

Alsop, Ryan

From: Alsop, Ryan
Sent: Wednesday, April 28, 2010 10:08 AM
To: Wall, Daniel - FWD
Cc: 'Donna Seitz'; 'Martha Flammer'; Berends, Edwin - FWD; 'Steve Kawamura'; 'Paula Chafey-Merrill'; Rivas, Jr., Manuel
Subject: County of Los Angeles Board of Supervisors Federal Issues Brief & Talking Points - Washington DC - May 2010
Attachments: Board Federal Issues Briefing & Talking Points - May 2010.pdf

Ryan J. Alsop
Assistant Chief Executive Officer
Intergovernmental & External Affairs
County of Los Angeles
(213) 974-1100

Alsop, Ryan

From: Alsop, Ryan
Sent: Wednesday, April 28, 2010 7:48 AM
To: Wan, Cindy; 'phong@bos.lacounty.gov'; 'Drew Ivie, Sylvia'
Subject: Board Washington Trip Briefing - THIS WEEK - Request for Briefing
Attachments: Board Federal Issues Briefing & Talking Points - May 2010.pdf

Board Washington Trip Briefing – THIS WEEK – Request for Briefing

Supervisor, Peter, Cindy:

Burt Margolin, Reggie Todd and I are requesting to meet with you **this week** to discuss next week's trip to Washington DC. In this meeting we will specifically discuss our recommended Board issues and advocacy, your TENTATIVE Itinerary of meetings, transportation arrangements and other important logistical detail.

Attached, please find for your review and consideration a copy of this year's **Federal Issues Briefing Book** that we are using to brief those participating in the trip. This book contains an executive summary of our issues/advocacy, detailed briefing papers on each issue and talking points that you may use in your meetings.

If you have any questions, suggestions, comments, concerns or requests, please call me right away at 4-1100 or email me at alsop@ceo.lacounty.gov

Ryan J. Alsop
Assistant Chief Executive Officer
Intergovernmental & External Affairs
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Alsop, Ryan

From: Alsop, Ryan
Sent: Wednesday, April 28, 2010 7:45 AM
To: 'PhilipBrowning@dpss.lacounty.gov'; 'John Schunhoff'; Andrizzi, Gwen; Cervantes, Elena
Subject: Board Washington Trip Briefings - THIS WEEK - CEO, DHS, DPSS
Attachments: Board Federal Issues Briefing & Talking Points - May 2010.pdf

Board Washington Trip Briefings – THIS WEEK – CEO, DHS, DPSS

Bill, Brence, Phillip and John:

As you are aware, Burt Margolin, Reggie Todd and I are scheduled to meet with you later **this morning at 11:00pm** to discuss next week's trip to Washington DC. In this meeting we will specifically discuss our recommended Board issues and advocacy, your TENTATIVE itinerary of meetings, transportation arrangements and other important logistical detail.

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In the meantime, if you have any questions, suggestions, comments, concerns or requests, please call me right away at 4-1100 or email me at alsop@ceo.lacounty.gov

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Assistant Chief Executive Officer
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Alsop, Ryan

From: Alsop, Ryan
Sent: Wednesday, April 28, 2010 7:41 AM
To: Fujioka, William T; Culp, Brence; 'PhilipBrowning@dpss.lacounty.gov'; 'John Schunhoff'; PhilAnsell@dpss.lacounty.gov; Allan Wecker; Andrizzi, Gwen; Cervantes, Elena
Cc: Todd, Reginald - FWD; Campbell, Greg - FWD; 'Burt Margolin'; Tajima, Mark
Subject: Board Washington Trip Briefings - THIS WEEK - CEO, DHS, DPSS

Board Washington Trip Briefings – THIS WEEK – CEO, DHS, DPSS

Bill, Brence, Phillip and John:

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In the meantime, if you have any questions, suggestions, comments, concerns or requests, please call me right away at 4-1100 or email me at ralso@ceo.lacounty.gov

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County of Los Angeles
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Alsop, Ryan

From: Alsop, Ryan
Sent: Wednesday, April 28, 2010 7:17 AM
To: Hertzberg, Gerry; 'Jimenez, Martha'; 'Luftig Viste, Amy'; 'Weiner, Karen'
Cc: Todd, Reginald - FWD; Campbell, Greg - FWD; 'Burt Margolin'; Tajima, Mark; Fujioka, William T; Culp, Brence
Subject: Board Washington Trip Briefings - THIS WEEK - 1st District
Attachments: Board Federal Issues Briefing & Talking Points - May 2010.pdf

Board Washington Trip Briefings – THIS WEEK – 1st District

Supervisor, Gerry, Martha & Amy:

Burt Margolin, Reggie Todd and I are scheduled to meet with you **tomorrow afternoon at 2:30pm** to discuss next week's trip to Washington DC. In this meeting we will specifically discuss our recommended Board issues and advocacy, your TENTATIVE itinerary of meetings, transportation arrangements and other important logistical detail.

Attached, please find for your review and consideration a copy of this year's **Federal Issues Briefing Book** that we are using to brief those participating in the trip. This book contains an executive summary of our issues/advocacy, detailed briefing papers on each issue and talking points that you may use in your meetings.

If you have any questions, suggestions, comments, concerns or requests, please call me right away at 4-1100 or email me at alsop@ceo.lacounty.gov

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Assistant Chief Executive Officer
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Alsop, Ryan

From: Alsop, Ryan
Sent: Wednesday, April 28, 2010 7:13 AM
To: Executive Officer; 'And (aordin@counsel.lacounty.gov)'; 'Ashton, Don'; 'County Counsel'; Montes, Angie
Subject: Board Washington Trip Briefings - THIS WEEK
Attachments: Board Federal Issues Briefing & Talking Points - May 2010.pdf

Board Washington Trip Briefings – THIS WEEK – Exec Office; County Counsel

Andrea, Sachi:

Burt Margolin, Reggie Todd and I are scheduled to meet with you **tomorrow morning at 10:00am** to discuss next week's trip to Washington DC. In this meeting we will specifically discuss our recommended Board issues and advocacy, the TENTATIVE itinerary of meetings, transportation arrangements and other important logistical detail.

Attached, please find for your review and consideration a copy of this year's **Federal Issues Briefing Book** that we are using to brief those participating in the trip. This book contains an executive summary of our issues/advocacy, detailed briefing papers on each issue and talking points that you may use in your meetings.

