Independence Ave SE
Washington, DC 20515

Dear Minority Leader Pelosi and Congresswoman Lofgren:

On behalf of the California State Association of Counties (CSAC), I write to share counties' concerns with the latest developments in the state's efforts to renew the Medicaid Section 1115 Waiver. California's Medicaid waiver expires on October 31, 2015 – 11 days from now.

After months of discussion with the Centers for Medicare and Medicaid Services (CMS), California reduced the size of its waiver proposal from \$17 billion to a little over \$7 billion over five years. CMS told California late last week that they were offering only *one year* of guaranteed funding for the program that serves the uninsured, and only *three years* for the program that funds pay for performance Medi-Cal improvements. This counter-offer by CMS could reduce the remaining value of the total Waiver by as much as 50 percent. While both funds could be extended, CMS's counterproposal delays that decision to the next Administration – a very troubling development for California.

California led the nation in implementing the Affordable Care Act. CSAC is alarmed by the conversations with CMS over the last several days. CMS's counter-offer treats us more like states that chose not to expand Medicaid.

California counties have been counting on a Waiver renewal that provides our county hospital systems with a full five years of funding to improve the quality of services provided to Medi-Cal patients and the remaining uninsured. CSAC remains in strong support of the State's revised October proposal that retains full five year funding for county hospitals.

We appreciate your continued leadership on behalf of California and know that you are engaged in helping to secure the best possible outcome for California on the Waiver renewal. Please let me know how CSAC can support you in this effort. Elected county supervisors throughout the state are very engaged in a Waiver renewal that provides important investments in continuing to improve the health of all Californians.

Sincerely,

A handwritten signature in blue ink that reads "Matthew L. Cate".

Matthew L. Cate
Executive Director