



**COUNTY OF  
SAN BERNARDINO**

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LANCE M. LARSON  
Director of Legislative Affairs

February 17, 2010

The Honorable Dave Jones  
California State Assembly  
State Capitol  
Sacramento, Ca 95814

RE: **AB 1653 (Jones)** – As Introduced January 14, 2010 – **SUPPORT**

Dear Assemblyman Jones:

The San Bernardino County Board of Supervisors is pleased to support AB 1653. This legislation builds on the recently enacted AB 1383, which established quality assurance fees on hospitals, except for public hospitals and requires revenue from the fee to be used only to make increased Medi-Cal payments to hospitals, pay for health care coverage for children and fund grants to the state’s public hospitals.

AB 1383 was based on the temporary enhancement of the Federal Medicaid Assistance Percentage (FMAP) to 61.29 percent. That enhanced FMAP was due to expire on January 1, 2011, but has been extended by Congress to June 30, 2011. AB 1653 would extend the provisions on AB 1383 until June 30, 2011.

As you know, inadequate Medi-Cal reimbursement affects all hospitals, but has a disproportionate impact on children's hospitals. Due to the volume of Medi-Cal patients in children's hospitals, there is little opportunity for cost shifting and children's hospitals are falling further behind in reimbursement of costs.

For these reasons, the San Bernardino County Board of Supervisors supports AB 1653. If you have any questions, please don't hesitate to contact Lance Larson, the County's Director of Legislative Affairs at (909) 387-4821. The Board thanks you for your attention in this matter.

Sincerely,

**GARY C. OVITT**  
Chairman, Board of Supervisors

cc: Members, San Bernardino County Legislative Delegation