



SUPERTONE HEARING AID CENTER

6322 FALLBROOK AVE. NO. 102, WOODLAND HILLS, CA 91367 (818) 712-0001 • FAX (818) 712-9839

December 18, 2012

The Honorable Jerry Brown
Governor of The State of California
State Capitol
Sacramento, CA 95814

Toby Douglas, Director
California Department of Health Care Services
P.O.Box 997413 MS0000
Sacramento, CA 95899-7413

RE: **DHCS decision to cut hearing aid reimbursements by 50% Effective January 15, 2013**

Dear Governor Brown and Director Douglas,

Our Practice, Supertone Hearing Aid Center, is the largest provider of hearing aids to Medi-Cal beneficiaries in Southern California. We are providing these services for 27 years and we specialize in delivering them to Skilled Nursing Facilities (SNF) in Los Angeles, Riverside, San Bernardino, Orange, Kern and Ventura Counties. We are the sole provider to a hundred thirty three SNFs in these Counties. On August 2008, we received from the late Hon. Mervyn Dymally, Chair of Assembly Committee on Health at that time, an Assembly Resolution commending our business for providing hearing care services to Medi-Cal beneficiaries residing in SNFs at remote locations.

Last week, the Department of Health Care Services (DHCS) notified the providers that effective January 15, 2013, it is changing the definition of "One unit wholesale cost" of a hearing aid resulting de facto a 50% cut in reimbursement rate on top of the 10% cut on all Medi-Cal providers approved by the legislators last year.

Currently, we are being reimbursed by Medi-Cal \$1,363 for a pair of hearing aids. The same hearing aids are being sold to the general public between \$2000 to \$3000 a pair. Effective January 15, 2013, our Medi-Cal reimbursement for a pair of hearing aids will dropped to \$699. This is below our cost of operation. We will have to subsidize, out of our pocket, \$14 for each beneficiary that we fit.

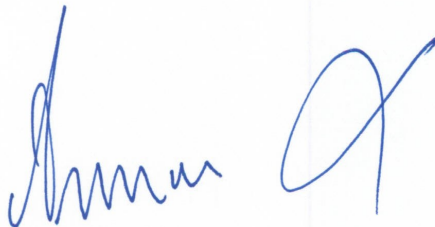
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During 2004, DHCS implemented the same identical cut and had to reverse it few months later due to providers dropping from the program. Today, nine years later, our rate of reimbursement is 10% lower than the 2004 rate (2011 general cut to all Medi-Cal providers). This 10% cut coupled with nine years of inflation left the margin of profit on Medi-Cal sale very low which discourages many providers from joining the program.

There is no reason to believe that DHCS' action now will generate different results from that of its action in 2004.

For the reasons mentioned above, and with deep regrets, Effective January 15, 2013, we will be forced to end our services to Medi-Cal beneficiaries residing at the Nursing Facilities listed in the attached list.

