



State of California—Health and Human Services Agency
Department of Health Care Services



EDMUND G. BROWN JR.
GOVERNOR

June 30, 2011

Joel Ario, Director, Office of Health Insurance Exchanges
Center for Consumer Information and Insurance Oversight
Center for Medicare and Medicaid Services
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Room 737F
Washington, DC 20201

Dear Mr. Ario:

In my role as the California State Medicaid Director, I am writing to support the California Health Benefit Exchange's application for a federal grant to support the establishment and initial development of the California Health Benefit Exchange.

The Department of Health Care Services is the single state agency for Medi-Cal, California's Medicaid program. California estimates that Medi-Cal enrollment will increase by approximately 2 million in 2014 as a result of the Affordable Care Act (ACA) coverage expansions. We expect that a significant portion of these newly eligible individuals, as well as currently eligible individuals, will enter Medi-Cal coverage through the Internet portal that is to be established by the Exchange. We will work together with the Exchange to ensure that these individuals can easily enroll.

We have initiated work with the Exchange on issues of program integration and eligibility and enrollment simplification. Our agencies have formed a working group to develop plans for implementation of the provisions of the ACA.

This grant will provide the financial support on which the success of the California Health Benefit Exchange depends. California is the most populous state in the nation with the highest number of uninsured. Federal funding is critical to making this Exchange successful.

Sincerely,

Toby Douglas
Director