California State Association of Counties®



OFFICERS

President

Ed Valenzuela Siskiyou County

1st Vice President

Chuck Washington Riverside County

2nd Vice President

Bruce Gibson San Luis Obispo County

Past President

James Gore Sonoma County

-

EXECUTIVE DIRECTOR
Graham Knaus

April 11, 2022

Dr. Joaquin Arambula Member, California State Assembly 1021 O Street, Suite 6240 Sacramento, CA 95814

RE: Assembly Bill 2724 (Arambula): Medi-Cal: Alternate Health Care Service Plan

As Amended on April 7, 2022 - OPPOSE

Set for Hearing April 19, 2022 – Assembly Health Committee

Dear Assembly Member Arambula,

The California State Association of Counties (CSAC) regretfully must OPPOSE AB 2724 as amended on April 7. Our counties appreciate your long-term commitment to health care access and your willingness and time to discuss the Governor's proposal to offer a no-bid statewide contract to Kaiser Permanente for the care of certain Medi-Cal beneficiaries.

Our counties historically provided health care to low-income and medically indigent residents, and this century-long experience has evolved into today's current and diverse county-led system of health care service delivery. Counties developed multiple structures for ensuring health care access, including County Organized Health Systems (COHS) and participation in two-plan or other models. Each model is led by the county or a county subsidiary tasked with ensuring access to quality health care for all low-income residents.

AB 2724 would exempt Kaiser from this model of local planning and oversight by allowing the company to directly contract with the state for the provision of Medi-Cal managed care services. Our counties oppose AB 2724 because it would effectively cleave Kaiser from the locally organized health care safety net and terminate county input and/or oversight for Kaiser operations within each county.

Counties are committed to ensuring access to quality care for every person in our communities. Kaiser plays a key role in providing quality care, but we remain concerned that AB 2724 would undermine our local safety net responsibilities by exempting Kaiser from local health care planning and oversight. It is for these reasons that CSAC respectfully opposes AB 2724.

Sincerely,

Jaroh W. Ting

Farrah McDaid Ting

Senior Legislative Representative for Health and Behavioral Health California State Association of Counties

fmcting@counties.org

cc. Michelle Baass, Director, Department of Health Care Services
Linnea Koopmans, Executive Director, Local Health Plans of California