

# BOARD OF GOVERNORS

## Executive Committee Meeting

April 23, 2025 • 2:00 PM

Lobby Conference Room 100

1055 W. 7<sup>th</sup> Street, Los Angeles, CA 90017

*L.A. Care offices have moved to 1200 W. 7<sup>th</sup> Street, Los Angeles, CA 90017.  
Public meetings will continue to be held in the Board Room at 1055 W. 7<sup>th</sup> Street.*



## AGENDA

### Executive Committee Meeting

### Board of Governors

Wednesday, April 23, 2025, 2:00 P.M.  
1055 West 7<sup>th</sup> Street, Conference Room 100, 1<sup>st</sup> Floor  
Los Angeles, CA 90017

Members of the Committee, staff and the public can attend the meeting in person at the address listed above. Public comment can be made in person at the meeting. A form will be available at the meeting to submit public comment.

**To listen to the meeting via videoconference please register by using the link below:**

<https://lacare.webex.com/lacare/j.php?MTID=ma17ee268a7b4a19b8adf3031abd2a29a>

**To listen to the meeting via teleconference please dial: +1-213-306-3065**

**Meeting Number 2491 122 4883 Password: lacare**

The purpose of public comment is an opportunity for members of the public to inform the governing body about their views. The Committee appreciates hearing the input as it considers the business on the Agenda.

The process for public comment is evolving and may change at future meetings.

All votes in a teleconferenced meeting shall be conducted by roll call.

If you are an individual with a disability and need a reasonable modification or accommodation pursuant to the Americans with Disabilities Act (ADA) please contact L.A. Care Board Services staff prior to the meeting for assistance by text to 213 628-6420 or by email to [BoardServices@lacare.org](mailto:BoardServices@lacare.org).

### Welcome

Ilan Shapiro, MD, *Chair*

1. Approve today's Agenda *Chair*
2. Public Comment (*Please read instructions above.*) *Chair*
3. Approve the March 26, 2025 Meeting Minutes **p.5** *Chair*
4. Approve Consent Agenda Items for May 1, 2025 Board of Governors Meeting *Chair*
  - April 3, 2025 Board of Governors Meeting Minutes
  - Revised 2025 Board and Committee Meeting Schedule
  - Authorize L.A. Care Management to establish and maintain fund balance reserves pursuant to Governmental Accounting Standards Board (GASB 54), and to delegate authority to the Chief Financial Officer to assign reserve amounts in accordance with the approved policy.
  - Regional Advisory Community Committees (RCACs) membership
  - Ratify elected Executive Community Advisory Committee At-Large Members: Deaka McClain and Brynette Cruz
5. Chairperson's Report *Chair*

6. Chief Executive Officer Report **p.13**

- Government Affairs Update/Actions

Martha Santana-Chin  
*Chief Executive Officer*  
Cherie Compartore  
*Senior Directors, Government Affairs*

**Committee Issues**

7. L.A. Care Network Community Relief Fund Update **p.40**

Martha Santana-Chin  
Shavonda Webber-Christmas  
*Director, Community Benefits*

8. Annual Disclosure of Broker Fees (AB 2589) **p.50**

Terry Brown  
*Chief Human Resources Officer*

9. Public Comment on Closed Session Items *(Please read instructions above.)*

*Chair*

**ADJOURN TO CLOSED SESSION (Est. time: 40 mins.)**

*Chair*

10. REPORT INVOLVING TRADE SECRET

Pursuant to Welfare and Institutions Code Section 14087.38(n)  
Discussion Concerning New Service, Program, Technology, Business Plan  
Estimated date of public disclosure: *April 2027*

11. CONTRACT RATES

Pursuant to Welfare and Institutions Code Section 14087.38(m)

- Plan Partner Rates
- Provider Rates
- DHCS Rates

12. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Initiation of Litigation Pursuant to Paragraph (4) of Subdivision (d) of Section 54956.9 of the Ralph M. Brown Act  
One Potential Case

13. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION

Significant Exposure (3 cases)  
Pursuant to paragraph 2 of subdivision (d) of Section 54956.9 of the Ralph M. Brown Act

14. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION

L.A. Care Health Plan's Notice of Contract Dispute under Contract No. 04-36069  
Department of Health Care Services (Case No. Unavailable)

15. THREAT TO PUBLIC SERVICES OR FACILITIES

Government Code Section 54957  
Consultation with: Acacia Reed, *Chief Operating Officer*, Noah Paley, *Chief of Staff*, Terry Brown, *Chief Human Resources Officer*

16. THREAT TO PUBLIC SERVICES OR FACILITIES

Government Code Section 54957  
Consultation with: Terry Brown, *Chief Human Resources Officer*, Augustavia J. Haydel, Esq., *General Counsel*

17. CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION  
Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act
  - Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680
  - Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF
18. PUBLIC EMPLOYEE PERFORMANCE EVALUATION, PUBLIC EMPLOYMENT and CONFERENCE WITH LABOR NEGOTIATOR  
Sections 54957 and 54957.6 of the Ralph M. Brown Act  
Title: CEO  
Agency Designated Representative: Ilan Shapiro, MD  
Unrepresented Employee: Martha Santana-Chin

## RECONVENE IN OPEN SESSION

## ADJOURNMENT

*Chair*

The next Committee meeting is scheduled on Wednesday, May 28, 2025 at 2:00 p.m. and may be conducted as a teleconference meeting.

The order of items appearing on the agenda may change during the meeting.

ACTION MAY NOT BE TAKEN ON ANY MATTER RAISED DURING THE PUBLIC COMMENT PERIODS UNTIL THE MATTER IS SPECIFICALLY LISTED ON A FUTURE AGENDA, according to California Govt Code Section 54954.2 (a)(3) and Section 54954.3. AGENDA and PRINTED MEETING MATERIALS ARE AVAILABLE FOR INSPECTION 72 HOURS BEFORE THE MEETING:

1. At L.A. CARE'S Website: <http://www.lacare.org/about-us/public-meetings/board-meetings>
2. L.A. Care's Reception Area, Lobby, at 1055 W. 7<sup>th</sup> Street, Los Angeles, CA 90017, or
3. by email request to [BoardServices@lacare.org](mailto:BoardServices@lacare.org)

Any documents distributed to a majority of the Committee Members regarding any agenda item for an open session after the agenda and meeting materials have been posted will be available for public inspection by email request to [BoardServices@lacare.org](mailto:BoardServices@lacare.org)

*An audio recording of the meeting is made to assist in writing the minutes and is retained for 30 days.*

Meetings are accessible to people with disabilities. Individuals who may require any accommodations (alternative formats – i.e., large print, audio, translation of meeting materials, interpretation, etc.) to participate in this meeting and wish to request an alternative format for the agenda, meeting notice, and meeting packet may contact L.A. Care's Board Services Department at (213) 628 6420. Notification at least one week before the meeting will enable us to make reasonable arrangements to ensure accessibility to the meetings and to the related materials.



# BOARD OF GOVERNORS

## Executive Committee

### Meeting Minutes – March 26, 2025

1055 West 7<sup>th</sup> Street, 1<sup>st</sup> Floor, Los Angeles, CA 90017



**L.A. Care**  
HEALTH PLAN

#### Members

Alvaro Ballesteros, MBA, *Chairperson*  
 Ilan Shapiro MD, MBA, FAAP, FACHE, *Vice Chairperson*  
 Stephanie Booth, MD, *Treasurer*  
 John G. Raffoul, *Secretary*  
 G. Michael Roybal, MD

#### Management/Staff

Martha Santana-Chin, *Chief Executive Officer*  
 Sameer Amin, MD, *Chief Medical Officer*  
 Linda Greenfeld, *Chief Product Officer*  
 Todd Gower, *Interim Chief Compliance Officer*  
 Augustavia J. Haydel, Esq., *General Counsel*  
 Alex Li, MD, *Chief Health Equity Officer*  
 Noah Paley, *Chief of Staff*  
 Acacia Reed, *Chief Operating Officer*  
 Afzal Shah, *Chief Financial Officer*

*\*Absent*

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
<b>CALL TO ORDER</b>	Alvaro Ballesteros, MBA, <i>Chairperson</i> , called to order at 2:07 pm the meetings of the L.A. Care Executive Committee and the L.A. Care Joint Powers Authority Executive Committee. The meetings were held simultaneously. He welcomed everyone to the meetings and wished everyone a Happy New Year.  He provided information on how to submit public comments.	
<b>APPROVE MEETING AGENDA</b>	The agenda for today's meeting was approved.	<b>Approved unanimously. 5 AYES (Ballesteros, Booth, Raffoul, Roybal, and Shapiro)</b>
<b>PUBLIC COMMENT</b>	There was no public comment.	
<b>APPROVE MEETING MINUTES</b>	The minutes of the January 22, 2025 meeting were approved.	<b>Approved unanimously. 5 AYES</b>
<b>CHAIRPERSON'S REPORT</b>	Chairperson Ballesteros expressed it has been his honor to Chair these meetings. He appreciates L.A. Care Health Plan and the staff. When he joined the Board of Governors eight years ago, he was trying to understand healthcare financing based on his experience as a frontline health care professional. As a member of the L.A. Care Board he understood it, with the only thing missing being the state level. The Los	