Cordially,



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Supertone Hearing Aid Center
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Buena Vista Care Center	1440 S. Euclid Ave.	Anaheim	92802
Harbor Villa Care Center	861 S. Harbor Blvd.	Anaheim	92805
La Palma Nursing Center	1130 W. La Palma Ave.	Anaheim	92801
Leisure Court Nursing Center	1135 Leisure Court	Anaheim	92801
Park Anaheim Healthcare Center	3435 W. Ball Rd.	Anaheim	92804
Walnut Manor Care Center	1401 W. Ball Rd.	Anaheim	92802
Windsor Gardens of Anaheim	3415 W. Ball Rd.	Anaheim	92804
Apple Valley Christian Care Center	11959 Apple Valley Rd.	Apple Valley	92308
Corinthian Gardens	1611 Heights St.	Bakersfield	93305
Lifeshouse Bakersfield	730 34th St.	Bakersfield	93301
Lifeshouse Parkview	329 S. Real Rd.	Bakersfield	93309
Rosewood Health Care Center	1301 New Stine Rd.	Bakersfield	93309
Valley Convalescent Hospital	1205 8th St.	Bakersfield	93304
Briarcrest Nursing Center	5648 E. Gotham Street	Bell Gardens	90201
Mount Rubidox Convalescent Hospital	6401 33rd St.	Belltown	92509
Buena Park Nursing Center	8520 Western Ave.	Buena Park	90620
Knott Ave. Care Senter	9021 Knott Ave.	Buena Park	90620
Alameda Care center	925 W. Alameda Ave.	Burbank	91205
Burbank Healthcare & Rehabilitation Center	1041 Main St.	Burbank	91506
Canyon Oaks Nursing Center	22029 Saticoy St.	Canoga Park	91303
West Hills Health & Rehabilitation Center	7940 Topanga Canyon Blvd.	Canoga Park	91304
West Valley Convalescent Hospital	7057 Shoup Ave.	Canoga Park	91307
Capistrano Beach Care Center	35410 Del Rey	Capistrano	92624
Chatsworth Park Convalescent Hospital	10610 Owensmouth Ave.	Chatsworth	91311
Topanga Terras Nursing Facility	22125 Roscoe Blvd.	Chatsworth	91304
Western Health Care Center	1700 E. Washington St.	Colton	92324
Corona Care Convalescent Hospital	1400 Circle City Dr.	Corona	92879
Marina Care Center	5240 Spulveda Blvd.	Culver City	90230
Marycrest Manor	10664 St. James Dr.	Culver City	90230
Downey Care Center	13007 s. Paramount Ave.	Downey	90242
Santa Teresita Medica Center	819 Buena Vista St.	Duarte	91010
Laurel Convalescent Hospital	7509 Laurel Ave.	Fontana	92336
Fullerton Post Acute	2222 N. Harbor Blvd.	Fullerton	92835
St. Elizabeth Care Center	2800 N. Harbor Blvd.	Fullerton	92835
Alta Gardens Care Center	13075 Blackbird St.	Garden Grove	92843
Chapman Care Center	12232 Chapman ave.	Garden Grove	92840
Orange Grove Rehab Center	12332 W. Garden Grove Blvd.	Garden Grove	91107
Clear View Convalescent Center	15823 S. Western Ave.	Gardena	90247
Gardena Convalescent Center	14819 S. Vermont Ave.	Gardena	90247
South Bay Keiro Nursing Home	15115 S. Vermont Ave.	Gardena	90247
Allen Care of Glendale	201 Allen Ave.	Glendale	91201
Broadway Manor Convalescent Hospital	605 W. Broadway	Glendale	91204
Glendora Grand	805 W. Arrow Hwy	Glendora	91740
Magnolia Gardens Convalescent Hospital	17922 San Fernando Mission Blvd.	Granada Hills	91344
Rinaldi Convalescent Hospital	16553 Rinaldi St.	Granada Hills	91344
Imperial Crest Healthcare Center	11834 Inglewood Ave.	Hawthorne	90250
Devonshire Care Center	1350 E. Devonshire Ave.	Hemet	92544
San Jacinto Health Care	275 N. San Jacinto St.	Hemet	92543
Lomita Care Center	1955 W. Lomita Blvd.	Lomita	90717
Bixby Knolls Towers	3737 Atlantic Ave.	Long Beach	90807
Catered Manor Nursing Center	4010 Virginia Rd.	Long Beach	90807
Hillcrest Care Center	3401 Cedar Ave.	Long Beach	90807
Royal Care Rehabilitation Center	2725 Pacific Ave.	Long Beach	90806

