



OFFICE OF THE PRESIDENT

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April 16, 2012

The Honorable William W. Monning  
Chair, Assembly Health Committee  
State Capitol, Room 6005  
Sacramento, CA 95814

**RE: AB 2096 (Pérez, V), as introduced on February 23, 2012**  
**Scheduled to be heard by the Assembly Health Committee on April 24, 2012**  
**Position: OPPOSE**

Dear Assembly Member Monning:

On behalf of the University of California, (UC), I am writing to respectfully advise you of our oppose position on AB 2096.

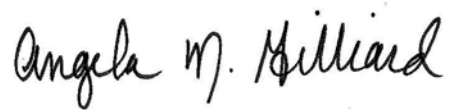
AB 2096 is a bill that would amend the Medicaid Waiver statutes to allow district hospitals (known as non-designated public hospitals or NDPHs) to claim funding from the Waiver Safety Net Care Pool Uncompensated Care Pool (SNCP). Under the current waiver, only designated public hospitals participate in this declining fund. There are 21 designated public hospitals that are either UC Hospitals or County Hospitals.

UC owns and operates 5 academic medical centers at the Davis, Irvine, Los Angeles, San Diego, and San Francisco campuses. UC is a major part of California's medical safety net: 40 percent of UC patients are uninsured or covered by Medi-Cal; 60 percent of hospital days are used by Medicare, Medi-Cal or uninsured patients. Medicaid funding provides an important source of revenue for our safety net hospitals in furtherance of UC's mission to provide high quality care to patients.

The SNCP is intended to provide some funding assistance to offset the cost of uncompensated care to the uninsured. It is a diminishing revenue source that should remain with those public hospital systems that serve extraordinarily large numbers of low-income and uninsured patients and that provide specialty services that NDPHs do not provide. Expanding the number of eligible hospitals to share in the declining source of funding in the SNCP reduces the UC Hospitals share of the fund. While we appreciate the role of district hospitals, which tend to be small and rural facilities, the volume and scope of care provided by the public Waiver hospitals is a differentiating factor.

For these reasons, we must respectfully oppose AB 2096. These funds are critical to our mission of providing care to the uninsured and improving the delivery of high quality care. If you have any questions regarding our concerns, please feel free to contact me at 916-445-9924. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink that reads "Angela M. Gilliard". The signature is written in a cursive, flowing style.

Angela Gilliard, JD  
Legislative Director

cc: Assembly Member V. Manuel Pérez  
Members, Assembly Health Committee  
President Mark G. Yudof  
Provost Lawrence Pitts  
Senior Vice President John Stobo  
Senior Vice President Daniel Dooley  
Associate Vice President and Chief Strategic Officer Santiago Munoz  
Associate Vice President and Director Steve Juarez