

May 15, 2006

To: The Honorable Hector De La Torre
Chairman, Assembly Budget Subcommittee No. 1

Honorable Members, Budget Subcommittee No. 1

From: Frank J. Mecca, Executive Director

**RE: *Conlan* Lawsuit – Adopt Clear Timeframes for Assessing
Impact on County Eligibility Determination Processes**

The County Welfare Directors Association (CWDA) respectfully requests that the Legislature amend the budget bill language proposed by the Administration regarding impacts of the *Conlan v. Shewry* lawsuit on county services. Specifically, we request that the language be amended to establish specific timeframes for (1) assessing the impact on counties and (2) allocating funds to counties for these new activities.

The *Conlan* settlement will require the state to revise policies and procedures for allowing Medi-Cal beneficiaries to claim costs for health care received during a three-month period before eligibility. Initially, the new rules must be applied retroactively to clients granted Medi-Cal since 1997, and then to all new clients. Counties will be required to research cases and provide information to assist in determining retrospective funding amounts. Prospectively, the application process for Medi-Cal eligibility will be lengthened after these new rules are implemented. We expect this change to impact both the Medi-Cal and In-Home Supportive Services programs.

While we do not yet know the number of cases involved or the time each case will require, it is clear that additional effort will be required of counties. We appreciate that the May Revision includes budget bill language acknowledging an increased workload associated with implementation of this lawsuit. However, while the proposed language *allows* for the transfer of funding for these activities, it does not *require* it.

We respectfully request that the language be amended so that it requires both the departments of Social Services and Health Services to estimate the cost of fully funding both the retroactive and prospective required work, within a specified timeframe. We also request that the amended language set a specific date by which the Department of Finance will transfer funds for allocation to the counties. These changes to the proposed budget bill language will ensure that counties are able to complete the necessary work without compromising client services.

We would be happy to work with the Legislature and the Administration to develop reasonable timeframes for inclusion in the language.

Thank you for your consideration of this request.

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