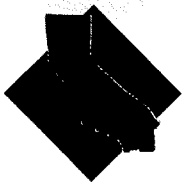


CALIFORNIA ADVOCATES, INC.



CONFIDENTIAL

September 12, 2011

The Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol
Sacramento, California 95814

Ralph F. Simoni

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**SUBJECT: AB 378 (SOLORIO)—WORKERS' COMPENSATION:
COMPOUND DRUGS – REQUEST FOR SIGNATURE**

Dear Governor Brown:

The California Association of Joint Powers Authorities (CAJPA) respectfully requests your **SIGNATURE** upon **AB 378 (Solorio)**, which is currently upon your desk awaiting action.

CAJPA believes that **AB 378** seals off an avenue of shameful abuse within the workers compensation system by making much needed changes in how medical providers are reimbursed for compound drugs, medical foods, and co-packs in California's workers' compensation system.

Recent reports by the Rand Center for Health and Safety in the Workplace and the California Workers' Compensation Institute (CWCI) have highlighted dramatic spikes in the prescribing of compound drugs, medical foods, and co-packs that are clearly related to the financial benefits enjoyed by medical professionals as opposed to a medical necessity for the injured worker.

CAJPA believes the provisions contained in **AB 378** are common sense reforms that will ensure that this abuse is stopped and the use of these products is once again determined based on medical necessity. **AB 378** also contains a safeguard that permits intervention by the Administrative Director of the Division of Worker's Compensation if there is a determination that access to needed prescriptions was inadvertently diminished by **AB 378's** enactment.

CAJPA is an organization of risk management joint powers authorities established by a broad range of local government entities, including cities, counties, school districts, and other special districts. Member JPAs provide cost effective self-insured programs for workers' compensation, general liability, auto liability, fiduciary liability, pollution liability, public officials' errors and omissions, employee fidelity, property damage, health care (general, dental or vision) and short and long-term disability coverage for their member public entities. The benefits to local governments include better local control over their risk exposures, and efficiencies that enable a greater portion of taxpayer dollars to be devoted to other important local programs.

For these reasons, CAJPA respectfully urges a **SIGNATURE** upon **AB 378 (Solorio)** when it comes before you for action.

Sincerely,

A handwritten signature in black ink that reads "Julianne Broyles". The signature is written in a cursive, flowing style.

Julianne Broyles

On Behalf of California Association of Joint Powers Authorities

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