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Commissioner David Jones
c/o Jennifer Chambers
Senior Staff Counsel
California Department of Insurance
45 Fremont Street, 21st Floor
San Francisco, CA 94105

Submitted Electronically via chambersj@insurance.ca.gov &
tomashoffj@insurance.ca.gov

Dear Commissioner Jones:

As one of the nation's leading nonprofit business coalitions focused on healthcare, the Pacific Business Group on Health (PBGH) works to improve health care quality and accountability while moderating costs. PBGH supports a marketplace of competing health plans and provider organizations held accountable for quality management and improvement, affordability and transparency of cost and quality information for consumers and purchasers. Health Net plays an important role in helping to maintain a competitive marketplace and supporting performance accountability among California's diverse provider organizations and hospitals. We hope that CDI's continuing oversight of Health Net will support members' access to higher quality healthcare services on a cost-effective basis, and ensure measurable quality outcomes. The proposed partnership between Health Net, Inc. and Centene Corporation could help strengthen Health Net's presence in California and western states through administrative efficiencies and appropriate investments in infrastructure, continuing to leverage its local approach more broadly. .

PBGH and its members have had a long collaboration with Health Net, including support of the California Quality Collaborative, engagement in the California Healthcare Performance Information System Patient Assessment Survey and participation in the IHA Pay for Performance program. Health Net also supports transparency by responding to PBGH's annual eValue8 Health Plan RFI and encouraging its contracted hospitals to report patient safety information to the Leapfrog Group. Historically, Health Net has also participated in the joint purchasing program among our Negotiating Alliance members and in PacAdvantage.

Our history with Health Net makes us hopeful that the consolidated organization with Centene can be a positive player in the market. We hope that your regulatory review will support the evolution of a competitive marketplace in California that facilitates consumer choice of health plan options, while continuing to hold plans accountable for quality, access, transparency and affordability.

Sincerely,

David Lansky, PhD
President & CEO