**DRAFT**

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Angeles County infrastructure became very clear to him after a few years, and he hopes he has helped make a difference and contribute to the plan. He has become so protective of L.A. Care. Whenever he is in the community he will always speak up to explain how the system operates. There are a lot of partners involved, the providers, Independent Physician Association (IPAs), Management Services Organization (MSOs), the health plans and the state. He encouraged helping everyone understand the roles. He has the utmost respect for everybody that does this work. We are all here for the same reasons and working together is what makes this community successful. He has appreciated the support from Board members and it has been an honor for him to have done this for the last few years.</p> <p>He commended Augustavia J. Haydel, <i>General Counsel</i>, and the Board Services staff, and all the technicians behind the scenes, they are great at their jobs and committed to L.A. Care. They are good people. He appreciates all the help from everybody and he has the utmost respect for them.</p>	
<b>CHIEF EXECUTIVE OFFICER'S REPORT</b>	<p>Martha Santana-Chin, <i>Chief Executive Officer</i>, thanked Chairperson Ballesteros, on behalf of the entire L.A. Care team. Over the last year she has been having conversations about the CEO and spent countless hours with Chairperson Ballesteros learning about L.A. Care, the team, the work, the Board, and about the important role that L.A. Care plays in the County. She initially wondered how he managed putting countless hours into two jobs.</p> <p>He has been a tremendous sounding board, partner, champion and leader. As she was going through the interview process, she admired his commitment. She also admires the strength of the leadership team and all the people that work at L.A. Care. She sees it every day. She thanked Chairperson Ballesteros for being a really strong partner, a sounding board and supporting her and all that he has done for the entire team during his tenure as Chairperson.</p> <p>She noted that it is nice to hear about the evolution in his learning about the work that L.A. Care does. She commented that everyone is on a journey and learning a new set of skills with a new set of tools that we learn to harness. Chairperson Ballesteros told her today that she came to L.A. Care at the right time because it is only fun when it is really hard. He is handing over the Chair when it is really hard, so it will be fun for our incoming Chair. She thanked Chairperson Ballesteros for everything that he has done.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Ms. Santana Chin also thanked Sameer Amin, MD, <i>Chief Medical Officer</i>, Acacia Reed, <i>Chief Operating Officer</i>, Terry Brown, <i>Chief Human Resources Officer</i> and Noah Paley, <i>Chief of Staff</i>, for leaning in and participating in all the work to listen to L.A. Care members. One thing she noticed when she joined the organization is the richness of feedback from the members, L.A. Care senior staff is focused on visiting the advisory committees to listen, understand and learn how to better support members, harness the power of their insights and voices. In the coming months the Board will be able to see some of the changes being introduced to help members feel heard and empowered.</p> <p>The California state budget has a deficit and there are challenges ahead. L.A. Care is closely monitoring the situation along with proposed federal cuts to the Medicaid program. Staff is preparing L.A. Care for what might come as a result of that, and actively fighting to educate elected officials and others in positions of authority on the potential effects to the economy, to the community and to the members that L.A. Care serves, so any dramatic impacts can be mitigated.</p> <p>L.A. Care leadership is also reviewing capital expenditures and vendor relationships, and looking at automation opportunities. In the last couple of years L.A. Care invested in technology to unlock the power of automation and efficiencies. They are also focused on effectively managing health care costs.</p> <p>The wildfire relief was authorized a couple months ago by the Board. L.A. Care took time frame support as helpful and additive as opposed to duplicative or an inefficient use of resources. A few common principles have emerged focused on recovering, restoring and enhancing access to critical services that are important to L.A. Care stakeholders. In May the Board will hear more about that.</p> <p>L.A. Care’s advocacy is affecting medical coverage in explaining the coalition work and connecting with people that really need to hear it. Cherie Compartore, <i>Senior Director, Government Affairs</i>, has arranged for L.A. Care’s state and federal lobbyists to present information at the April Board Meeting, with a robust conversation planned. Ms. Santana-Chin referred to the materials included in the meeting packet related to L.A. Care’s advocacy work.</p>	
<ul style="list-style-type: none"> <li>Government Affairs Update</li> </ul>	<p>Ms. Compartore reported that L.A. Care’s federal and state lobbyists will join the April Board meeting in person for a high-level discussion of the current Medicaid landscape both at the federal and the state levels. They will walk through the current Medicaid landscape.</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>At the state level, the presentation will provide insight into the budget process and give examples of how L.A. Care is engaging with policymakers to protect members and the safety net, and make sure their needs are addressed. The proactive effort by L.A. Care at state and federal levels will be highlighted. There will be information about initiatives L.A. Care has been leading. L.A. Care is committed to engaging at the forefront of all of the conversations, as well as partnering with other advocacy organizations at both the state and federal level. There will be sufficient time for Board members to ask questions and discuss the issues.</p> <p>Board Member Booth asked if the force of the former Proposition 35 coalition will be harnessed in this effort. Ms. Santana-Chin confirmed that L.A. Care is actively engaged with that coalition. In the meeting materials there is a letter from a coalition called, Protect Your Healthcare, which is what that coalition is named. That coalition is involved at a variety of levels in making sure collective voices are heard supporting Medicaid.</p> <p>Board Member Shapiro asked about any need for Board members to go to Sacramento for advocacy with the state legislature. Ms. Santana-Chin reported that a legislative briefing will be held at L.A. Care's offices tomorrow, which received a robust response. There is a very willing delegation that is actively engaging with L.A. Care and looking to L.A. Care for education and information. L.A. Care has shared fact sheets tailored for the congressional delegation and for members. A series of videos are being developed to share with legislative members to use in negotiations, with information about the lives that will be devastatingly impacted. Meetings are scheduled individually with a number of elected officials that are in specific legislative committees that have influence over decisions on this matter. L.A. Care is developing topical primers to address individual topics and align with stakeholders and essentially train, if you will, the elected officials to be able to intelligently speak to the topics. Stakeholder groups have been very receptive and have made time to connect with L.A. Care.</p> <p>Ms. Compartore reported that approximately 50 registrants are attending the legislative briefing for congressional health deputies and staff in district offices. Ms. Santana-Chin will provide information and discuss the various Medicaid threats with them. L.A. Care is providing a significant package including facts sheets. L.A. Care will also send videos to offices. Significant interest has been expressed, and the highest level of attendance received in ten years of holding briefings. L.A. Care is planning legislative meetings in Sacramento and will send a letter to Board Members and other organizations</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>encouraging advocacy opposing the Medicaid threats. It may be more valuable to visit Washington DC, and advocate at the federal level in the future, due to the California budget deficit. At the right time, whether its DC or Sacramento, it would be good to go and lobby lawmakers as part of a coalition of health plans, members and others. Attention is needed on purple districts in California. L.A. Care is working with the California Primary Care Association plan regarding the planned “Day at the Capitol”. It might not be the focus for L.A. Care in terms of the specific issues, but these are L.A. Care safety net providers, and it's always good to show unity.</p>	
<b>COMMITTEE ISSUES</b>		
Consider Board Officer Nominations	<p>Chairperson Ballesteros described the nominations received and the Committee members reached consensus on the nominations to be presented at the April Board meeting.</p> <p>Chairperson: Booth, Shapiro  Vice Chairperson: Raffoul  Treasurer: Booth  Secretary: Vaccaro</p>	
Ratify executed Amendment No. 58 to the Plan Partner Services Agreement between L.A. Care and Blue Shield Promise Health Plan which updates the 2022 National Committee for Quality Assurance (NCQA) delegation standards	<p>Nadia Grochowski, <i>Associate Counsel III Senior Director Health Care Legal Services</i>, introduced the delegation amendment for Blue Shield Promise.</p> <p>Board Member Booth appreciated the summary of changes but experienced some difficulty in determining the exact change in the document. She suggested underlining new language or some other method to highlight the changes.</p> <p>Ms. Grochowski thanked her and she will make that part of the process in the future as needed.</p> <p><b><u>Motion EXE 100.0425</u></b>  <b>To ratify the executed Amendment No. 58 to the Plan Partner Services Agreement between L.A. Care and Blue Shield Promise Health Plan which incorporates the 2022 National Committee for Quality Assurance delegation standards.</b></p>	<p><b>Approved unanimously. 5 AYES</b></p> <p><b>The Committee approved to include EXE 100 to the Consent Agenda for April 3, 2025 Board meeting.</b></p>
Human Resources Policies HR-203 (Attendance and Punctuality), HR-216	Mr. Brown summarized a motion to approve revisions to HR-203 (Attendance and Punctuality), HR-216 (Recording of Time), and HR-229 (Workplace Bullying). The	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS				ACTION TAKEN
(Recording of Time), and HR-229 (Workplace Bullying) <b>(EXE A)</b>	revised policies are written to comply with changes to Regulatory, Legislative and Judicial changes, and reflect changes in L.A. Care’s practices.				Approved unanimously. 5 AYES
	Policy Number	Policy	Section	Description of Modification	
	HR-203	Attendance and Punctuality	Employee Relations	Minor edits to wording	
	HR-216	Recording of Time	Employee Relations	Added section 4.10	
	HR-229	Workplace Bullying	Employee Relations	Clarified definitions and made edits to the Procedure section.	
	<b><u>Motion EXE A.0125</u></b> <b>To approve the Human Resources Policy HR-214 (Employee Conduct &amp; Discipline), as presented.</b>				
Approve Consent Agenda	Approve the list of items that will be considered on a Consent Agenda for April 3, 2025 Board of Governors Meeting. <ul style="list-style-type: none"><li>March 6, 2025 Board of Governors Meeting Minutes</li><li>Ratify executed Amendment No. 58 to the Plan Partner Services Agreement between L.A. Care and Blue Shield Promise Health Plan which updates the 2022 National Committee for Quality Assurance (NCQA) delegation standards</li><li>Approve Regional Advisory Community Committees (RCACs) membership</li></ul>				Approved unanimously. 5 AYES
<b>PUBLIC COMMENTS ON CLOSED SESSION ITEMS</b>	There were no public comments.				
<b>ADJOURN TO CLOSED SESSION</b>	The Joint Powers Authority Executive Committee meeting adjourned at 3:11 pm.  Augustavia J. Haydel, Esq., <i>General Counsel</i> announced the items for discussion in closed session. She announced there is no report anticipated from the closed session. The meeting adjourned to closed session at 3:11 pm.  REPORT INVOLVING TRADE SECRET Pursuant to Welfare and Institutions Code Section 14087.38(n)				

