



STATE OF CALIFORNIA
DEPARTMENT OF MANAGED HEALTH CARE

June 26, 2012

Kathleen Sebelius, Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Sebelius,

I am writing to express my strong support for the application by the California Health Benefit Exchange (Exchange) for a second Level I Establishment Grant (1.2). The Department of Managed Health Care (DMHC) is actively supporting the development of California's Exchange and is collaborating closely with its board and staff on many issues critical to both agencies.

The DMHC regulates health plans in California, protects the health care rights of more than 20 million enrollees and maintains a toll-free consumer assistance call center. The Exchange will provide an open and transparent marketplace for California consumers to browse, compare, and purchase health coverage. As the Consumer Assistance Program grantee in California, our department is working closely with the Exchange to establish its consumer assistance functions. Additionally, DMHC and the Exchange have collaborated on Essential Health Benefit analysis and issues regarding Qualified Health Plan selection and certification. We jointly submitted comments on the essential health benefits bulletin released last December, proposed rules for establishment of exchanges and qualified health plans, and other proposed federal regulations.

Continued federal support is crucial to ensure the Exchange's successful development and launch. Through the activities outlined in this grant application and in the years ahead, the DMHC and the Exchange will continue to develop a productive and lasting partnership to ensure access to high-quality, affordable health care coverage for California's consumers.

Sincerely,

A handwritten signature in blue ink that reads "Brent Barnhart".

Brent Barnhart
Director

EDMUND G. BROWN JR.

GOVERNOR

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Brent A. Barnhart
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