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8
9 IN THE UNITED STATES DISTRICT COURT
10 FOR THE NORTHERN DISTRICT OF CALIFORNIA

11 **THE STATE OF CALIFORNIA; THE**
12 **STATE OF CONNECTICUT; THE STATE**
13 **OF DELAWARE; THE DISTRICT OF**
14 **COLUMBIA; THE STATE OF ILLINOIS;**
15 **THE STATE OF IOWA; THE**
16 **COMMONWEALTH OF KENTUCKY;**
17 **THE STATE OF MARYLAND; THE**
18 **COMMONWEALTH OF**
19 **MASSACHUSETTS; THE STATE OF**
20 **MINNESOTA; THE STATE OF NEW**
MEXICO; THE STATE OF NEW YORK;
THE STATE OF NORTH CAROLINA; THE
STATE OF OREGON; THE
COMMONWEALTH OF PENNSYLVANIA;
THE STATE OF RHODE ISLAND; THE
STATE OF VERMONT; THE
COMMONWEALTH OF VIRGINIA; and
THE STATE OF WASHINGTON,

21 Plaintiffs,

22 v.

23 **DONALD J. TRUMP, President of the United**
24 **States; ERIC D. HARGAN, Acting Secretary**
25 **of the United States Department of Health**
26 **and Human Services; UNITED STATES**
27 **DEPARTMENT OF HEALTH AND**
HUMAN SERVICES; STEVEN T.
MNUCHIN, Secretary of the United States
Department of the Treasury; UNITED
STATES DEPARTMENT OF THE
TREASURY; and DOES 1-20,

28 Defendants.

Case No. 3:17-cv-05895-KAW

DECLARATION OF MARI CANTWELL,
CHIEF DEPUTY DIRECTOR OF
HEALTH CARE PROGRAMS,
CALIFORNIA DEPARTMENT OF
HEALTH CARE SERVICES, ISO
PLAINTIFFS' APPLICATION FOR A
TEMPORARY RESTRAINING ORDER
AND ORDER TO SHOW CAUSE WHY A
PRELIMINARY INJUNCTION SHOULD
NOT ISSUE

1 I, Mari Cantwell, hereby declare:

2 1. I am the Chief Deputy Director of Health Care Programs at the California
3 Department of Health Care Services (DHCS) where I serve as the State Medicaid
4 Director for California's version of the federal-state Medicaid program under title XIX
5 of the federal Social Security Act, known as Medi-Cal. In this capacity, I am responsible
6 for overseeing all facets of Medi-Cal program administration and the delivery and
7 financing of care for over 13.5 million beneficiaries. The facts stated herein are of my
8 own personal knowledge, and I could and would competently testify to them.
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11 2. Due to implementation of the Affordable Care Act (ACA) in California, the
12 State has experienced a considerable decrease in the number of uninsured residents.
13 Over 6 million Californians were uninsured in 2013, prior to full implementation of the
14 ACA. By 2015, approximately half of that population became insured, leaving around 3
15 million Californians remaining without coverage. This is predominantly attributable to
16 the expansion of eligibility in the Medi-Cal program, and the newfound availability of
17 health coverage through the State's health exchange marketplace which is known as
18 Covered California. As a result, the State collectively, including its political
19 subdivisions, its safety-net health care providers, and its residents, has begun to realize
20 significant gains from both a public health, and an economic and fiscal standpoint. One
21 of the principal financial benefits has been a meaningful reduction in the level of
22 uncompensated care costs borne within the State's various health care systems and
23 programs.
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27 3. If the number of uninsured individuals in California were to increase, the
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1 State would incur a significant negative economic impact due to the accompanying
2 increase in uncompensated care costs that would follow. For example, according to
3 data collected and published by the Office of Statewide Health Planning and
4 Development (OSHPD), California hospitals incurred uncompensated care costs
5 totaling approximately \$5.2 billion dollars in 2013 and before full implementation of
6 the ACA. In 2015, after implementation of the ACA, OSHPD data reflects that
7 California hospitals experienced approximately \$1.9 billion dollars in uncompensated
8 care costs, which amounts to nearly a 64% decrease in hospital uncompensated care
9 costs over this short time period. Without any other options for care, those residents
10 finding themselves without coverage would turn to traditional and more costly safety-
11 net sources of care, such as use of hospital emergency rooms, or forgo care entirely.
12 This would reintroduce the same type of financial strain on State, local and private
13 health systems and programs that the ACA was intended to relieve.

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17 I declare under penalty of perjury under the laws of the United States that the
18 foregoing is true and correct, and that this declaration was executed on October 17,
19 2017, in Sacramento, California.
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Mari Cantwell
Chief Deputy Director, Health Care Programs
California Department of Health Care Services