If you have any questions, suggestions, comments, concerns or requests, please call me right away at 4-1100 or email me at ralso@ceo.lacounty.gov

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Assistant Chief Executive Officer
Intergovernmental & External Affairs
County of Los Angeles
(213) 974-1100

Alsop, Ryan

From: Alsop, Ryan
Sent: Wednesday, April 28, 2010 7:07 AM
To: Antonovich, Michael; 'Barger Leibrich, Kathryn'; Glasgow, Lori; Pembedjian, Anna; 'Balderrama, Linda'
Cc: Todd, Reginald - FWD; 'Burt Margolin'; Campbell, Greg - FWD; Tajima, Mark; Fujioka, William T; Culp, Brence
Subject: Board Washington Trip Briefings - THIS WEEK - 5th District
Attachments: Board Federal Issues Briefing & Talking Points - May 2010.pdf

Board Washington Trip Briefings – THIS WEEK – 5th District

Supervisor, Kathryn, Lori and Anna:

Burt Margolin, Reggie Todd and I are scheduled to meet with you **this afternoon at 3:00pm** to discuss next week's trip to Washington DC. In this meeting we will specifically discuss our recommended Board issues and advocacy, your TENTATIVE itinerary of meetings, transportation arrangements and other important logistical detail.

Attached, please find for your review and consideration a copy of this year's **Federal Issues Briefing Book** that we are using to brief those participating in the trip. This book contains an executive summary of our issues/advocacy, detailed briefing papers on each issue and talking points that you may use in your meetings.

If you have any questions, suggestions, comments, concerns or requests, please call me right away at 4-1100 or email me at ralso@ceo.lacounty.gov

Ryan J. Alsop
Assistant Chief Executive Officer
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Alsop, Ryan

From: Alsop, Ryan
Sent: Tuesday, April 27, 2010 11:48 AM
To: Fujioka, William T; Culp, Brence; 'John Schunhoff'; 'PhilipBrowning@dpss.lacounty.gov'; Executive Officer; 'And (aordin@counsel.lacounty.gov)'
Cc: PhilAnsell@dpss.lacounty.gov; BillTaylor@dpss.lacounty.gov; Allan Wecker; Carol Meyer; 'Ashton, Don'; Montes, Angie; 'Burt Margolin'; Todd, Reginald - FWD; Tajima, Mark; Gerardo Pinedo
Subject: Board Federal Issues Briefing Books - Washington DC - May 2010
Attachments: Board Federal Issues Briefing & Talking Points - May 2010.pdf

Board Federal Issues Briefing Books – Washington DC - May 2010

All:

Attached, please find an electronic copy of our **Federal Issues Briefing Book** for next week's trip. Burt Margolin, Reggie Todd and I will be using this document to brief you and the Supervisors this week.

Meeting/event itineraries are still developing. Please give us until mid week to begin sharing these with you as they continue to change rapidly. Things are coming together nicely. However, meeting itineraries should remain TENTATIVE until next week (Sachi, we will have an understanding of our publicly noticed meetings by Wednesday).

Questions, comments, concerns to me at x4-1100.

Ryan J. Alsop
Assistant Chief Executive Officer
Intergovernmental & External Affairs
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Alsop, Ryan

From: Alsop, Ryan
Sent: Tuesday, April 27, 2010 11:43 AM
To: Hertzberg, Gerry; 'Jimenez, Martha'; 'Luftig Viste, Amy'; 'Weiner, Karen'; 'Drew Ivie, Sylvia'; 'phong@bos.lacounty.gov'; Rosenfeld, Dan; 'Alisa Katz'; 'Pedersen, Curt'; 'Velasquez, Rick'; 'Sommers, David'; Barger Leibrich, Kathryn; 'Glasgow, Lori'; Pembedjian, Anna
Cc: 'Burt Margolin'; Todd, Reginald - FWD; Campbell, Greg - FWD; Tajima, Mark
Subject: Board Federal Issues Briefing Books - Washington DC - May 2010
Attachments: Board Federal Issues Briefing & Talking Points - May 2010.pdf

Board Federal Issues Briefing Books – Washington DC - May 2010

All:

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Meeting/event itineraries are still developing. Please give us until mid week to begin sharing these with you as they continue to change rapidly. Things are coming together nicely. However, meeting itineraries should remain TENTATIVE until next week.

Questions, comments, concerns to me at x4-1100.

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Alsop, Ryan

From: Alsop, Ryan
Sent: Tuesday, April 27, 2010 11:13 AM
To: Todd, Reginald - FWD; Campbell, Greg - FWD; Byers, Carol - FWD
Cc: Tajima, Mark; 'Burt Margolin'
Subject: Board of Supervisors Federal Issues Briefing & Talking Points - May 2010
Attachments: Board Federal Issues Briefing & Talking Points - May 2010.pdf

Attached, please find an electronic copy of our Federal Issues Briefing Book for next week's trip. We'll be using this document to brief Bill Fujioka and Supervisors/staff this week.

Ryan J. Alsop
Assistant Chief Executive Officer
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(213) 974-1100

Alsop, Ryan

From: Alsop, Ryan
Sent: Tuesday, April 27, 2010 7:53 AM
To: 'Weiner, Karen'
Cc: Hertzberg, Gerry; 'Jimenez, Martha'; Luftig Viste, Amy; 'Marquez, Roxane'
Subject: Next Week's DC Trip - Meeting with LA Times

All:

I've made arrangements with Rich Simon (LA Times DC Bureau Chief) to have breakfast with GM, John Schunhoff, Phil Browning next week, Thursday, May 6th at Bistro Bis, 8:00am (near the Senate side of the Capitol). GM will discuss the Boards trip, issues/advocacy with Rich, with John and Phil providing details on specific impact back home. Rich will be making reservations.

We will have a near complete itinerary to share with you later on this week.

Ryan J. Alsop
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Alsop, Ryan

From: Alsop, Ryan
Sent: Monday, April 26, 2010 5:20 PM
To: Rodriguez, Elaine; Morikawa, Lisette; Babakhan, Sharon
Cc: Tajima, Mark; 'Burt Margolin'; Todd, Reginald - FWD; Campbell, Greg - FWD; Byers, Carol - FWD
Subject: Final Federal Issue Executive Summary and Briefing Papers
Attachments: Board Issues, Advocacy Executive Summary.docx; New Medicaid Waiver.docx; Hospital Provider Fee.docx; TANF ECF.docx; SCAAP.docx

These really are the final documents! No changes unless mission critical.

For IGR staff, I'm transferring these over to the shared drive. Thanks much for your assistance.

