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

TOBY DOUGLAS
DIRECTOR

EDMUND G. BROWN JR.
GOVERNOR

April 4, 2012

Mr. Howard Kahn
L.A. Care Health Plan
1055 W. 7th Street, 10th Floor
Los Angeles, California 90017

Dear ~~Mr. Kahn~~, HOWARD

We are pleased to inform you that the L.A. Care Health Plan has been selected to participate as an integrated health plan in the Duals Demonstration. Los Angeles County is one of four counties that will proceed under current state authority to implement the demonstration. The department looks forward to working with you to achieve the goals of improved care coordination, better beneficiary health, and a more efficient delivery system.

For 15 years, L.A. Care has served the county's most vulnerable populations, including seniors and persons with disabilities, as Medi-Cal managed care plan. Additionally it has provided Medicare benefits to dual eligible beneficiaries for four years through its Dual Eligibles Special Needs Plan (D-SNP). L.A. Care has invested heavily in its care models for both programs, and acquired accreditation for both by the National Committee for Quality Assurance (NCQA), a widely recognized symbol that an organization is well managed and delivers high quality care and service.

The reviewers believe L.A. Care demonstrated a keen understanding of the community's needs and a commitment to building a robust network of providers that have a proven track record of providing innovative and high-value care. Additionally, L.A.Care's obvious collaboration with the County of Los Angeles, specifically the In-Home Supportive Service (IHSS) program, convinced the departments you will be prepared to develop a successful integrated care program under the demonstration. The review team was impressed by your collaboration with Health Net to ensure a coordinated and consistent approach in working with beneficiaries, providers and the county agencies to ensure this demonstration works in the a county as large and complex as Los Angeles.

Recently, we announced a series of workgroups to support the development and implementation of the demonstration. We look forward to L.A. Care being an active

Director's Office
Department of Health Care Services
1501 Capitol Avenue, MS 0000, P.O. Box 997413, Sacramento, CA 95899-7413
(916)440-7400, (916) 440-7404 fax
Internet Address: http://www.DHCS.ca.gov

participant in these workgroups, as well as your ongoing engagement of local stakeholders to prepare for the launch of the demonstration.

This letter marks an important milestone in a process begun a year ago to develop this demonstration. Prior to the program beginning on January 1, 2013, the demonstration will require approval of various agreements and plans by the federal Centers for Medicare & Medicaid Services. In addition, your health plan will need to document having met stringent federal and state operational standards through various readiness review procedures. The Department of Health Care Services' Medi-Cal Managed Care Division will soon send you a letter that will help you continue preparing for the demonstration.

Sincerely,

Jane

JANE OGLE,
Deputy Director, Health Care Delivery Systems