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
	<p>Discussion Concerning New Service, Program, Business Plan Estimated date of public disclosure: <i>March 2027</i></p> <p>CONTRACT RATES Pursuant to Welfare and Institutions Code Section 14087.38(m)</p> <ul style="list-style-type: none"> <li>• Plan Partner Rates</li> <li>• Provider Rates</li> <li>• DHCS Rates</li> </ul> <p>CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LIT Significant Exposure (3 cases) Pursuant to paragraph 2 of subdivision (d) of Section 54956.9 of the Ralph M. Brown Act</p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION L.A. Care Health Plan’s Notice of Contract Dispute under Contract No. 04-36069 Department of Health Care Services (Case No. Unavailable)</p> <p>THREAT TO PUBLIC SERVICES OR FACILITIES Government Code Section 54957 Consultation with: Acacia Reed, <i>Chief Operating Officer</i>, Noah Paley, <i>Chief of Staff</i>, Terry Brown, <i>Chief Human Resources Officer</i></p> <p>THREAT TO PUBLIC SERVICES OR FACILITIES Government Code Section 54957 Consultation with: Acacia Reed, <i>Chief Operating Officer</i>, Noah Paley, <i>Chief of Staff</i>, Terry Brown, <i>Chief Human Resources Officer</i>, and Augustavia Haydel, <i>General Counsel</i></p> <p>CONFERENCE WITH LEGAL COUNSEL—EXISTING LITIGATION Pursuant to Section 54956.9(d)(1) of the Ralph M. Brown Act</p> <ul style="list-style-type: none"> <li>• Department of Managed Health Care Enforcement Matter Numbers: 18-799, 20-063, 21-428, 21-509, 21-680</li> <li>• Department of Health Care Services, Office of Administrative Hearings and Appeals, In the matter of: L.A. Care Health Care Plan Appeal No. MCP22-0322-559-MF</li> </ul> <p>PUBLIC EMPLOYEE PERFORMANCE EVALUATION, PUBLIC EMPLOYMENT and CONFERENCE WITH LABOR NEGOTIATOR Sections 54957 and 54957.6 of the Ralph M. Brown Act Title: CEO Agency Designated Representative: Alvaro Ballesteros, MBA Unrepresented Employee: Martha Santana-Chin</p>	

AGENDA ITEM/PRESENTER	MOTIONS / MAJOR DISCUSSIONS	ACTION TAKEN
RECONVENE IN OPEN SESSION	The meeting reconvened in open session at 4:28 pm. No reportable actions were taken during the closed session.	
ADJOURNMENT	The meeting adjourned at 4:28 pm	

Respectfully submitted by:

Linda Merkens, *Senior Manager, Board Services*

Malou Balones, *Board Specialist III, Board Services*

Victor Rodriguez, *Board Specialist II, Board Services*

APPROVED BY:

\_\_\_\_\_  
Álvaro Ballesteros, MBA, *Board Chairperson*

Date: \_\_\_\_\_



March 18, 2025

California Congressional Delegation  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Members of the California Congressional Delegation:

The California Association of Health Plans (CAHP) is a statewide trade association representing public and private health care plans that provide coverage to more than 26 million Californians including over 14 million enrolled in Medi-Cal managed care. We are writing today to emphasize the foundational importance of the Medi-Cal program to California's health care system and to urge you to support the program and maintain its stability.

California's Medi-Cal enrollees include women, children, the aged, blind and disabled, very low income and the homeless. They depend on the support of the federal government to keep this program stable and ensure that they receive critical health care.

California's health plans organize the health care delivery system through our contracts with thousands of health care providers and hospitals that span the entirety of the state. Health plans provide coverage to individuals, employers, CalPERS, Covered California, Medicare, and Medi-Cal. We have a firsthand view of the importance of Medi-Cal to our healthcare system because we provide coverage in all 58 counties, with over 230,000 employees, in 56 different California cities and towns.

Cuts to Medi-Cal could cause millions of Californians to lose access to care, destabilize rural hospitals and the state budget. As budget legislation is considered in Congress, Medicaid should be supported and strengthened, not undermined.

Medi-Cal is crucial to low-income people and working families. If their Medi-Cal coverage is disrupted, they will lose access to primary care and be unable to fill prescriptions, many of which are necessary to treat chronic illnesses. Without the necessary health care, many will end up in emergency rooms. This will increase the amount of uncompensated care, increase the costs of care for everyone, and keep people from working.

In addition, California's rural and underserved hospitals and clinics are already under financial distress due to existing government reimbursement rates. These hospitals and clinics serve a significant Medi-Cal population, and if they buckle under additional financial stress, it will have a direct effect on the ability of Californians to access healthcare in their community. Reductions in federal support will hit these communities hardest. The hospital closure in Madera is an example of what will happen in rural communities when funding is inadequate to pay for care.

The impact of an underfunded Medi-Cal program goes beyond just poorer access to health care. The Medi-Cal program spends \$188 Billion a year paying hospitals, clinics, and doctors to treat Medi-Cal patients. In fact, Medi-Cal funding supports a wide array of facilities across the state that generate well-paying jobs, economically benefiting local communities. Unfortunately, low Medi-Cal reimbursement rates for providers have led to shifting costs onto other insurance markets. This leads to increased premiums for Californians who purchase coverage through their employer or on their own. Reduced federal support will make things worse by further increasing premiums and reducing local jobs.

The Medi-Cal program is important to all Californians and its value extends to all our communities. We urge you to support the Medi-Cal Program and to oppose proposals that would destabilize it.

Sincerely,

A handwritten signature in black ink that reads "Charles Bacchi". The signature is written in a cursive, flowing style.

Charles Bacchi  
President and CEO  
California Association of Health Plans



For Immediate Release

April 3, 2025

## **Partnership for Medicaid Urges a No Vote on Concurrent Budget Resolution**

**WASHINGTON, D.C.** — The Partnership for Medicaid — a nonpartisan, nationwide coalition of organizations representing clinicians, health care providers, safety net health plans, and counties — calls on Congress to vote “no” on the budget resolution which includes at least \$880 billion in cuts for the Energy and Commerce Committee, which would likely significantly impact Medicaid. The Partnership for Medicaid stands ready to work with policymakers to identify more sustainable strategies to strengthen Medicaid and improve on its promise of providing high quality coverage and access to care for populations in need.

Medicaid currently provides health coverage to nearly 80 million people, including half of children with special health care needs, 3 million children in military connected families, more than 40% of children living in rural areas and small towns, pregnant women, adults, seniors, and individuals with disabilities. In communities across the country, including those in rural and underserved areas, Medicaid plays an important role in providing access to maternity care, labor and delivery services, pediatric services, behavioral health services, primary and dental care, long-term services and supports, and other necessary services for patients who cannot afford other options for care.

State Medicaid programs are already stretched thin financially. We are concerned that the scope of policies needed to meet the budget resolution’s instruction to drastically cut hundreds of billions of dollars from federal Medicaid spending would shift more of the program’s costs onto state and local governments, providers, plans, patients, and local taxpayers that would not be able to absorb them. Changes to Medicaid’s financing structure can result in unintended consequences that mean a loss of coverage and care.

Efforts to cut spending in Medicaid will have long-term consequences for patients, providers, and the health care workforce in communities across America. Patients who lose Medicaid coverage will be forced to choose between incurring medical debt or delaying care which will result in worse health outcomes. Health care facilities may experience a rise in uncompensated care and the added financial strain that results in reduced health care services, facility closures, and reduced patient access to care provided by trusted clinicians. Finally, significantly reduced federal funding for Medicaid could lead to the loss of thousands of jobs, especially in rural areas where citizens are more likely to rely on Medicaid for their health coverage and health care providers serve as a major source of employment. The Partnership for Medicaid urges Congress to consider these long-term consequences and welcomes opportunities to collaborate with lawmakers to strengthen the Medicaid program.

Learn more about the Partnership for Medicaid at [www.partnershipformedicaid.org](http://www.partnershipformedicaid.org).

Advertisement

## Medicaid Cuts: How Deep Will They Go?

April 11, 2025



**Managed Healthcare**  
EXECUTIVE



### MHE Publication

MHE April 2025

Volume 35 Issue 4



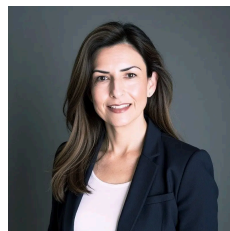
*Republicans are aiming for major reductions in federal spending, and Medicaid seems a likely target. But the politics of Medicaid are tricky as the program has expanded and covered more people.*

For many years, the national healthcare debates and bandwidth have been taken up by the Affordable Care Act (ACA) and Medicare. The ACA, the largest healthcare reform effort in U.S. history since the creation of Medicare and Medicaid in 1965, was the subject of three legal challenges that went to the Supreme Court and serves as political ammunition for both parties, with the Democrats defending “Obamacare” and working to bolster it and Republicans attacking it with “repeal and replace” efforts — or taking steps that they say fix a flawed program. Medicare payment and coverage policies have a powerful effect on the contours of U.S. healthcare, partly because the program is centralized in the federal government and partly because of its gigantic size. In 2023, the most recent year for which complete figures are available, Medicare expenditures were just over \$1 trillion, accounting for approximately 20% of the \$4.9 trillion spent on U.S. healthcare that year, according to CMS actuaries. And for the better part of two decades, Medicare spending has fueled revenue and profits for private insurers because of the growth in the enrollment of the Medicare Advantage plans they sell. Now more than half (54%) of Medicare beneficiaries are enrolled in Medicare Advantage plans.

But in the early months of the new administration and a new Congress, Medicaid has stepped out from the shadow of the ACA and Medicare to occupy center stage in U.S. healthcare policy, politics and debate. The reason is obvious — and not

desirable for the state governments, Medicaid managed care plans, the hospitals and clinics that depend on Medicaid nor the 79 million people enrolled in Medicaid and the Children's Health Insurance Program that runs alongside the main Medicaid programs. To offset proposed major federal tax cuts, including the continuation of tax cuts enacted during the first Trump administration and the elimination of income taxes on tips and Social Security, Republicans are eyeing \$880 billion in Medicaid cuts over the next 10 years.

