



**COUNTY OF
SAN BERNARDINO**

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LANCE M. LARSON
Director of Legislative Affairs

March 22, 2010

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

RE: **AB 2477(Jones)** – As introduced on February 19, 2010 – **SUPPORT**

The San Bernardino County Board of Supervisors is pleased to support AB 2477. This legislation would permanently eliminate the requirement that children on Medi-Cal file a Mid-Year Status Reports (MSR), and reinstate 12 months of continuous eligibility for these children.

As you know, the Governor and Legislature enacted the MSR requirement for children enrolled in Medi-Cal as part of the 2008-09 budget with a sunset of July 1, 2012. However, the American Recovery and Reinvestment Act (ARRA) increased the amount of matching funds that states receive in the Medi-Cal program through the Federal Medical Assistance Percentage (FMAP). This enhanced federal match was contingent upon maintaining eligibility levels and procedures that were in effect as of July 1, 2008. As a result, current state law applies the MSR to children but is delayed until January 1, 2011.

The rationale for requiring an MSR for children was that many children would lose eligibility, resulting in net savings for the state. However, the state did not take into account the substantial administrative costs to counties of processing applications for children who are terminated and ultimately reinstated.

Children who experience gaps in coverage have substantially higher health care costs once coverage is resumed. Furthermore, when children don't have health coverage they do not receive timely preventive care and often end up requiring more costly and often unreimbursed care in our county hospital emergency room.

For these reasons, the San Bernardino County Board of Supervisors joins the California State Association of Counties and the County Welfare Directors Association in supporting AB 2477. 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