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Alsop, Ryan

From: Alsop, Ryan
Sent: Monday, April 26, 2010 4:55 PM
To: Rodriguez, Elaine; Morikawa, Lisette
Cc: Tajima, Mark; 'Burt Margolin'; Todd, Reginald - FWD; Campbell, Greg - FWD; Byers, Carol - FWD
Subject: Final Federal Issue Talking Points - May 2010
Attachments: New Medicaid Waiver Talking Points.docx; Hospital Provider Fee Talking Points.docx; TANF ECF Talking Points.docx; SCAAP Talking Points.docx

Ryan J. Alsop
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Alsop, Ryan

From: Alsop, Ryan
Sent: Friday, April 23, 2010 2:12 PM
To: 'Burt Margolin'; Todd, Reginald - FWD; Campbell, Greg - FWD; White, Sabra; Randy Davis; Angie Buckingham Melton; Tajima, Mark
Subject: RE: Talking Points - Please review and provide any comments you may have ASAP

thks

From: Burt Margolin [mailto:bmargolin@margolingroup.com]
Sent: Friday, April 23, 2010 2:10 PM
To: Alsop, Ryan; Todd, Reginald - FWD; Campbell, Greg - FWD; White, Sabra; Randy Davis; Angie Buckingham Melton; Tajima, Mark
Subject: RE: Talking Points - Please review and provide any comments you may have ASAP

I think the TANF-ECF needs to have a legislative update included with a more specific sense of what we are hoping will happen in the Senate. I also think bullet one is too technical for a talking point – the reference to 80% reimbursement and the listing of the three categories is not what a Supervisor would say in an actual meeting. I would focus more on bullet two and the subsidized jobs and summer jobs that are at risk.

I also would not include the thank you in the final bullet with the reference only to Democratic House members. I would save this type of commentary for notes on the final schedule. Judy Chu, for example, needs a special thank you etc.

From: Alsop, Ryan [mailto:alsop@ceo.lacounty.gov]
Sent: Friday, April 23, 2010 1:42 PM
To: Todd, Reginald - FWD; Campbell, Greg - FWD; Burt Margolin; White, Sabra; Randy Davis; Angie Buckingham Melton; Tajima, Mark
Subject: Talking Points - Please review and provide any comments you may have ASAP

Please give me your feedback on these. I'd like to have them done by the end of the day today. Thank you.

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Alsop, Ryan

From: Alsop, Ryan
Sent: Friday, April 23, 2010 1:42 PM
To: Todd, Reginald - FWD; Campbell, Greg - FWD; Burt Margolin; White, Sabra; 'Randy Davis'; 'Angie Buckingham Melton'; Tajima, Mark
Subject: Talking Points - Please review and provide any comments you may have ASAP
Attachments: New Medicaid Waiver Talking Points.docx; Hospital Provider Fee Talking Points.docx; SCAAP Talking Points.docx; TANF ECF Talking Points.docx

Please give me your feedback on these. I'd like to have them done by the end of the day today. Thank you.

Ryan J. Alsop
Assistant Chief Executive Officer
Intergovernmental & External Affairs
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(213) 974-1100

Recipient

Todd, Reginald - FWD

Campbell, Greg - FWD

Burt Margolin

White, Sabra

'Randy Davis'

'Angie Buckingham Melton'

Tajima, Mark

Recall

Failed: 4/23/2010 2:28 PM

Failed: 4/23/2010 2:37 PM

Alsop, Ryan

From: Alsop, Ryan
Sent: Thursday, April 22, 2010 10:45 PM
To: 'bmargolin@margolingroup.com'
Subject: Re: Waiver Talking Points

Thks

Sent from my BlackBerry Wireless Handheld

From: Burt Margolin <bmargolin@margolingroup.com>
To: Alsop, Ryan
Sent: Thu Apr 22 19:23:57 2010
Subject: Waiver Talking Points

Attached is my draft of the Waiver talking points.

FEDERAL ISSUES

MAY 2010



Board of Supervisors

Gloria Molina, Chair
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

FEDERAL ISSUES

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Contact: Reginald Todd, Chief Legislative Representative
Office #: (202) 393-2404
Email: rtodd@naco.org



Executive Summary

Federal Issues

Supervisors seek approval of a new Medicaid Waiver as a bridge to health care reform implementation; urge passage of legislation that provides critical State, local fiscal relief; job creation

The Los Angeles County Board of Supervisors will travel to Washington D.C., May 5th and 6th, to meet with Congressional leaders and The White House to urge the approval of a new Medicaid Waiver for California that will help prepare the County of Los Angeles to implement health care reform, and seek passage of legislation that will provide hundreds of millions of dollars in local fiscal relief, and the creation of tens of thousands of jobs across the region.

Approve a New Medicaid Waiver for California by August 2010

A new Medicaid Waiver is a bridge to health care reform implementation in Los Angeles County. The County urges the Centers for Medicare and Medicaid Services (CMS) to approve California's Medicaid Waiver request which will help the County health care delivery system to prepare to implement health care reform. California's current Medicaid Waiver, which is set to expire on August 31st, provides \$900 million in annual financial assistance to the County's public health care safety-net system.

The State of California has shared concepts of the potential components of its new Medicaid Waiver request with CMS officials while it continues to work with stakeholders, including the County, in developing its request.

California's new Medicaid Waiver should build upon the existing Waiver to help transform the County's health care delivery system to successfully implement health care reform. This means reorganizing the delivery of care in a more efficient and effective way. It is estimated that over half of the County's current patients are uninsured adults who, thanks to health reform, will join the Medi-Cal program in 2014. Consistent with the new health care reform law, the County hopes to utilize the Waiver to provide improved coordinated care for medically indigent adults who will become eligible for Medicaid as health care reform phases in; seniors and persons with disabilities; individuals with multiple chronic health conditions; and persons with serious health or mental health problems.

Approve a Provider Fee for Public & Private Hospitals

California hospitals that serve the Medi-Cal population face serious financial challenges. In an effort to stabilize hospital financing, the State Legislature and the Governor negotiated an agreement in 2009 that would enable the State to fund new supplemental payments to hospitals that serve Medicaid patients by imposing a new Hospital Provider Fee that would be used to attract federal matching funds.

The County is requesting immediate approval of this fee, which is still under consideration by the Centers for Medicare and Medicaid Services (CMS). Annually, this provider fee would finance supplemental payments totaling \$1.9 billion for California's hospitals, including \$1.3 billion for private hospitals and \$600 million for public hospitals throughout the State. Los Angeles County's public health care safety-net system would receive \$137 million annually in sorely needed funding.

Extend the Temporary Increase in the Federal Match Rate for Medicaid, Foster Care and Adoption Assistance for an Additional Six Months

It is essential that Federal jobs legislation currently being considered by Congress include significant fiscal relief, through an extension of the American Recovery and Reinvestment Act's (ARRA) temporary increase in the Federal Medical Assistance Percentage (FMAP) rate for Medicaid, Foster Care and Adoption Assistance. The County is asking Congress for a six-month extension through June 30, 2011, which would provide more than \$2.5 billion in urgently needed Federal fiscal relief to California and reduce the County's share of Medicaid, foster care and adoption costs by roughly \$170 million.

Extend the Temporary Assistance for Needy Families Emergency Contingency Fund for an Additional Year

The \$5 billion Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) is another critically important fiscal relief and job creation tool, created by ARRA. By financing 80 percent of increased expenditures on basic assistance and subsidized employment, TANF ECF has enabled California to avoid making deep cuts in CalWORKs cash grants at a time of increased need while also enabling thousands of unemployed low-income persons to be placed into subsidized jobs. The County urges Congress to extend this program, with increased funding, for an additional year.

