Dear Secretary Dooley,

In the interest of protecting access to quality health coverage for California’s children, we urge California to take a cautious approach to the state’s planned transition of nearly 870,000 children from California’s Children’s Health Insurance Program (Health Families) to California’s Medicaid program (Medi-Cal).

As you know, pursuant to state law (AB 1494), which was signed into law by Governor Brown on June 27, 2012, California is transitioning children in Healthy Families to Medi-Cal managed care plans. Given the magnitude of the change, and the timing which coincides with additional large-scale movement of populations into Medicaid managed care plans, we urge this transition be made cautiously to protect children already receiving health coverage under Medicaid and those children being transitioned into the Medicaid program.

California’s Medicaid program is undergoing significant transformation, and in this process is already moving significant numbers of people from-fee-for service to managed care plans. Any transition of care for vulnerable populations can be fraught with problems. When large numbers of persons are moving into managed care plans, plan capacity and access to providers must be addressed carefully. The potential for children to lose access to care is of great concern to us.

Over the last year, California enrolled more than 470,000 seniors and persons with disabilities into managed care plans for their Medicaid services, mainly long term care services. In the coming year, California is planning on transitioning the full spectrum of acute and long term care for hundreds of thousands of seniors and individuals with disabilities eligible for both Medicare and Medicaid (“dual eligibles”) into Medicaid managed care plans. Beginning in 2014, California will have the ability to expand its Medicaid program to cover all individuals earning less than approximately $15,000 a year — potentially 3 million additional people in the state. It is likely many of these individuals will also receive care through Medicaid managed care plans as well.

The rapid influx of such a great number of California residents into these managed care plans heightens the need for the Secretary to take an active role in reviewing plans for readiness and overseeing plans already covering new populations.
California's law requires that no transition of Healthy Families children go forward until there is an adequate network of providers available to serve the newly enrolling population. It also requires that continuity of care be guaranteed -- either by retaining a child's existing primary care provider in the new managed care plan or through other means as planned for by the managed care plan -- before transition. Similarly, federal Medicaid managed care law requires that the plans have the capacity to serve the expected enrollment in their service area, including "a sufficient number, mix, and geographic distribution of providers of services." This is critical across the spectrum of care, but particularly for dental services where access has been a longstanding issue.

The law provides no specific start date for the transition, only that no transition of the Healthy Families children begin sooner than January 1, 2013. We urge you to take this opportunity to work through transition planning, readiness reviews of managed care plans, and education and outreach. Once the state and the Centers for Medicare and Medicaid Services agree on how each phase of the transition will proceed, we encourage you to provide families with numerous clear, consistent, and explicit notices regarding the transition and how to ensure continuity of care. California has a strong infrastructure of consumer assistance and children's advocacy groups that can help smooth this process as it goes forward. We encourage you to work with representatives of these groups to minimize disruption during this time of change.

We know you share our goal to ensure that California's programmatic changes unfold as a seamless transition for this very vulnerable population. We stand ready assist in this process in any way needed.

Sincerely,

[Signatures of Members of Congress]
cc: Marilyn Tavenner, Acting Director, Centers for Medicare and Medicaid Services
List of Signers in Alphabetical Order:

Lois Capps
Judy Chu
Susan Davis
Ann G. Eshoo
Sam Farr
Bob Filner
John Garamendi
Janice Hahn
Mike Honda
Barbara Lee
Zoe Lofgren
Doris Matsui
George Miller
Grace Napolitano
Nancy Pelosi
Laura Richardson
Linda Sanchez
Brad Sherman
Jackie Speier
Pete Stark
Henry Waxman
Lynn Woolsey