

OFFICE OF THE GOVERNOR

JUL 25 2010

To the Members of the California State Assembly:

I am returning Assembly Bill 96 without my signature.

The bill would recreate, under a different name, the same Adult Day Health Care (ADHC) program that was eliminated as a Medi-Cal optional benefit through the 2011-12 Budget Act. While my Administration deeply shares the goal of "Keeping Adults Free from Institutions," creating a new ADHC look-alike program at this juncture is unnecessary and untimely. It does not address the immediate need to transition ADHC beneficiaries to other home and community-based services that can meet their needs, and would cause confusion for both consumers and providers about when an ill-defined "KAFI" program would be available.

In order to ensure that ADHC beneficiaries do not face the risk of unnecessary institutionalization when the benefit expires, my Administration is currently working with adult day health centers, managed care plans, and local community-based organizations to ensure that needed medical services and home and community-based services are available. Additionally, in order to ensure that there is enough time for transition to such services, the Department of Health Care Services recently extended the ADHC benefit through administrative action until December 1, 2011, with federal funding approval.

Given the importance of these transition efforts, I am directing the Department of Health Care Services to work with the Legislature, stakeholders, managed care plans, and home and community-based services providers to ensure that ADHC beneficiaries will have a smooth transition to appropriate services, and those who are most at risk of institutionalization have access to services that will help them remain in the community.

Care in an integrated setting will be part of my Administration's plan to improve long-term care. To the extent that adult day health care-type services can become part of an integrated continuum of care, my Administration will work to bring such providers into the conversation on how these services can be efficiently and effectively delivered for the benefit of consumers.

For this reason, I am signing Senate Bill 91, which will allow adult day health centers to continue to operate after the fee-for-service payments under Medi-Cal expire. This will allow adult day health centers to be considered a care option as part of an integrated delivery system, or for consumers who may wish to access services apart from Medi-Cal.

Sincerely,

A handwritten signature in black ink, appearing to read "Edmund G. Brown Jr.", with a large, stylized flourish at the end.

Edmund G. Brown Jr.