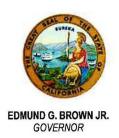


State of California—Health and Human Services Agency Department of Health Care Services



April 4, 2012

Patricia Tanquary, Chief Executive Officer Contra Costa Health Plan 595 Center Ave., Suite 100 Martinez, CA 94553

Dear Ms. Tanquary,

The Governor's Coordinated Care Initiative calls for implementing the duals demonstration in 10 counties. Today, the Department of Health Care Services (DHCS) and Department of Social Services (DSS) selected the initial four counties to implement the demonstration under current legislative authority (SB 208, 2010).

Contra Costa Health Plan (CCHP) was not among the initial plans selected. However, we look forward to working with your organization to help prepare your plan and county for implementation. Pending further state and federal authority, we hope to achieve our shared goals of improved care coordination, better beneficiary health and a more efficient delivery system in Contra Costa County.

CCHP has significant experience operating as a Medi-Cal managed care plan and delivering services to vulnerable beneficiaries, including seniors and persons with disabilities. Additionally, in your application and interview, you demonstrated characteristics that we believe will allow you to successfully partner with us on implementing this demonstration.

Recently, we announced a series of workgroups to support the development and implementation of the demonstration. We look forward to CCHP being an active participant in these workgroups, as well as your ongoing engagement of local stakeholders.

Sincerely,

JANE OGLE,

Deputy Director, Health Care Delivery Systems