"Proposed Medicaid funding cuts would have devastating consequences" on enrollees, including children, pregnant women, seniors, those with a disability and working families with low incomes, who could all "lose access to essential healthcare services," Martha Santana-

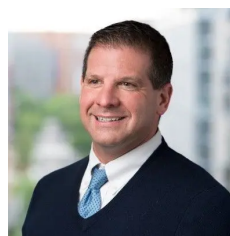


Martha Santana-Chin, MBA

Chin, MBA, CEO of L.A. Care Health Plan, said in an email to *Managed Healthcare Executive*. Hospitals and clinics, particularly those in rural and underserved areas, would face financial strain, leading to closures and a loss of critical services, predicted Santana-Chin, and without "preventive care coverage, more individuals would be forced to seek emergency treatment for preventable conditions, driving up healthcare costs for everyone."

Although long tagged as a program for people with low income, the reality is different, says Michael Lutz, MBA, a managing director at Avalere Health, a healthcare consulting and intelligence firm. "I don't think people necessarily understand how big and how broad the swath of the population that is somehow benefiting, either directly or [via] programs that fall under Medicaid, really is. So when they're going to cut Medicaid benefits, I don't think they really [thought] through the people that it's serving and the health needs they have."

Lutz and others are quick to mention births as an example of Medicaid's reach. In 2023, Medicaid programs paid the medical bills for close to 1.5 million, or approximately 40%, of the almost 3.6 million births that occurred in the U.S. that year, according to KFF.



Michael Lutz, MBA

The proportion varies greatly by state, but in Louisiana, 64% of births were paid by Medicaid, and in Mississippi, 57%.

Lutz also points out the broader public and many public officials may not know that Medicaid funds a wide array of services and populations, including people with substance use disorders and brain injuries. "There's just a myriad of Medicaid programs out there," he says.

Major Medicaid cuts would also hit state budgets. Since its inception, Medicaid has been financed jointly by the federal government and state governments (Washington, D.C., and the U.S. territories also have Medicaid programs). Prior to 2014, federal funds covered approximately 57% of Medicaid spending, according to the Congressional Budget Office. But with Medicaid expansion under the ACA and the extra federal funds to cover people who were newly eligible for the programs in some states, the federal share has grown to 65%, on average, and spiked higher during the COVID-19 public health emergency, reaching 69.5% in 2022, according to the National Association of State Budget Officers. Even with the federal dollars, Medicaid is the largest category of state spending, according to the budget officers' group.

"States are absolutely dependent on this money from the federal government," says Leanne Berge, J.D., CEO of the Community Health Plan of Washington, a not-for-profit health plan headquartered in Seattle. If federal Medicaid funding is greatly reduced, states couldn't possibly afford



*Leanne Berge, J.D.*

to make up the difference, Berge says, so the percentage of people in the U.S. without health insurance would increase. Partly because of Medicaid expansion and enhanced ACA premium subsidies, the proportion of people with health insurance has been increasing for almost a decade, reaching 92.5% in 2023, according to CMS actuaries.

Some states rely more heavily on federal funds than others, and it is not a red state/blue state pattern. Many Republican-leaning states in the Southeast heavily rely on federal funding. For example, almost 80% (\$13 billion of \$16.3 billion) of Louisiana's 2023 Medicaid program was supported by federal funds, according to the state budget officers' group. The proportion was similar for Alabama (78%), West Virginia (81%) and South Carolina (75%). In contrast, less than half (\$9.8 billion of \$22 billion, or 44%) of New Jersey's Medicaid budget in 2023 was supported by federal funds. The Medicaid programs in Massachusetts (53%) and Connecticut (50%) are also less reliant on federal funds.

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## The politics

The federal funding patterns are one of the many reasons that the politics of Medicaid and major federal cuts are not straightforwardly congressional Republicans and President Donald Trump on one side and Democrats on the other. Trump and House Speaker Mike Johnson, a Louisiana Republican, have both said Medicaid wouldn't face cuts, although Trump's statements have tended to put more emphasis on protecting Medicare and Social Security.

"Look, the White House has made a commitment. The president said, over and over and over, we're not going to touch Social Security, Medicare or Medicaid. We've made the same commitment," Johnson said in an interview with CNN in late February after the House passed a bill with broad outlines of a budget, the details of which will have to be filled in with cooperation from Senate Republicans. In the same interview, Johnson mentioned realizing savings by eliminating fraud, waste and abuse and finding efficiencies. He also mentioned identification requirements that he said could be used to prevent people who are not legal immigrants from getting Medicaid coverage. Independent experts say the cost of Medicaid fraud, waste and abuse, as it has been traditionally defined, is far less than the size of cuts needed if the Republicans are to achieve their goals for cutting taxes and federal spending.

"I have trouble seeing how they can find enough fraud, waste and abuse" to cover the \$880 billion in cuts, says Brad Ellis, MBA, senior director and head of the North American health insurance sector for Fitch Ratings.

A small group of Republicans in both the House and Senate have voiced concerns about major Medicaid cuts, and Berge says it is unclear if the full House would support them. "There is a lot of concern about their constituents who are on Medicaid, who are very much in the target of being directly impacted and harmed. This would have a direct impact on those people who voted for the Republican administration, both in Congress and the White House, so there could be some significant political implications."

"Medicaid cuts will have devastating consequences for red and blue states alike since many Republican-led states rely heavily on federal Medicaid funding. These cuts will force them to

either slash essential health services or scramble to fill massive budget gaps,” says Santana-Chin.

### Work requirements

Whether they are large, small or something in between, Medicaid spending cuts could take several forms. States could pull back on the expanded eligibility for Medicaid that the ACA incentivized. The Urban Institute has estimated that up to 10.8 million people would become uninsured if states dropped Medicaid expansion in response to federal cuts. Per-enrollee caps have been discussed. According to CMS actuaries, annual Medicaid per-enrollee expenditure in 2023 was \$9,502, which was considerably less than the Medicare per-enrollee expenditure of \$15,808.

Lutz sees problems with any scheme that would markedly cut payment to providers. “The provider rates for Medicaid are so low right now that you’re going to end up with no providers willing to see Medicaid members,” he says.

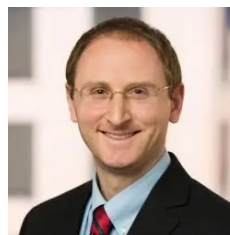
With so many political and budgetary cards yet to be played, it is impossible to say what shape federal Medicaid cuts will eventually take. Most observers say, though, that work requirements of some kind are among the strongest possibilities. “At this point, it’s highly probable there will be some kind of work requirement” for people to obtain Medicaid coverage, says Ellis at Fitch Ratings.

The Urban Institute issued a report in March 2025 that estimated that 4.6 million to 5.2 million adults, ages 19 to 55, would lose Medicaid eligibility if work requirements were implemented nationally. That estimate is predicated on the work requirements being limited to the so-called expansion population — people covered by Medicaid under the ACA expansion rules and financial structure, and a certain number of automatic exemptions — for those, for example, with dependent children. According to Urban Institute, 81% of the people who would be subject to a work requirement are working at least part time, looking for a job, caring for a disabled household member, are in fair or poor health or have a functional limitation. The experience with work requirements in Arkansas and New Hampshire shows that reporting requirements and other bureaucratic problems often stand in people’s way when work requirements are implemented rather than simply not working, says Michael Karpman, M.A., M.P.P., a principal research associate at the Urban Institute and one of the report’s authors.

If the work requirement was broadened outside the expansion population to include adults enrolled in Medicaid in other



ways, 5 million people losing eligibility would be a “major underestimate,” Karpman says.



*Michael Karpman, M.A., M.P.P.*

Republicans have long favored work requirements, and during the first Trump administration, 13 states received waivers to implement them, which the Biden administration largely reversed. Georgia implemented Medicaid work requirements in 2023, ostensibly to provide coverage for more people. According to the Center on Budget and Policy Priorities, a left-leaning think tank, only about 6,500 individuals are in the program, compared with the 240,000 uninsured that the state said would be potentially eligible for coverage.

Ohio’s Department of Medicaid recently requested that CMS allow it to impose a work requirement on some people who receive coverage under Medicaid expansion. To be eligible for coverage, people who became eligible for Medicaid coverage under ACA expansion rules would need to be at least 55 years old, or be employed, enrolled in school or job training, be in a recovery program, or have a serious physical or mental illness to receive coverage. “As part of our work to empower people [to] reach their full potential, we have a responsibility to make sure as many Ohioans as possible are on a pathway toward financial independence,” Gov. Mike DeWine, a Republican, said in a news release.

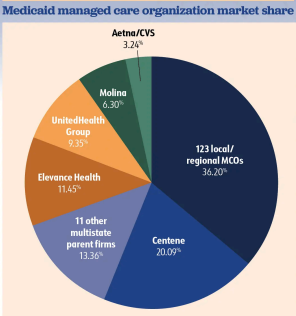
### **Medicaid managed care plans**

About 75% of Medicaid beneficiaries get coverage through managed care organizations that contract with the state, according to Elizabeth Hinton, M.S.P.H., associate director of the program on Medicaid and uninsured at KFF. Furthermore, half of those covered by Medicaid are enrolled Medicaid managed care plans operated by five large, publicly traded insurers — Centene, CVS Health’s Aetna, Elevance Health, Molina and UnitedHealth Group. Centene accounts for the largest share, at 20%, followed by Elevance, with 11%, according to KFF. Financially, Medicaid accounts for 88% of Molina’s business and 60% of Centene’s. With funding cuts, rates might change or fewer services might be offered, says Hinton: “All of this will trickle down to plans.”

If Medicaid funding is cut, Ellis says he doesn’t expect a large impact on insurers this year because changes would take time to implement, but changes could be felt in 2026. Assertions that savings can be realized by eliminating fraud, waste and abuse got some support in the late March when *The Wall*

Street Journal published an investigative news story that found that private insurers collected \$4.3 billion over three years in payments for Medicaid enrollees in enrolled in two states.

Lutz says the larger plans won't go out of business. They can hedge across multiple lines of business (Medicare Advantage, employer-based commercial insurance), but they might leave Medicaid in certain markets. Smaller Medicaid plans are "potentially at risk" he notes, although Medicaid plans, in general, may have multiyear contracts with states that may help some plans "weather the storm," Lutz says.