As of April 26, 2010, the County had created 7,300 subsidized jobs for CalWORKs recipients and other low-income adults under its subsidized employment program. Besides using TANF ECF to create thousands of additional subsidized jobs for adults, the County also will use the fund to implement a 2010 summer youth employment program, which could provide subsidized jobs to more than 15,000 low-income youth (including eligible foster youth) in collaboration with Workforce Investment Boards in the County.

Fully fund the State Criminal Alien Assistance Program

The State Criminal Alien Assistance Program (SCAAP) reimburses previously incurred state and local costs of incarcerating undocumented criminal aliens. Inadequate SCAAP funding has

resulted in an unfair shift in costs to state and local governments, especially in California. In FFY 2010, SCAAP was funded at \$330 million – far below its authorized funding level of \$950 million. Every dollar spent by the County on jailing undocumented criminal aliens not reimbursed by SCAAP means a dollar less that can be spent on other essential public safety services, which, in turn, endangers public safety.

President Obama's Proposed FFY 2011 Budget includes \$330 million for SCAAP, which represents the first time that a President has requested any funding for SCAAP since 2001. The County thanks the President for including funding in his budget, and requests that Congress fund SCAAP at its authorized level of \$950 million in FFY 2011. If SCAAP were funded at \$950 million, the State of California and its counties should receive nearly \$380 million, and the County's SCAAP reimbursement would increase from an estimated \$12.7 million in FFY 2010 to over \$36 million.

APPROVE CALIFORNIA'S NEW MEDICAID WAIVER – THE BRIDGE TO HEALTH CARE REFORM IMPLEMENTATION

Position

California's new Section 1115 Medicaid Waiver should be structured in a manner that strengthens the State's health care safety net and enables the County of Los Angeles to transform its public health care delivery system to successfully implement health care reform.

The Centers for Medicare and Medicaid Services (CMS) should approve the State's Medicaid Waiver request because it replaces an existing Waiver, set to expire on August 31, 2010, which is providing \$900 million annually to the County's public health care safety net system.

Background

The Los Angeles County Department of Health Services (DHS) operates the nation's second largest local public health care system, and serves as the primary health care provider to the County's uninsured and indigent residents. DHS provides medical care to nearly 700,000 individual patients. Its hospitals train 40 percent of all medical residents in the County and provide 36 percent of all trauma care and 10 percent of all emergency room visits.

Medicaid is, by far, the largest source of health financing for Los Angeles County's public health safety net system. California has a Section 1115 Medicaid Hospital Financing Waiver, set to expire on August 31, 2010, that governs Medicaid payments and provides the County's DHS with \$900 million in annual funding, including "coverage initiative" funds that enabled the County to create "Healthy Way LA," a program which enrolls medically indigent adults into a system of coordinated care.

The County plays a pivotal role in the financing of California Waivers since the State relies upon the counties to provide the State match for all new federal funds that are provided to public hospitals. Los Angeles County and other counties with public hospitals generate this match through the use of Certified Public Expenditures (CPEs), which are unreimbursed healthcare expenses identified by public systems. This State/County partnership allows the State to avoid new general fund expenditures, an increasingly critical factor as the State battles to solve its own budget crisis.

The State's new Medicaid Waiver should build upon the existing Waiver by helping to transform the County's health care delivery system to successfully implement health care reform. This means reorganizing the delivery of care in a more efficient and effective way. We estimate that over half of the County's current patients are uninsured adults who, thanks to health reform, will join the Medi-Cal program in 2014. Consistent with the new health care reform law, the County hopes to utilize the new Waiver to provide improved coordinated care for the medically

indigent adults who will become eligible for Medicaid as health care reform phases in; seniors and persons with disabilities; individuals with multiple chronic health conditions; and persons with serious health or mental health problems.

Health care reform also creates new challenges for the State's health care delivery system, such as the challenge of serving a far greater number of Medicaid beneficiaries. The Medicaid financing provided through the new Waiver will be important in not only ensuring that current needs can be met, but also in strengthening California's safety net by building the increased capacity that will be needed to maximize opportunities to reduce the number of uninsured individuals under the health care reform expansions.

Status

The State of California has shared concepts of the potential components of its new Medicaid Waiver request with CMS officials while it continues to work with stakeholders throughout the State in developing its Waiver request. The CMS should work closely with the State to expedite the review and approval of the new Medicaid Waiver so it can take effect in September 2010 after the current one expires on August 31, 2010.

APPROVE CALIFORNIA'S NEW MEDICAID WAIVER – THE BRIDGE TO HEALTH CARE REFORM IMPLEMENTATION

TALKING POINTS

- The State is about to send the Obama Administration a proposal for a new Medicaid Waiver. This Waiver will greatly impact the County's public health system.
- First, it is key to the stability of our system – which is always a challenge for us. \$900 million of our current health department funding comes from the existing Hospital Waiver, which will expire this summer.
- Second, this Waiver should be our bridge to health care reform. Over half of our current patients are uninsured adults who, thanks to health reform, will join the Medi-Cal program in 2014.
- To serve these new Medi-Cal patients, the new Waiver should help us reorganize how we deliver care. It should help us expand our managed care capacity and provide better care coordination for our most medically vulnerable patients.
- While Waivers are a State proposal, Los Angeles County needs to be heard on this issue. The State depends on us to finance the State match for public hospital funding (use of Certified Public Expenditures). We are partners with the State.
- When the State sends its Waiver proposal to the Centers for Medicare and Medicaid Services (CMS), we may need to call on our delegation to help ensure speedy approval with favorable terms for California and the County of Los Angeles.

APPROVE A PROVIDER FEE FOR PUBLIC & PRIVATE HOSPITALS

Position

Governor Schwarzenegger and the Legislature reached agreement in 2009 on a Hospital Quality Assurance Fee which, subject to Federal approval, would generate Medicaid funding for supplemental payments to California hospitals.

The County urges the Centers for Medicare and Medicaid Services (CMS) to approve this fee.

Background

In an effort to stabilize hospital financing, the Legislature and the Governor negotiated an agreement in 2009 to create a Hospital Provider Fee that would enable the State to fund new supplemental Medicaid payments to hospitals that serve Medicaid patients. This new fee would be used to finance the non-Federal share of the Medicaid costs for supplemental payments. California already imposes provider fees ("Quality Assurance Fees") on Medi-Cal managed care plans, skilled nursing facilities, and intermediate care facilities to help finance non-Federal Medicaid costs.

The Centers for Medicare and Medicaid Services must approve the Medicaid State Plan Amendment submitted by the State to implement the new Hospital Quality Assurance Fee in order for the fee to become effective. There are 22 other states which currently impose hospital provider fees to finance non-Federal Medicaid costs, so such a fee also should be allowed in California.

