[Insert date]

[Insert recipient name and address]

**SUBJECT: Deficient Payment Practices**

Dear [insert health plan leader name]:

Since the onset of the COVID-19 pandemic, [insert hospital name] and its dedicated health care professionals and team have worked day and night to provide exceptional care and save lives.

The pandemic resulted in $12 billion in losses to California hospitals, even after federal relief funds.

These efforts, combined with unprecedented inflationary pressures and workforce shortages, have decimated [insert hospital name’s] available resources and sapped our ability to ensure access to critical hospital services as demand continues to grow.

In addition to these challenges, we are deeply concerned about unresolved and growing deficiencies in reimbursement and care management practices at [insert health plan name] that are threatening our ability to appropriately care for our patients. These deficiencies are most directly related to arranging and paying for the health care your enrollees need.

[Insert 2-3 examples of specific failures by health plans. For example:

* There are X patients stuck in our hospital beds for unnecessary and extended periods of time due to inaction and delays in arranging for post-hospitalization services.
* Your health plan is not providing timely prior and concurrent service authorizations, which often take more than X hours/days to complete, hindering our ability to provide timely and appropriate care to patients. For one patient, this led to…
* Health plan X is increasingly failing to pay its bills on time. Despite no changes in our claim filing processes, our accounts receivable over 90 days has exploded by X%, and is currently sitting at a record of $X.]

We request immediate action to address the concerns outlined in this letter. We look forward to frequent, open communication from [insert health plan name] to keep us apprised of the steps you are taking to ensure your enrollees, and our patients, receive the care they need.

Sincerely,

[Insert name and title]

cc: Mary Watanabe, Director, Department of Managed Health Care