Data are as of July 2022  
Source: KFF

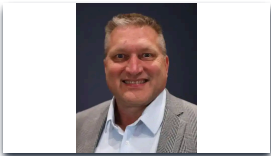
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# Congress of the United States

## Washington, DC 20510

April 14, 2025

The Honorable Mike Johnson  
Speaker  
United States House of Representatives  
Washington, DC 20515

The Honorable Steve Scalise  
Majority Leader  
United States House of Representatives  
Washington, DC 20515

The Honorable Tom Emmer  
Majority Whip  
United States House of Representatives  
Washington, DC 20515

The Honorable Brett Guthrie  
Energy & Commerce Chairman  
United States House of Representatives  
Washington, DC 20515

Dear Speaker Johnson, Majority Leader Scalise, Majority Whip Emmer and Chairman Guthrie:

As Members of Congress who helped to deliver a Republican Majority, many of us representing districts with high rates of constituents who depend on Medicaid, we would like to reiterate our strong support for this program that ensures our constituents have reliable healthcare. Balancing the federal budget must not come at the expense of those who depend on these benefits for their health and economic security.

We acknowledge that we must reform Medicaid so that it is a strong and long-lasting program for years to come. Efficiency and transparency must be prioritized for program beneficiaries, hospitals, and states. We support targeted reforms to improve program integrity, reduce improper payments, and modernize delivery systems to fix flaws in the program that divert resources away from children, seniors, individuals with disabilities, and pregnant women – those who the program was intended to help. However, we cannot and will not support a final reconciliation bill that includes any reduction in Medicaid coverage for vulnerable populations.

Cuts to Medicaid also threaten the viability of hospitals, nursing homes, and safety-net providers nationwide. Many hospitals—particularly in rural and underserved areas—rely heavily on Medicaid funding, with some receiving over half their revenue from the program alone. Providers in these areas are especially at risk of closure, with many unable to recover. When hospitals close, it affects all constituents, regardless of healthcare coverage.

To strengthen Medicaid, we urge you to prioritize care for our nation's most vulnerable populations. Our constituents are asking for changes to the healthcare system that will strengthen the healthcare workforce, offer low-income, working-class families expanded opportunities to save for medical expenses, support rural and underserved communities, and help new mothers.

We are committed to working with you to preserve Medicaid and identify responsible savings through deregulation, streamlining federal programs, and cutting administrative red tape. Communities like ours won us the majority, and we have a responsibility to deliver on the promises we made.

Sincerely,



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David G. Valadao  
Member of Congress



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Don Bacon  
Member of Congress



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Jefferson Van Drew  
Member of Congress



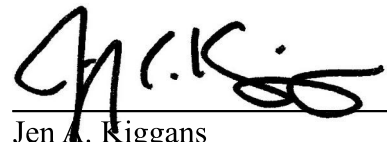
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Rob Bresnahan, Jr.  
Member of Congress



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Juan Ciscomani  
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Member of Congress

## Medi-Cal and Seniors

### How Medi-Cal Provides Services Older Californians Need — That Aren't Covered by Medicare

#### How does Medi-Cal support seniors?

Medi-Cal, California's Medicaid program, provides health insurance to people with low incomes of all ages. More than 1.7 million Californians are enrolled in both Medicare and Medi-Cal, including adults age 65 and older and people with disabilities. For these groups, Medi-Cal covers essential services that are not covered by Medicare, such as nursing facility care; services that help people with cooking, bathing, and other daily tasks so they can live independently; and several other critical programs.

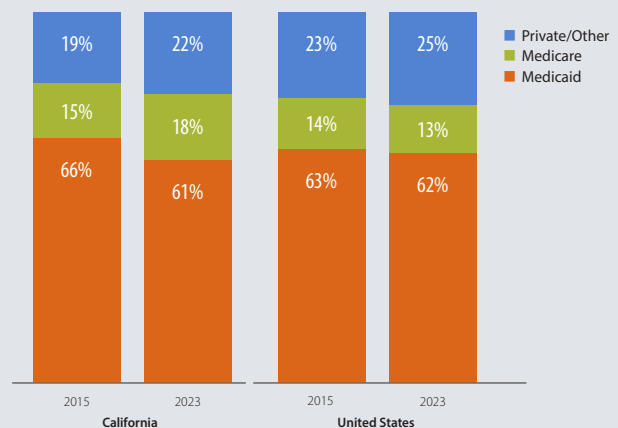
#### What are examples of programs Medi-Cal covers that Medicare does not?

Medi-Cal covers the costs of several programs known as "long-term services and supports," **which more than 1.1 million of California's seniors and people with disabilities rely on every year.** These programs include home and community-based services (HCBS) and long-term nursing home care that are not covered by Medicare. Medi-Cal makes it possible for seniors with low incomes to afford Medicare coverage by paying for monthly premiums and out-of-pocket costs. Medi-Cal also covers dental, vision, and hearing services for these seniors, while Medicare does not. More information on key Medi-Cal services on which seniors and people with disabilities depend can be found below.

- **Home and Community-Based Services:** Medi-Cal pays for a wide range of essential services not covered by Medicare, such as the In-Home Supportive Services (IHSS) program, that help older adults live independently in their homes and avoid higher-cost nursing homes. In addition to covering the costs of personal care aides who help with day-to-day tasks like bathing, dressing, and housekeeping, HCBS programs include services that deliver nutritious food to seniors, home modifications that help prevent falls and injuries, transportation assistance getting to doctors' appointments, and care management. **Nearly one million Medi-Cal enrollees rely on these services every year.** Without

**Most seniors can't pay for nursing homes without Medi-Cal.** Medi-Cal is the primary source of funding for more than 6 in 10 Californians in nursing facilities.

#### Nursing Facility Residents by Primary Payer, California v. United States, 2015 and 2023



Source: [California Health Care Almanac, Long-Term Care in California, 2024 Edition](#)



Medi-Cal, these services would be unattainable for seniors with low incomes, with private in-home care in California costing an average of \$38 per hour.

- ▶ **Long-Term Nursing Home Care:** Medi-Cal is the primary payer of nursing home care for seniors. Over 100,000 California seniors receive short- or long-term care in nursing homes each year, and Medi-Cal is the primary payer for 61% of the state's nursing facility residents (see chart on page 1). Medicare pays for up to just 100 days in a nursing facility and only after a qualifying hospitalization. For people without other insurance or the ability to pay out of pocket, Medi-Cal is the only option to pay for long-term stays, which cost an average of \$137,000 per year.
- ▶ **Medicare Cost Sharing:** For people enrolled in both Medi-Cal and Medicare, Medi-Cal also covers the cost of Medicare premiums, which are often several hundred dollars every month, as well as out-of-pocket costs like copays and deductibles. Nationally, one in six Medicare enrollees (roughly 10 million people) rely on Medicaid to pay for the health care Medicare provides. In California, over 1.7 million seniors and people with disabilities have their Medicare premiums and out-of-pocket costs covered by Medi-Cal. Without coverage of these expenses, most seniors with low incomes would not be able to afford Medicare coverage. That's why any cuts to Medi-Cal would reduce access to Medicare for California's older adults with low incomes.

## To learn more:

- ▶ [Defending Medi-Cal in 2025](#)
- ▶ [CHCF Poll: Californians Across Party Lines Overwhelmingly Support the State's Medicaid Program](#)
- ▶ [Medi-Cal and the Role of the Federal Government — Policy at a Glance](#)
- ▶ [Long-Term Care in California](#)
- ▶ [Medi-Cal Long-Term Services and Supports Dashboard](#) (California Department of Health Care Services)
- ▶ [A Cut to Medicaid is a Cut to Medicare](#) (Justice in Aging)
- ▶ [Federal Cuts to Medicaid Will Harm Older Californians on Medi-Cal](#) (Justice in Aging)



## **FOR IMMEDIATE RELEASE**

April 10, 2025

### **Media Contact:**

[Jill Talley](#), Communications Director

C: (240) 338-6479

## **L.A. Care Health Plan Joins MHPA as a Health Plan Organization Member**

(WASHINGTON, DC) – L.A. Care Health Plan, the largest publicly operated health plan in the country, has joined Medicaid Health Plans of America – the nation’s leading trade association focused exclusively on Medicaid health plans – as a new health plan organization member.

Headquartered in Los Angeles, L.A. Care covers more than 2,352,000 Medicaid enrollees. In L.A. County alone, 41% of residents rely on Medi-Cal.

“As a someone who was born in LA County, I am thrilled to have L.A. Care join MHPA! Its impact and continuously innovating approach to care is critical to more than 2 million people and really the entire health care infrastructure of the region,” said MHPA President and CEO Craig A. Kennedy, MPH. “And its emphasis on high quality whole-person care and social determinants of health reflects our members’ commitment to improving the quality of life of Medicaid beneficiaries and addressing their unique, diverse health care needs.”

“L.A. Care is committed to advocating for federal and state funding for Medicaid to maintain essential health services for children, working families, seniors, and vulnerable populations. From investing in workforce development to addressing members’ social needs and supporting members affected by tragic wildfires, L.A. Care understands the impact of health care on the economy and recognizes that to ensure healthy, thriving communities, it’s critical that managed care organizations address basic needs like food, housing, education, transportation and employment. We look forward to working with MHPA and its members to showcase the value of Medicaid managed care in California to our members, state partners, and communities,” said L.A. Care Chief Executive Officer Martha Santana-Chin.

Santana-Chin and Cherie Compartore, L.A. Care’s Senior Director of Government Affairs, will serve on the MHPA Board of Directors where they will help to oversee MHPA’s strategy and operations, including the organization’s public policy and government relations activities with Congress, state legislatures and regulatory agencies, the Administration, and the Centers for Medicare and Medicaid Services (CMS).

###

**About MHPA**

Founded in 1995, Medicaid Health Plans of America (MHPA) is the only national association that solely represents the interests of the Medicaid managed care industry. Through its advocacy and research work, MHPA supports innovative policy solutions that enhance the delivery of comprehensive, cost-effective, and quality health care for Medicaid enrollees. MHPA works on behalf of its more than 160-member health plans which serve nearly 52 million Medicaid enrollees in 40 states, Washington, D.C., and Puerto Rico. MHPA's members include for-profit and non-profit national, regional, and single-state health plans that compete in the Medicaid market. Visit [mhpa.org](https://mhpa.org) for more information.