Approval of this fee is extremely important to Los Angeles County's Department of Health Services (DHS), which operates the nation's second largest public hospital system, and which faces major ongoing structural budget deficits. On an annual basis, this provider fee and the supplemental payment will generate \$137 million in needed Medicaid funding for DHS. The total annualized value to public hospitals statewide is \$600 million and value to private hospitals statewide is \$1.3 billion.

Status

Assembly Bill 1383, the bipartisan enabling legislation, was signed into law on October 11, 2009. As of April 26, 2010, the State Plan Amendment to implement the new Hospital Quality Assurance Fee, which was submitted to CMS, has not yet been approved. Although the fee was structured to meet the basic CMS criteria, implementation issues have reportedly delayed its approval.

APPROVE A PROVIDER FEE FOR PUBLIC & PRIVATE HOSPITALS

TALKING POINTS

- Our health system continues to struggle financially. Los Angeles County's public health care safety net system is facing a \$300 million shortfall.
- That's why the County was very pleased last year when the Governor and the Legislature worked out an agreement with the hospitals to create a new provider fee.
- The provider fee will allow the State to use Medi-Cal to give hospitals a new supplemental payment.
- The County health system will have a net benefit of \$137 million a year once this fee is enacted – funding that we desperately need.
- The final hurdle in getting this fee enacted is CMS approval.
- The State Plan Amendment (SPA) asking for this approval is now being reviewed by CMS.
- We understand from the State that CMS is asking the State various implementation related questions and that is taking additional time.
- Not only Los Angeles County, but the entire California hospital industry – both public and private – needs this fee approved by CMS.
- Please encourage CMS to finish their review and act on the State request.

EXTEND THE TEMPORARY INCREASE IN THE FEDERAL MATCH RATE (FMAP) FOR MEDICAID, FOSTER CARE, AND ADOPTION ASSISTANCE

Position

The County supports fiscal relief for state and local governments, by extending the temporary increase in the Federal Medical Assistance Percentage (FMAP) rate for Medicaid, Foster Care, and Adoption Assistance for an additional six months through June 30, 2011.

Background

The enactment of Federal jobs legislation which includes fiscal relief for state and local governments is critically important for California and Los Angeles County, who have been hit by the current economic downturn exceptionally hard. Unemployment in February hit 12.4 percent compared to just 4.8 percent in 2007. As a result, the County's monthly average General Relief caseload has grown from 58,599 in 2007 to an estimated 93,860 this year; a 60 percent increase in a four year period. Compounding matters, economic recovery and job creation throughout California have been hindered by the State's huge budget shortfall – the largest, by far, of any state. In the past two years, this budget shortfall has forced the State to enact \$72 billion in budget cuts. It is essential that Federal jobs legislation include significant fiscal relief which would enable the State to avoid even deeper cuts in essential services that would lead to a further weakening of economic activity and more job losses.

An extension of the American Recovery and Reinvestment Act's (ARRA) temporary increase in the Federal match rate for Medicaid, Foster Care, and Adoption Assistance is one of the most important fiscal relief measures that Congress could provide to California and its counties. A six-month extension through June 30, 2011 would provide California more than \$2.5 billion in fiscal relief of which roughly \$170 million would be available to reduce the County's share of Medicaid and Title IV-E Foster Care and Adoption Assistance costs.

The Federal Medical Assistance Percentage ("FMAP") is the Federal match rate for assistance provided under the Medicaid and Title IV-E Foster Care and Adoption Assistance programs. Under ARRA, California's FMAP was increased from the statutory minimum of 50 percent to 60.59 percent for Medicaid and 56.2 percent for Title IV-E costs from October 1, 2008 through December 31, 2010. Increased Federal matching funds are especially important during a deep recession when medical assistance, foster care, and adoption assistance needs increase at the same time State and county revenues decrease. In California, counties help finance the non-Federal share of Medicaid-funded assistance, including mental health and In-Home Supportive Services, and Title IV-E-funded Foster Care and Adoption Assistance. Extending ARRA's FMAP increase, therefore, would lessen the need for the County, as well as the State, to make deeper cuts in essential services for persons hurt by the recession.

Status

Unlike last year when economic stimulus, state fiscal relief, and job creation measures were consolidated into a single omnibus bill (H.R. 1), the American Recovery and Reinvestment Act of 2009, multiple legislative vehicles are being used to move job-related and fiscal relief proposals this year, including language to extend ARRA's temporary FMAP increase.

A six-month extension of the temporary FMAP increase is included in H.R. 4213, the American Workers, State and Business Relief Act of 2010, as passed by the Senate. The House version of H.R. 4213 does not include a six-month FMAP increase extension, but the House is on record as supporting this extension based on passage of H.R. 2847, the Jobs for Main Street Act, and H.R. 3962, its health care reform bill, which no longer are available legislative vehicles.

EXTEND THE TEMPORARY INCREASE IN THE FEDERAL MATCH RATE (FMAP) FOR MEDICAID, FOSTER CARE, AND ADOPTION ASSISTANCE

TALKING POINTS

- As you're aware, the County's unemployment rates have been above 12 percent since August while the national unemployment rate has been under 10 percent.
- Economic recovery and job creation throughout California continue to be hindered by the State's huge budget shortfall – the largest, by far, of any state.
- An extension of the FMAP for Medicaid, Foster Care, and Adoption Assistance is an important fiscal relief measure that Congress could provide to California and its counties.
- A six-month extension through June 30, 2011 would reduce Los Angeles County's share of Medicaid, Foster Care, and Adoption Assistance costs by roughly \$170 million. It would provide \$2.5 billion in statewide fiscal relief.
- Such Federal fiscal relief would lessen the need for the State and County to make deeper cuts in essential services.
- Your continued efforts to extend the increased FMAP are appreciated.

EXTEND THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES EMERGENCY CONTINGENCY FUND TO CREATE MORE SUBSIDIZED JOBS

Position

The County supports a one-year extension of the Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) with sufficient new and/or carryover funds to enable all states, including California, to maintain or expand their TANF ECF-funded subsidized employment programs.

Background

The 1996 welfare reform law created the Temporary Assistance for Needy Families (TANF) Block Grant, which funds cash grants, employment services, supportive services, and other services to low-income families and children. Each state receives a fixed annual TANF allotment that has remained the same, without adjustment, since TANF was created in 1996. The American Recovery and Reinvestment Act (ARRA) of 2009 established and appropriated \$5 billion for the TANF Emergency Contingency Fund (ECF) to help states meet the growing needs of low-income families and children during the worst recession and fiscal crisis facing states, by far, in many years. This new fund reimburses 80 percent of increased TANF-related expenditures on basic assistance (cash grants), non-recurrent short-term benefits, and subsidized employment during Federal Fiscal Years (FFYs) 2009 and 2010.

