



May 16, 2011

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President Barack Obama
The White House
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Dear President Obama:

The California State Association of Counties (CSAC) appreciates your steadfast support for the Medicaid program and urges you to continue to oppose Congressional efforts convert it into a block grant. Ranging from Alpine with a little more than 1,200 people, to Los Angeles with more than 10 million, our 58 member counties share many common issues, including serving as the foundation of California's safety net. Under California law, counties are responsible for providing services to the medically indigent. We view Medicaid (known in California as Medi-Cal) as a partnership between the federal, state and local governments.

Given our health delivery responsibilities and financial stake, California's counties support continuous system innovation and reform. Our elected and appointed officials are working closely with the state to implement our five-year, \$10 billion "Bridge to Reform" Section 1115 federal Medicaid waiver. Through the waiver, we will be advancing Medi-Cal program changes to help us smoothly launch the Affordable Care Act reforms taking effect in January 2014.

A Medicaid block grant or fixed cap will shift costs to counties. The Congressional Budget Office estimates that federal Medicaid contributions would decrease by 35 percent nationally within ten years. The Kaiser Family Foundation estimates that California would lose 41 percent of its federal support by 2021. Any Medicaid reforms should preserve safety net services and must not shift the burden of providing uncompensated care to safety net providers, especially county health systems. Counties are not in a position to absorb or backfill the loss of additional state and federal funds. Rural counties already have particular difficulty developing and maintaining health care infrastructure and ensuring access to services.

Cutting the program that drastically cannot occur without denying federal or state-supported care to millions of our state's residents. Medicaid is already a 'lean' program and those losing coverage would have nowhere to turn except to already stressed county and community-based facilities. Moreover, such cuts could have a disproportionate effect on seniors and persons with disabilities. Families USA estimates that Medicaid funds nearly 69,000 seniors in nursing homes and provides home and community-based support to 517,000 seniors and persons with disabilities in our state. While Medicaid is commonly perceived as supporting only low-income families, it is also the foundational health insurance program supporting middle class families whose loved ones are no longer able to afford the intensive health care and community supports they need.

For these reasons, we urge you to continue to reject any efforts to cut or otherwise block grant the program and will continue to support you in that fight.

Sincerely,

A handwritten signature in black ink that reads "Paul McIntosh".

Paul McIntosh
Executive Director