Modern Medicaid  
ALLIANCE

April 3, 2025

The Honorable Mike Johnson  
Speaker of the House  
United States House of Representatives  
Washington, D.C. 20003

The Honorable John Thune  
Majority Leader  
United States Senate  
Washington, D.C. 20510

The Honorable Hakeem Jeffries  
Minority Leader  
United States House of Representatives  
Washington, D.C. 20003

The Honorable Chuck Schumer  
Minority Leader  
United States Senate  
Washington, DC 20510

Dear Speaker Johnson, Majority Leader Thune, Minority Leader Jeffries, and Minority Leader Schumer:

A healthy, productive America is a goal that we all should strive to meet as it makes our nation stronger. Inherent in that effort is ensuring that our nation's health care system is strong, efficient, and effective. The Medicaid program plays a critical role by providing access to health care services for those most vulnerable and in need, supporting safety-net providers — particularly in rural and underserved communities — and delivering a cost-effective coverage option. The cuts under consideration would have a direct impact on Medicaid beneficiaries and their ability to access needed health care. It is with this understanding that the Modern Medicaid Alliance (MMA) and its allies write to express our deep concerns and opposition to proposals as part of any joint budget resolution that would require significant reductions in federal funding to the Medicaid program to meet its targets. We urge the Senate and the House of Representatives to reject cuts to Medicaid as work continues to develop the joint fiscal year 2025 budget resolution.

The MMA is a partnership that includes leading U.S. advocacy organizations that value Medicaid. Its mission is to educate policymakers and the public about the program's benefits and to promote understanding of Medicaid's role in improving the lives of individuals and communities across the U.S. The members of the MMA and its supporters urge Congress to reject proposals that would reduce program funding or impose arbitrary, bureaucratic barriers that hinder access to care, burden providers, or otherwise undermine the stability of our nation's health care system.

Medicaid has proven to be an efficient and effective program. A reflection of the value of the program is the high level of support among Americans, with 76% expressing a favorable view, including 60% of Republicans and Trump voters.<sup>1,2</sup> Medicaid provides essential access to care for children, people with disabilities, seniors, caregivers, veterans, and workers at low-wage jobs that do not offer health benefits. What is more, the vast majority of beneficiaries who can work

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<sup>1</sup> <https://data.modernmedicaid.org/MMA/>

<sup>2</sup> <https://www.kff.org/medicaid/poll-finding/kff-health-tracking-poll-public-views-on-potential-changes-to-medicaid/>

do so: 92% of non-disabled adults under 65 who rely on Medicaid are either working, caring for a family member, managing an illness or disability, or attending school.<sup>3</sup>

Medicaid also serves as a vital foundation for critical health care providers. Rural, community, and children's hospitals rely on Medicaid to sustain services, and rural communities will be hit hardest by cuts to Medicaid funding which would force hospital closures, eliminate maternity care, limit access to other essential services, and lay off staff.<sup>4,5</sup> The resulting losses to core health care infrastructure will endanger access to lifesaving care for everyone who lives in the affected communities.

Medicaid also covers 63% of nursing home residents nationwide, filling the gap left by Medicare's limited long-term care benefit. Since many residents remain in nursing homes well beyond the few weeks Medicare typically covers, Medicaid is essential to meeting the high cost of care and ensuring continued access.<sup>6</sup>

The program is equally vital for providers serving children, veterans, those with disabilities, caregivers, and those with behavioral health conditions living in the community. Hospitals and clinics depend on Medicaid to cover care for low-income patients, and cuts to funding would sharply increase uncompensated care costs — driving up medical debt, imposing added financial pressure on state and local governments, and shifting costs to those with private coverage. Health center leaders warn that even a small shift in patients from Medicaid to uninsured status could force clinics to reduce services or close locations, jeopardizing access to cost-effective primary care and medical services in communities.

While we appreciate that Congress is faced with challenging decisions, we strongly believe, as does the American public, that the correct course is to protect and preserve the Medicaid program and reject proposals to cut federal funding and apply policies that result in the loss of coverage. We look forward to working with you and stand ready to share constituent stories highlighting the value and importance of the Medicaid program.

Sincerely,

AARP  
AASA, The School Superintendents Association  
Academy of Managed Care Pharmacy  
ADVION (formerly National Association for the Support of Long Term Care)  
AHIP  
Alliance for Aging Research  
Alliance for Rights and Recovery

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<sup>3</sup> <https://www.kff.org/medicaid/issue-brief/5-key-facts-about-medicaid-work-requirements/>

<sup>4</sup> <https://pmc.ncbi.nlm.nih.gov/articles/PMC6904260/>

<sup>5</sup> <https://www.americanprogress.org/article/medicaid-block-grants-and-per-capita-caps-jeopardize-state-budgets-health-care-access-and-public-health/>

<sup>6</sup> <https://medicareadvocacy.org/wp-content/uploads/2025/02/Issue-Brief-Medicaid-and-Nursing-Homes.pdf>

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Alliance of Community Health Plans (ACHP)  
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American Association for Community Psychiatry  
American Association of Nurse Practitioners  
American Association on Health and Disability  
American Cancer Society Cancer Action Network  
American College of Nurse-Midwives  
American College of Obstetricians and Gynecologists  
American Foundation for Suicide Prevention  
American Nurses Association  
American Psychological Association Services  
American Society of Addiction Medicine  
American Speech-Language-Hearing Association  
Asian & Pacific Islander American Health Forum (APIAHF)  
Association for Community Affiliated Plans  
Association of People Supporting Employment First (APSE)  
Asthma and Allergy Foundation of America  
Autistic Self Advocacy Network  
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Huntington's Disease Society of America  
International Society of Psychiatric Mental Health Nurses  
Justice in Aging  
Kaiser Permanente  
Lakeshore Foundation  
LeadingAge  
Legal Action Center  
LGMD2D Foundation  
Little Lobbyists

Lutheran Services in America  
Medicaid Health Plans of America (MHPA)  
Mental Health America  
Mission: Motherhood  
NAACP  
NAADAC, the Association for Addiction Professionals  
National Adult Day Services Association  
National Alliance for Caregiving  
National Alliance on Mental Illness  
National Association of Addiction Treatment Providers  
National Association of Community Health Centers  
National Association of Pediatric Nurse Practitioners  
National Association of Rural Health Clinics  
National Council for Mental Wellbeing  
National Disability Rights Network (NDRN)  
National Federation of Families  
National Health Council  
National League for Nursing  
National Rural Health Association  
New Hampshire Psychological Association  
NHMH - No Health without Mental Health  
Nurses Who Vaccinate  
Pennsylvania Psychological Association  
Policy Center for Maternal Mental Health  
Postpartum Support International Utah Chapter  
Postpartum Support International Arizona Chapter  
Providence  
RetireSafe  
School-Based Health Alliance  
Speak Foundation  
TASC, Inc. (Treatment Alternatives for Safe Communities)  
TASH  
Tennessee Association of Adult Day Services  
The American Counseling Association  
The Arc of the United States  
The National Collaborative for Transformative Youth Policy  
The National Service Office for Nurse-Family Partnership and Child First  
Treatment Communities of America  
Trinity Health  
UnidosUS  
United Spinal Association  
Young People in Recovery  
Youth Power Project

Memorandum

To: Interested Parties  
From: Tony Fabrizio, Bob Ward & John Ward  
Date: April 2, 2025  
Re: Medicaid Attitudes Poll

Our recent survey shows there is no appetite across the political spectrum for cutting Medicaid to pay for tax cuts. Medicaid is well-liked by most voters, in large part due to the broad impact it has across the electorate and the high level of importance voters place on as many Americans as possible having health insurance. Opposition is high to cutting the program generally and is especially high for cutting funding for CHIP and the help Medicaid provides seniors.

Personal Medicaid Connections

Almost half of all voters have a personal or family connection to Medicaid, with just under a quarter either on Medicaid currently or were previously enrolled. An additional 23% have family members who are receiving Medicaid or have received it in the past. About 1-in-5 Trump voters are or have been on Medicaid, with another 1-in-5 who have family Medicaid connections.

	All Voters	Trump Voters	Swing Voters
Total Medicaid Connection.....	46	40	45
Receive Medicaid: Current .....	7	5	6
Received Medicaid: Past.....	16	14	18
Not Received/Family on Medicaid ..	23	21	21

Medicaid Favorability

3-in-4 voters view Medicaid favorably overall, with just 11% viewing it unfavorably. Large majorities of Trump voters and Swing voters also have favorable views of Medicaid.

*Please tell me whether you have a favorable or unfavorable impression of Medicaid. If you have no opinion or have never heard of it, just say so.*

	All Voters	Trump Voters	Swing Voters
Favorable view of Medicaid .....	74	61	72
Unfavorable view of Medicaid .....	11	21	11
No Opinion/Never Heard Of.....	15	18	17



## Importance of Health Insurance Coverage

Nearly all voters say it is important that as many Americans as possible are covered by health insurance with more than 3-in-4 calling this very important. 87% of Trump voters and 92% of Swing voters say it is important that as many Americans as possible are covered.

*How important is it that as many Americans as possible are covered by health insurance?*

	All Voters	Trump Voters	Swing Voters
<b>Total Important.....</b>	<b>92.....</b>	<b>87.....</b>	<b>92.....</b>
<b>Total Not Important .....</b>	<b>7.....</b>	<b>12.....</b>	<b>7.....</b>
Very Important.....	77.....	58.....	77.....
Somewhat Important .....	15.....	29.....	15.....
Not Too Important .....	4.....	6.....	4.....
Not At All Important.....	3.....	6.....	3.....
Refused .....	1.....	2.....	2.....

## Tax and Spending Policies

Super majorities of voters oppose both cuts to Medicaid overall as well as cutting specific aspects of Medicaid. Additionally, large majorities of Swing voters oppose Medicaid cuts, with Trump voters also opposed to cuts on each option.