The new TANF ECF has been extremely important to California because it has provided the State with greatly needed fiscal relief while, at the same time, enabling it to fund cash grants to a growing number of low-income families and create thousands of subsidized jobs. California has been hit harder by the recession than the rest of the nation, as reflected by the fact that the State alone has more than 15 percent of all unemployed persons in the U.S. California also has roughly one-third of all TANF cash assistance recipients.

California's counties have played a leadership role in using 80 percent TANF ECF financing to create subsidized jobs. Los Angeles County has used TANF ECF to create the most subsidized jobs, by far, of any county – 7,300 subsidized jobs for TANF recipients and other low-income adults as of April 22, 2010. Besides creating thousands of subsidized jobs for adults, the County also is using TANF ECF to implement a 2010 summer youth employment program, which could provide subsidized jobs to more than 15,000 low-income youth (including eligible foster youth) in collaboration with seven Workforce Investment Boards in the County.

The County urges that the TANF ECF be extended for an additional year through September 30, 2011 with additional funding that would enable the number of subsidized jobs to be maintained or expanded. At minimum, sufficient new and/or carryover funding should be provided that would enable all states, including California, to guarantee employers that they will

continue to receive wage subsidies during FFY 2011 for anyone in a TANF ECF job created before October 1, 2010.

Employers will be reluctant to hire TANF recipients and other low-income individuals unless they can be assured of receiving a wage subsidy for more than one month or two. Without the assurance of continued 80 percent TANF ECF financing, counties in financially strapped California would be unable to guarantee wage subsidies beyond the current sunset date of September 30, 2010. As a result, there could be a major loss of TANF ECF funded subsidized jobs beginning in October 2010, including tens of thousands in California alone.

Status

As passed by the House on March 24, 2010, H.R. 4849, the Small Business and Infrastructure Jobs Tax Act, appropriates \$2.5 billion for TANF ECF for FFY 2011 to cover 80 percent of increased qualifying expenditures on basic assistance, non-recurrent short-term benefits, and subsidized employment incurred in FFY 2011. The bill, however, would not allow unused TANF ECF funds to be allocated to states in FFY 2011, which means that nearly \$1.5 billion of ARRA's \$5 billion TANF ECF appropriation would not be available to states, as estimated by the Congressional Budget Office (CBO). As a result, California's available TANF ECF funding is unlikely to be sufficient to enable the State to assure counties that their subsidized employment expenditures would be reimbursed in FFY2011. Counties then would not be able to guarantee wage subsidies to employers beyond September 30, 2010. As of April 26, 2010, the Senate had not scheduled any action on H.R. 4849.

EXTEND THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES EMERGENCY CONTINGENCY FUND TO CREATE MORE SUBSIDIZED JOBS

TALKING POINTS

- Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) was created and funded originally by the American Recovery and Reinvestment Act to provide 80% reimbursement to states for increases in TANF-related expenditures during FFYs 2009 and 2010 in three categories -- basic assistance (cash grants), non-recurrent short-term benefits, and subsidized employment. Since its creation, TANF ECF funds have been used by 41 states.
- Los Angeles County is leading the nation in the number of subsidized jobs created. By utilizing federal TANF ECF funds, the County has created 7,300 subsidized jobs as of April 26, 2010. We also are using TANF ECF funds to create up to 15,000 summer jobs this year for low-income youth in collaboration with the County Workforce Investment Boards.
- TANF ECF has allowed us to provide wage subsidies that make it affordable for employers to hire additional workers, including hard-to-employ CalWORKS recipients who lack work experience and job skills.
- These wage subsidies also have reduced Food Stamp and TANF cash grant costs by enabling families to move from welfare to work.
- TANF ECF Authority is set to expire at the end of the fiscal year, and without legislation to extend and fund it, all of the subsidized jobs currently created will have to be terminated and we will be unable to continue to create additional new jobs.
- A one-year TANF ECF extension is contained in H.R. 4849, the Small Business and Infrastructure Jobs Tax Act, that has passed the House. It is still under consideration in the Senate.
- Please extend and fund TANF ECF this year.

FULLY FUND THE STATE CRIMINAL ALIEN ASSISTANCE PROGRAM

Position

The County supports full funding of the State Criminal Alien Assistance Program (SCAAP) in Federal Fiscal Year (FFY) 2011 to reimburse state and local criminal alien incarceration costs.

The County appreciates the Obama Administration's decision to include \$330 million for SCAAP in the President's proposed budget.

Background

State and local taxpayers should not have to pay for criminal justice costs resulting from the Federal government's inability to control illegal immigration. The 1994 Crime Act established the State Criminal Alien Assistance Program (SCAAP) to reimburse previously incurred state and local costs of incarcerating undocumented criminal aliens. If total eligible state and local costs exceed available SCAAP funding, each jurisdiction is reimbursed on a pro rata basis.

Funding for SCAAP was reduced from \$400 million in FFY 2009 to only \$330 million in FFY 2010, which is far below SCAAP's annual authorization level of \$950 million. It also is well below the \$577 million in average annual SCAAP appropriations in FFYs 1998 through 2002. Because total undocumented criminal alien incarceration costs nationally have grown significantly since that time, state and local governments are reimbursed by SCAAP for a smaller share of their total costs. The County's SCAAP reimbursement has fallen from a high of \$34 million in FFY 2002 to its most recent SCAAP payment of \$15.4 million in FFY 2009. The County will receive only \$12.7 million in SCAAP reimbursement in FFY 2010 if it receives the same percentage of U.S. total SCAAP funding as in FFY 2009.

Inadequate SCAAP funding has resulted in an unfair shift in costs to state and local governments, especially in California, which receives nearly 40 percent of total SCAAP funding, commensurate with its percentage share of total reimbursable costs. No other Federal formula grant program comes close to providing California with as high a share of total available funds. Every dollar spent by the County on jailing undocumented criminal aliens not reimbursed by SCAAP means a dollar less that can be spent on other essential public safety-net services, which, in turn, endangers public safety. For example, in response to its budget shortfalls, the County's Sheriff's Department must release many jail inmates before they serve their entire sentences. The State also is struggling with how to reduce the size of its State prison inmate population to comply with a Federal court order and to help balance its huge State budget deficit.

The County urges that SCAAP be fully funded at its authorized level of \$950 million in FFY 2011. If SCAAP were funded at \$950 million, the State of California and its counties should receive

nearly \$380 million, including over \$36 million in SCAAP reimbursement for Los Angeles County. Such increased funding is more important than ever as the State still faces a projected \$20 billion budget shortfall, even after enacting \$72 billion in budget cuts in the past two years.

Status

President Obama's Proposed FFY 2011 Budget proposes \$330 million for SCAAP, which is the same as its FFY 2010 funding level. While that amount is far below the SCAAP authorization level of \$950 million, it represents the first time that a President has requested any funding for SCAAP since 2001 when former President Bush requested \$265 million for SCAAP in FFY 2002. Congress has not yet begun action on the FFY 2011 Commerce-Justice-Science Appropriations Bill, which would fund SCAAP and other Department of Justice programs.

FULLY FUND THE STATE CRIMINAL ALIEN ASSISTANCE PROGRAM

TALKING POINTS

- The 1994 Crime Act established the State Criminal Alien Assistance Program (SCAAP) to reimburse costs incurred by state and local governments for incarcerating undocumented criminal aliens.
- Funding for SCAAP was reduced from \$400 million in FFY 2009 to \$330 million in FFY 2010, which is far below SCAAP's annual authorized spending level of \$950 million.
- Because total undocumented criminal alien incarceration costs continue to grow, state and local governments continue to get reimbursed for a smaller share of their total costs. For instance, the County's SCAAP reimbursement has fallen from a high of \$34 million in FFY 2002 to its most recent payment of \$15.4 million.
- Inadequate SCAAP funding results in an unfair shift in costs to state and local governments, especially in California, where these costs are the highest of any other state.
- Every dollar spent by the County on jailing undocumented criminal aliens not reimbursed by SCAAP means a dollar less that can be spent on other essential public safety services, which, in turn, endangers public safety.
- If SCAAP were funded at its authorized level, the State of California and its counties would receive nearly \$380 million, including over \$36 million for Los Angeles County alone.
- For nine straight years, SCAAP has been given zero funding in Administration budget requests. We are grateful that this Administration at least is proposing level funding (\$330 million) for SCAAP in FFY 2011. It is too little, but it's an improvement over past years and a better place to start the budget debate.
- We need your support, so that SCAAP is fully funded at its authorized level of \$950 million.

APPROVE A PROVIDER FEE FOR PUBLIC & PRIVATE HOSPITALS

TALKING POINTS

- Our health system continues to struggle financially. LA County's public health care safety-net system is facing another \$300 million shortfall.
- That's why the County was very pleased last year when the Governor and the Legislature worked out an agreement with the hospitals to create a new provider fee.
- The provider fee will allow the State to use Medi-Cal to give hospitals a new supplemental payment.
- The County health system will have a net benefit of \$137 million a year once this fee is enacted – funding that we desperately need.
- The final hurdle in getting this fee enacted is CMS approval.
- The State Plan Amendment (SPA) asking for this approval is now being reviewed by CMS and could be approved whenever they are ready.
- We understand from the State that CMS is asking the State various implementation related questions and that is taking additional time.
- Not only LA County, but the entire California hospital industry – both public and private – needs this fee approved by CMS.
- Please encourage CMS to finish their review and act on the State request.

APPROVE CALIFORNIA'S NEW MEDICAID WAIVER – THE BRIDGE TO HEALTH REFORM

Position

California's new Section 1115 Medicaid waiver should be structured in a manner that strengthens the State's health care safety net and enables the County of Los Angeles to transform its public health care delivery system to successfully implement health care reform.

The Centers for Medicare and Medicaid Services (CMS) should approve the State's Medicaid waiver request because it replaces an existing waiver, set to expire on August 31, 2010, which is providing \$900 million annually to the County's public health care safety-net system.

Background

The Los Angeles County Department of Health Services (DHS) operates the nation's second largest local public health care system, and serves as the primary health care provider to the County's uninsured and indigent residents. DHS provides medical care to nearly 700,000 individual patients. Its hospitals train 40 percent of all medical residents in the County and provide 36 percent of all trauma care and 10 percent of all emergency room visits.

Medicaid is, by far, the largest source of health financing for Los Angeles County's public health safety-net system. California has a Section 1115 Medicaid hospital financing waiver, set to expire on August 31, 2010, that governs Medicaid payments and provides the County's DSH with \$900 million in annual funding, including "coverage initiative" funds that enabled the County to create "Healthy Way LA," a program which enrolls medically indigent adults into a system of coordinated care.

The County plays a pivotal role in the financing of California Waivers since the State relies upon the counties to provide the State match for all new federal funds that are provided to public hospitals. Los Angeles County and other counties with public hospitals generate this match through the use of Certified Public Expenditures (CPEs), which are unreimbursed healthcare expenses identified by public systems. This State/County partnership allows the State to avoid new general fund expenditures, an increasingly critical factor as the State battles to solve its own budget crisis.

The State's new Medicaid Waiver should build upon the existing waiver by helping to transform the County's health care delivery system to successfully implement health care reform. This means reorganizing the delivery of care in a more efficient and effective way. We estimate that over half of the County's current patients are uninsured adults who, thanks to health reform, will join the Medi-Cal program in 2014. Consistent with the new health care reform law, the County hopes to utilize the new waiver to provide improved coordinated care for the medically indigent adults who will become eligible for Medicaid as health care reform phases in, such as seniors and persons with disabilities, individuals with multiple chronic health conditions, and persons with serious health or mental health problems.

Health care reform also creates new challenges for the State's health care delivery system, such as the challenge of serving a far greater number of Medicaid beneficiaries. The Medicaid financing provided through the new waiver will be important in not only ensuring that current needs can be met, but also in strengthening California's safety-net by building the increased capacity that will be needed to maximize opportunities to reduce the number of uninsured individuals under the health care reform expansions.

Status

The State of California has shared concepts of the potential components of its new Medicaid Waiver request with CMS officials while it continues to work with stakeholders throughout the State in developing its waiver request. The CMS should work closely with the State to expedite the review and approval of the new Medicaid Waiver so it can take effect in September 2010 after the current one expires on August 31, 2010.

FULLY FUND THE STATE CRIMINAL ALIEN ASSISTANCE PROGRAM

TALKING POINTS

- The 1994 Crime Act established the State Criminal Alien Assistance Program (SCAAP) to reimburse costs incurred by state and local governments for incarcerating undocumented criminal aliens.
- Funding for SCAAP was reduced from \$400 million in FFY2009 to \$330 million in FFY2010, which is far below SCAAP's annual authorized spending level of \$950 million.
- Because total undocumented criminal alien incarceration costs continue to grow, state and local governments continue to get reimbursed for a smaller share of their total costs. For instance, the County's SCAAP reimbursement has fallen from a high of \$34 million in FFY2002 to its most recent payment of \$15.4 million.
- Inadequate SCAAP funding results in an unfair shift in costs to state and local governments, especially in California, where these costs are the highest of any other state.
- Every dollar spent by the County on jailing undocumented criminal aliens not reimbursed by SCAAP means a dollar less that can be spent on other essential public safety services, which, in turn, endangers public safety.
- If SCAAP were funded at its authorized level, the State of California and its counties would receive nearly \$380 million, including over \$36 million for LA County alone.
- For nine straight years, SCAAP has been given zero funding in Administration budget requests. We are grateful that this Administration at least is proposing level funding (\$330 million) for SCAAP in FFY2011. It is too little, but it's an improvement over past years and a better place to start the budget debate.
- We need your support, so that SCAAP is fully funded at its authorized level of \$950 million.