*A current debate in Congress centers on changes to tax and spending policies. This includes whether some tax policies that are set to expire this year should be continued, and how to pay for a loss in tax revenue with spending cuts. For each of the following possible changes, please tell me if you support or oppose it.*

**% Support/Oppose**

	All Voters	Trump Voters	Swing Voters
Cutting funding to the Children's Health Insurance Program.....	19/71	29/54	18/71
Cutting Medicaid. ....	23/69	39/49	22/70
Cutting funding for long-term support and services, including nursing home care, for seniors who have spent down their savings.....	26/69	40/54	24/68
Cutting federal funding that helps low-income seniors afford their Medicare premiums. ....	27/68	38/55	26/70
Cutting federal funding that pays for prenatal, delivery, and post-partum care for low-income mothers.....	31/64	46/48	29/63
Continuing the 2017 Tax Cuts and Jobs Act, which expires this year. ....	45/27	64/11	44/26

Voters oppose cutting Medicaid by a 69% - 23% margin. Trump voters oppose Medicaid cuts by 10-points, while Swing voters oppose by a sizable 48-point margin.

There is also widespread opposition to cutting specific aspects of the Medicaid program with 71% of voters opposed to cutting CHIP, 69% opposed to cutting funding for long-term support and services/nursing home care, 68% opposed to cutting funding that helps low-income seniors afford Medicare premiums, and 64% opposed to cutting funding for low-income mothers. Trump voters are opposed to each individual cut, as are large majorities of Swing voters.

Voters favor continuing the 2017 Tax Cuts and Jobs Act overall by a 45% - 27% margin. Trump voters support continuing TCJA by a 53-point margin, and Swing voters support it by the same 18-point margin as voters overall.

### Cutting Medicaid to Pay for Tax Cuts

When asked specifically if voters support or oppose cutting Medicaid spending to pay for tax cuts, they oppose it by a 50-point margin, 70% - 20%, with a 54% majority *strongly* opposing cutting Medicaid to pay for tax cuts. Two-thirds of Swing voters oppose this, as do Trump voters by a 15-point margin.

*Do you support or oppose cutting Medicaid spending to pay for tax cuts?*

	All Voters	Trump Voters	Swing Voters
<b>Total Support .....</b>	<b>20.....</b>	<b>36.....</b>	<b>21.....</b>
<b>Total Oppose.....</b>	<b>70.....</b>	<b>51.....</b>	<b>67.....</b>
Strongly Support .....	8.....	16.....	7.....
Somewhat Support .....	11.....	20.....	14.....
Somewhat Oppose .....	16.....	23.....	18.....
Strongly Oppose.....	54.....	27.....	49.....
Refused .....	10.....	14.....	12.....

### Key Program Elements

Learning about specific groups who receive coverage under Medicaid results in voters saying they would be more likely to support preserving Medicaid funding. The most impactful facts focus on covering children with cancer or special needs along with veterans, followed closely by Medicaid's importance for Americans with disabilities and seniors.

*For each of the following facts about Medicaid, please tell me whether the information makes you more likely or less likely to support preserving Medicaid funding. If it has no impact on your support, just tell me that.*

**% More Likely (% MUCH More Likely)**

	All Voters	Trump Voters	Swing Voters
Medicaid provides coverage to 1 in 3 children diagnosed with cancer.....	81 (66) .....	70 (48) .....	80 (62) .....

Medicaid covers 875,000 veterans.....	80 (64) .....	71 (50).....	80 (60)
Medicaid covers nearly half of children with special health care needs. ....	80 (64) .....	68 (44).....	79 (61)
Medicaid is the primary program providing comprehensive health and long-term care coverage to 1 in 3 Americans with disabilities.....	78 (60) .....	63 (37).....	76 (57)
Medicaid covers nursing home bills for 60% of residents in nursing homes.....	76 (58) .....	64 (38).....	75 (53)
7.2 million seniors are enrolled in Medicaid.....	74 (55) .....	61 (36).....	74 (50)

### Methodology

Fabrizio Ward surveyed 1,000 registered voters nationwide. The survey was conducted March 20-24, 2025 via a mixed mode of interviewing, including 25% of interviews conducted by live interviewers calling landline phones, 35% live interviewer calling cell phones, and 40% of the interviews conducted online via text-to-web. The sample was sourced from voter lists nationwide. The margin of error for the full sample is  $\pm 3.1\%$  at the 95% confidence level. The sample was weighted by gender, age, race/ethnicity, education, recalled 2024 vote to match registered voter targets based on voter file data, Census data, and 2024 election results.



**L.A. Care**  
HEALTH PLAN®

*For All of L.A.*

# L.A. Care Network & Community Relief Fund



**ELEVATING  
HEALTHCARE**  
IN LOS ANGELES COUNTY  
SINCE 1997

Executive Committee  
April 23, 2025

# Wildfire Relief Fund

**\$10,000,000**

Board Approved February 6, 2025

Provide  
supplemental  
assistance  
through  
multiple  
funding rounds

Engage  
reputable  
institutions,  
trusted partners,  
and L.A. Care  
providers

Ensure an  
equitable long-  
term recovery



# Relief Fund Plan Development

- The L.A. Network & Community Relief Fund Plan leverages best practice from the National Disaster Recovery Framework and the 2025 California Disaster Response Overview, in addition to learnings from and collaborative planning through multiple L.A. Wildfires briefings and funders meetings and convenings.
- L.A. Care's plan was developed in partnerships with expert disaster, philanthropy and emergency response leaders, including but not limited to:
  - Governor Newsom's Office of Emergency Services (CalOES)
  - California Community Foundation
  - United Way of Greater Los Angeles
  - The Annenberg Foundation
  - Public Legal Services Network
  - Health plans' and health systems' leadership

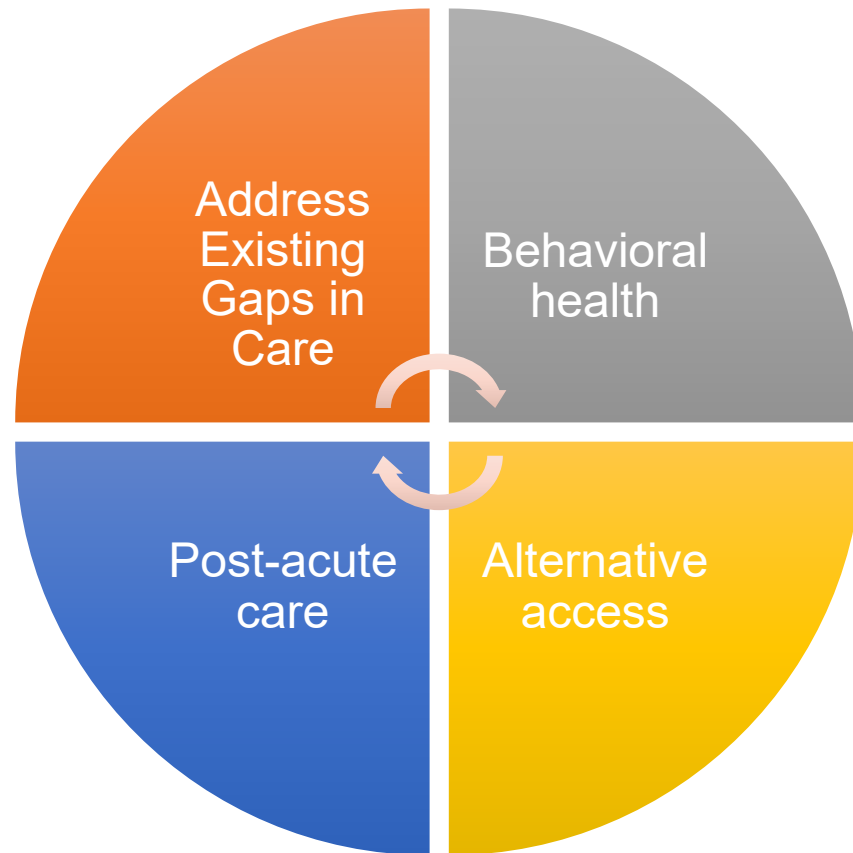


# Relief Fund Core Purposes

- Advance the recovery and rebuilding of communities impacted by the 2025 Los Angeles wildfires
- Reinforce the social and healthcare service systems that prioritize the needs of marginalized community members
- Strategically support innovative solutions to fill gaps, reduce barriers and to restore and improve the healthcare and social service delivery system
- LA Care will focus grantmaking on under-resourced and under-represented community members, including
  - Impacted racial, ethnic and marginalized communities,
  - Seniors, children and youth, and individuals with acute health risks, mental health conditions, and special health care needs,
  - Low wage workers, uninsured and under-insured homeowners, renters and newly displaced people experiencing homelessness, and
  - Emergency relief and response workers.