EXTEND THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES EMERGENCY CONTINGENCY FUND TO CREATE MORE SUBSIDIZED JOBS

TALKING POINTS

- Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) was created and funded originally by the Recovery Act to provide 80% reimbursement to states for increases in TANF-related expenditures during FFYs 2009 and 2010 in three categories -- basic assistance (cash grants), non-recurrent short-term benefits, and subsidized employment. Since its creation, TANF ECF funds have been used by 41 states.
- LA County is leading the nation in the number of subsidized jobs created. By utilizing federal TANF ECF funds, the County has created over 6,000 subsidized jobs as of last month. We also have plans to utilize TANF ECF funds to create up to 15,000 summer jobs this year for low-income youth in conjunction with the LA County Workforce Investment Boards.
- Subsidized jobs allow unemployed individuals the opportunity to gain work experience and job skills, they provide employers the opportunity to give employees a low-risk trial period, and they empower individuals previously receiving TANF cash grants to earn real salaries and better support their families.
- TANF ECF Authority is set to expire at the end of the fiscal year, and without legislation to extend and fund it, all of the subsidized jobs currently created will have to be terminated and we will be unable to continue to facilitate creation of any additional new jobs.
- A one-year TANF ECF extension is contained in H.R. 4849, the Small Business and Infrastructure Jobs Tax Act, that has passed the House. It is still under consideration in the Senate.
- Please extend and fund TANF ECF this year.



Los Angeles County Board of Supervisors Issues/Advocacy - Washington D.C. - May 2010

Supervisors seek approval of a new Medicaid Waiver to bridge health care reform implementation; urge passage of legislation that provides critical State, local fiscal relief; job creation

The Los Angeles County Board of Supervisors will travel to Washington D.C., May 5th and 6th, to meet with Congressional leaders and The White House to urge the approval of a new Medicaid Waiver for California that will help prepare the County of Los Angeles to implement health care reform, and seek passage of legislation that will provide hundreds of millions of dollars in local fiscal relief, and the creation of tens of thousands of jobs across the region.

Approve a New Medicaid Waiver for California by August 2010

A new Medicaid Waiver is a bridge to health care reform implementation in Los Angeles County. The County urges the Centers for Medicare and Medicaid Services (CMS) to approve California's Medicaid waiver request which will help the County health care delivery system to prepare to implement health care reform. California's current Medicaid Waiver, which is set to expire on August 31st, provides \$900 million in annual financial assistance to the County's public health care safety-net system.

The State of California has shared concepts of the potential components of its new Medicaid waiver request with CMS officials while it continues to work with stakeholders, including the County, in developing its request.

California's new Medicaid Waiver should build upon the existing waiver to help transform the County's health care delivery system to successfully implement health care reform. This means reorganizing the delivery of care in a more efficient and effective way. It is estimated that over half of the County's current patients are uninsured adults who, thanks to health reform, will join the Medi-Cal program in 2014. Consistent with the new health care reform law, the County hopes to utilize the waiver to provide improved coordinated care for medically indigent adults who will become eligible for Medicaid as health reform phases in, such as seniors and persons with disabilities, individuals with multiple chronic health conditions, and persons with serious health or mental health problems.

Approve a Provider Fee for Public & Private Hospitals

California hospitals that serve the Medi-Cal population face serious financial challenges. In an effort to stabilize hospital financing, the State Legislature and the Governor negotiated an agreement in 2009 that would enable the State to fund new supplemental payments to hospitals that serve Medicaid patients by imposing a new Hospital Provider Fee that would be used to attract federal matching funds.

The County is requesting immediate approval of this fee, which is still under consideration by the Centers for Medicare and Medicaid Services (CMS). Annually, this provider fee would finance supplemental payments totaling \$1.9 billion for California's hospitals, including \$1.3 billion for private hospitals and \$600 million for public hospitals throughout the state. Los Angeles County's public health care safety-net system would receive \$137 million annually in sorely needed funding.

Extend the Temporary Increase in the Federal Match Rate for Medicaid, Foster Care and Adoption Assistance for an Additional Six Months

It is essential that Federal jobs legislation currently being considered by Congress include significant fiscal relief, through an extension of the American Recovery and Reinvestment Act's (ARRA) temporary increase in the Federal Medical Assistance Percentage (FMAP) rate for Medicaid, Foster Care and Adoption Assistance. The County is asking Congress for a six-month extension through June 30, 2011, which would provide more than \$2.5 billion in urgently needed Federal fiscal relief to California and reduce the County's share of Medicaid, and foster care and adoption costs by roughly \$170 million.

Extend the Temporary Assistance for Needy Families Emergency Contingency Fund for an Additional Year

The \$5 billion Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) is another critically important fiscal relief and job creation tool, created by ARRA. By financing 80 percent of increased expenditures on basic assistance and subsidized employment, TANF ECF has enabled California to avoid making deep cuts in CalWORKs cash grants at a time of increased need while also enabling thousands of unemployed low-income persons to be placed into subsidized jobs. The County urges Congress to extend this program, with increased funding, for an additional year.

As of April 26th, 2010, the County had created 6,612 subsidized jobs for CalWORKs recipients and other low-income adults under its subsidized employment program. Besides using the TANF ECF to create thousands of additional subsidized jobs for adults, the County also will use the fund to implement a 2010 summer youth employment program, which could provide subsidized jobs to more than 15,000 low-income youth (including eligible foster youth) in collaboration with Workforce Investment Boards in the County.

Fully fund the State Criminal Alien Assistance Program

The State Criminal Alien Assistance Program (SCAAP) reimburses previously incurred state and local costs of incarcerating undocumented criminal aliens. Inadequate SCAAP funding has resulted in an unfair shift in costs to state and local governments, especially in California. In FFY2010, SCAAP was funded at \$330 million – far below its authorized funding level of \$950 million. Every dollar spent by the County on jailing undocumented criminal aliens not reimbursed by SCAAP means a dollar less that can be spent on other essential public safety services, which, in turn, endangers public safety.

President Obama's Proposed FFY 2011 Budget proposes \$330 million for SCAAP, which represents the first time that a President has requested any funding for SCAAP since 2001. The County thanks the President for including funding in his budget, and requests that Congress fund SCAAP at its authorized level of \$950 million in FFY 2011. If SCAAP were funded at \$950 million, the State of California and its counties should receive nearly \$380 million, and the County's SCAAP reimbursement would increase from an estimated \$12.7 million in FFY2010 to over \$36 million.