# Relief Fund Priorities





# Relief Fund Strategies

**Collaborate with cross-sector relief organizations to develop improved and innovative methods to:**

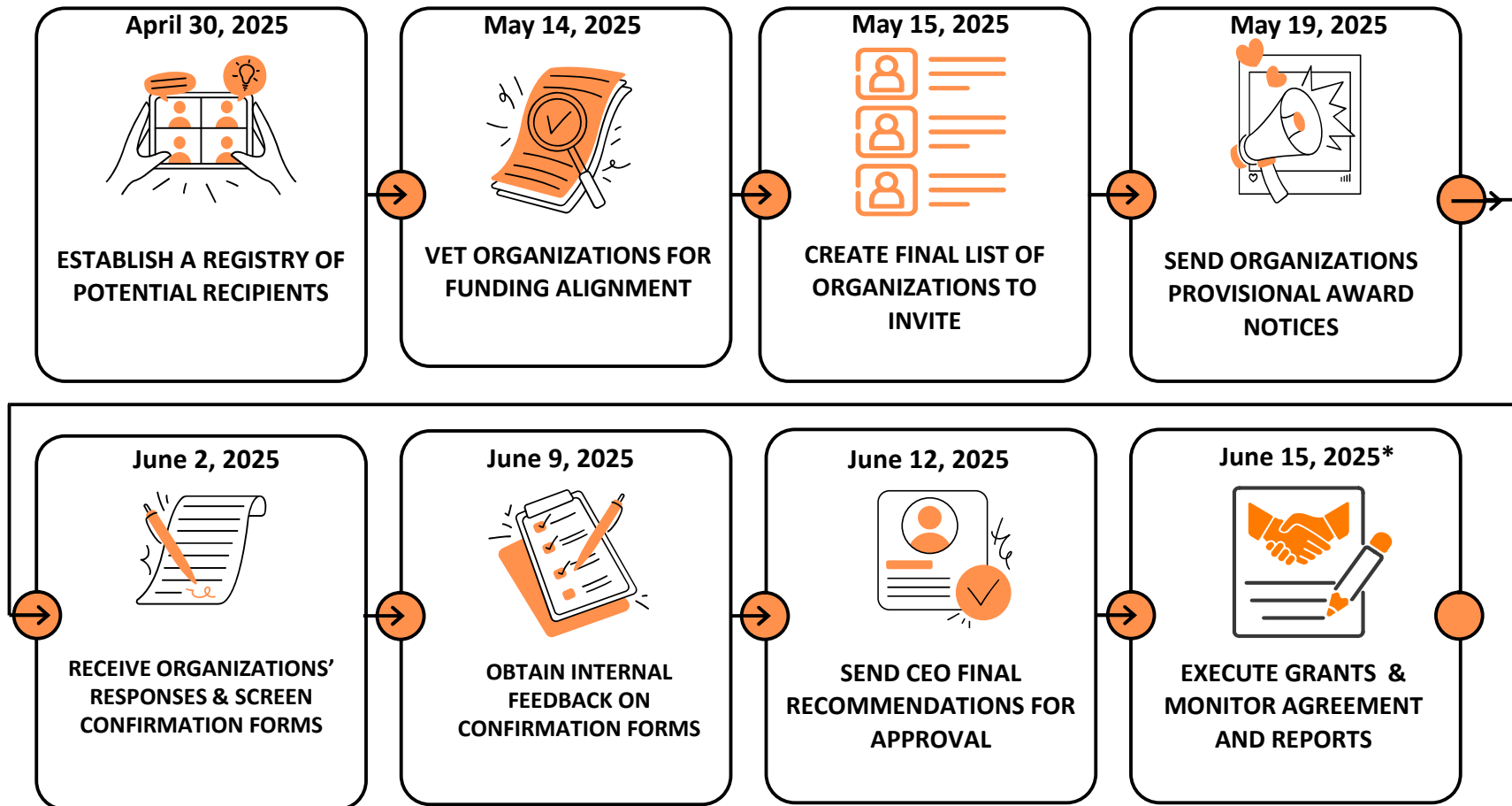
Rebuild	close gaps in and enhance the health care and social service delivery system to address persistent issues.
Maximize	cohesive long-term planning while responding to urgent community needs.
Support	agencies helping to restore essential community infrastructure to reduce long-term displacement from permanent housing, work, education, civic culture, health care and other essential services
Mitigate	emergency and safety needs of community members lacking resources, including housing, food, and daily/essential supplies.
Optimize	opportunities for sustained, expanded, and coordinated health care and social services.
Leverage	strategic opportunities to rebuild the economy through local and small businesses redevelopment, intentional land development and preservation, and legislative and policy intervention.

# Grantmaking Process

- Thorough enterprise-wide recommendations to identify entities in four categories:
  - **County and municipal agencies,**
  - **Wildfire relief fund partners,**
  - **L.A. Care network providers and**
  - **Community based non-profit organizations**
- Comprehensive vetting process to select aligned effective agencies
- Confirm services and activities to be provided, anticipated populations reached and outcomes
- Extend services over grant term



# THE GRANT DISTRIBUTION PROCESS



\* Grants will be executed with a June 15<sup>th</sup> start date. Progress reports due semi-annually.



# Monitoring & Impact

- Monitor awards through semi-annual reports and awardee engagement
- Collect quantitative and qualitative data regarding:
  - how services were restored, enhanced, or transformed,
  - the number and profile of individuals or entities assisted,
  - the impact of enhanced health and social service systems, and
  - Continued and emerging community needs and partnership opportunities





Questions





DATE: March 27, 2025

TO: Executive Committee

FROM: Terry Brown, *Chief Human Resources Officer*

SUBJECT: AB 2589 – Annual Disclosure of Broker Fees

To comply with the requirements of AB 2589 in reporting insurance broker fees associated with the various health and welfare benefits L.A. Care offers to its employees, identified below is the disclosure of the commission earned by Woodruff Sawyer, our broker of record for the majority of our various health and wellness insurers providing L.A. Care employee benefits for plan years 2024 and 2025. Commission is paid to Woodruff Sawyer on a monthly or annual basis, and the amount is based on the number of participants in the benefit program.

Line of Coverage	Carrier	Broker	2024 Base Commission	2025 Base Commission
Medical HMO	Kaiser	Woodruff Sawyer	1.25%	1.25%
Medical HMO and PPO	Blue Shield	Woodruff Sawyer	2%	2%
Dental HMO and PPO	Cigna Dental	Woodruff Sawyer	10% HMO \$2.25 pepm	10% HMO \$2.25 pepm
Vision	EyeMed	Woodruff Sawyer	\$0.86 pepm	\$0.86 pepm
EAP	Anthem Blue Cross	Woodruff Sawyer	0%	0%
Life, Long and Short-Term Disability	Unum	Woodruff Sawyer	10%	10%
Voluntary Benefits	Unum	Woodruff Sawyer	Varies by plan 70%-90% 1 <sup>st</sup> year 2.5%-10% years 2+	Varies by plan 70%-90% 1 <sup>st</sup> year 2.5%-10% years 2+
Pet Insurance	Nationwide	Woodruff Sawyer	10% new and 5% renewal	10% new and 5% renewal
Executive Disability	Unum	Woodruff Sawyer	50% 1 <sup>st</sup> year 5% years 2-5 2.5% years 6-10 2% years 11+	50% 1 <sup>st</sup> year 5% years 2-5 2.5% years 6-10 2% years 11+

Line of Coverage	Carrier	Broker	2024 Base Commission	2025 Base Commission
<b>Executive Term Life</b>	Protective/Dye & Eskin (eff. 2/1/2021)	Woodruff Sawyer	For Year 1 Ages 18-59: 40% Ages 60-62: 38 Ages 63-64: 36 Ages 65-69: 34 Ages 70+: 32  Years 2-10: 4% Years 11+: 1%	For Year 1 Ages 18-59: 40% Ages 60-62: 38 Ages 63-64: 36 Ages 65-69: 34 Ages 70+: 32  Years 2-10: 4% Years 11+: 1%
<b>Universal Life (CEO)</b>	John Hancock	Woodruff Sawyer	The rest of the residual target premium held from year 1 (total of 95% of target over 2 years) 1% years 3-10	The rest of the residual target premium held from year 1 (total of 95% of target over 2 years) 1% years 3-10

In addition to insurance placement, additional services provided by Woodruff Sawyer for the commission payment include:

- Woodruff Sawyer core consulting services
- Wellness consulting services & platform
- FSA/COBRA administration
- Assistance with development and updates to employee communications
- Self-funding actuarial reports, including reserve calculations & COBRA rates
- Compliance consulting
- Zywave online & telephonic support for Human Resources
- Employee Call Center

Our external consultant, Pearl Meyer, has reviewed the commission structures and found them to be reasonably positioned below the range of costs paid by similarly sized organizations in the state of California.

# Pearl Meyer

## MEMO

Date: March 25, 2025  
To: Terry Brown, Chief Human Resources Officer  
Company: L.A. Care  
From: Mark Munday, Principal  
RE: Reasonableness of L.A. Care Employee Benefit Broker Commissions

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The broker costs (commissions and fees) levels paid by L.A. Care, as a percent of plan premiums for employee health insurance coverage during the 2025 plan year are reasonably positioned below the range of costs paid by similar-sized organizations in the state of California. In general, there is an inverse relationship between organization size (number of covered employees) and broker costs as a percent of plan premium. Larger organizations (such as L.A. Care) pay larger premiums, while the actual broker costs (commissions) are lower as a percentage of premiums paid. Broker costs as a percent of premium therefore are typically less for larger employers than for smaller employers with less insured employees.

### Observations

With more than 2,000 covered employees enrolled in health insurance plans, L.A. Care paid 2025 plan year broker costs of **1.75%** of plan premiums across its lines of employee health insurance coverage, and **2.52%** when including life and disability. 500 California employers with a median employee count of 2,196 paid a median broker cost (as a percent of premium) of **3.25%**.

Pearl Meyer also evaluated a larger group of employers with smaller employee counts. 1,390 California employers with a median employee count of 851 paid a median broker cost (as a percent of premium) of **4.42%**.

Health insurance broker costs can vary widely, with a typical range of 3% to 6% of plan premiums for fully-insured plans. The California market observations in the current analysis are all based on data reflecting fully-insured plans. Market data reflecting broker costs as a percent of plan premium for self-funded health insurance plans is not as reliable. Brokers can increase other payments in order to decrease their costs as a percent of premium.



## **Methodology**

Pearl Meyer gathered data for the state of California for all employers that filed Form 5500s for the years including 2021-2025. Plan data reflects all benefit plans for companies with at least 100 employees. The following summarizes our approach to analyzing the data:

- 1) Combined two data detail files from Zywave – CA companies only (148,524 total, 32,895 CA)
- 2) Eliminated all records prior to 2024
- 3) Eliminated all records for self-funded plans
- 4) Eliminated all incomplete records
- 5) The previous three steps resulted in a database of 5,556 employers
- 6) Eliminated all records below the 75<sup>th</sup> percentile based on employee count (reduced the database to the top quartile of employer size), resulting in 1,390 employers
- 7) Calculated 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup> percentiles and average broker costs as a percent of plan premium
- 8) Eliminated all but the 500 largest employers based on employee count
- 9) Calculated 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup> percentiles and average broker costs as a percent of plan premium