Santa Fe Convalescent Hospital	3294 Santa Fe Av.	Long Beach	90810
Alden Terrace Convalescent Hospital	1240 S. Hover St.	Los Angeles	90006
Alexandria Care Center	1515 N. Alexandria Ave.	Los Angeles	90027
Buena Ventura Care Center	1016 S. Record Ave.	Los Angeles	90023
Burlington Convalescent Hospital	845 S. Burlington Ave.	Los Angeles	90057
California Convalescent Center	909 S. Lake St.	Los Angeles	90006
Country Villa University Park	230 E. Adams Blvd.	Los Angeles	90011
Crenshaw Nursing Home	1900 S. Longwood Ave.	Los Angeles	90016
Guardian Rehabilitation Hospital	533 S. Fairfax Blvd.	Los Angeles	90036
Longwood Manor Convalescent Hospital	4853 W. Washington Blvd.	Los Angeles	90016
Nazareth House	3333 Manning Ave.	Los Angeles	90064
Solheim Lutheran Home	2236 Merton Ave.	Los Angeles	90041
Sunnyview Convalescent Home	2000 W. Washington Blvd.	Los Angeles	90018
View Park Convalescent Center	3737 Don Felipe Dr.	Los Angeles	90008
Virgil Convalescent Hospital	975 N. Virgil Ave.	Los Angeles	90029
Western Convalescent Hospital	2190 W. Adams Blvd.	Los Angeles	90018
Westlake Convalescent Hospital	316 S. Westlake Ave.	Los Angeles	90057
York Nursing and Wellness Center	6071 York Blvd.	Los Angeles	90042
Pinecrest Convalescent Hospital	6025 Pine Ave.	Maywood	90270
Braswell's Ivy Convalescent Center	2278 Nice Ave.	Menton	92359
Community Extended Care Hospital of Montclair	9620 Fremont Ave.	Montclair	91763
Montclair Manor Care Center	5119 Bandera Street	Montclair	91763
Montrose Healthcare Center	2123 Verdugo Blvd.	Montrose	91020
Country Villa Murrieta	24100 Monroe Ave.	Murrieta	92562
Valley Manor Convalescent Hospital	6120 Vineland Ave.	N. Hollywood	91606
Mary Health of the Sick	2929 Theresa Dr.	Newbury Park	91320
Providence St. Elizabeth Care Center	10425 Magnolia Blvd.	North Hollywood	91601
Sherman Village Health Care Center	12750 Riverside Dr.	North Hollywood	91607
Northridge Care Center	7836 Reseda Blvd.	Northridge	91335
Intercommunity Care Center	12627 Studebaker Rd.	Norwalk	90650
Norwalk Skilled Nursing & Wellness Center	11510 Imperial Hwy	Norwalk	90650
Orange Health Care Center	920 W. Laveta Ave.	Orange	92868
Sun Air Convalescent Hospital	14857 Roscoe Blvd.	Panorama City	91402
Pasadena Park Healthcare center	2585 Washington Blvd.	Pasadena	91107
Centinela Grand Health Center	2225 N. Perris Blvd.	Perris	92571
Chino Valley Healthcare Center	2351 S. Towne Ave.	Pomona	91766
Braswell's Colonial Care	1618 Laurel Ave.	Redlands	92373
Alta Vista Health Care Center	9020 Garfield St.	Riverside	92503
Community Care on Palms	4768 Palm Ave.	Riverside	92501
Extended Care Riverside	8171 Magnolia Ave.	Riverside	92504
Lifehouse Convalescent Riverside	8781 Lakeview Ave.	Riverside	92509
Mission Nursing Center	8487 Magnolia Ave.	Riverside	92504
Vista Pacifica Convalescent Hospital	3662 Pacific Ave.	Riverside	92509
San Gabriel Convalescent Center	8035 E. Hill Drive	Rosemead	91770
Arrowhead Home Convalescent Hospital	4343 N. Sierra Way	San Bernardino	92407
Hillcrest Care Center	4280 Cypress Drive	San Bernardino	92407
Legacy Post Acute	1335 N. Waterman Ave.	San Bernardino	92404
Valley Healthcare Center	1680 N. Waterman Ave.	San Bernardino	92404
Live Oak Rehabilitation Center	537 W. Live Oak	San Gabriel	91776
Los Palos Convalescent Hospital	1430 W. 6th St.	San Pedro	90732
Seacrest Convalescent Hospital	1416 W. 6th St.	San Pedro	90732
Carehouse Healthcare Center	1800 Old Tustin Rd.	Santa Ana	92705
French Park Care Center	600 E. Washington St.	Santa Ana	92701

Santa Clarita Convalescent Hospital	23801 San Fernando Rd.	Santa Clarita	91321
Santa Monica Healthcare Center	1320 20th Street	Santa Monica	90404
Sherman Oaks Convalescent Hospital	14401 Huston St.	Sherman Oaks	91423
Pacific Care Nursing Center	3355 Pacific Place	Signal Hills	90806
Simi Valley Care & Rehabilitation Center	5270 E. Los Angeles Ave.	Simi Valley	93063
Studio City Rehabilitation Center	11429 Ventura Blvd.	Studio City	91604
Life Care of Menifee	27600 Encanto Dr.	Sun City	92586
Villa Scalabrini Retirement Center	10631 Vinedale St.	Sun Valley	91352
High Valley Lodge	7912 Topley Lane	Sunland	91040
New Vista Nursing Center	8647 Fenwick St.	Sunland	91040
Shadow Hills Convalescent Hospital	10158 Sunland Blvd.	Sunland	91040
Astoria Nursing & Rehab Center	14040 Astoria St.	Sylmar	91342
Driftwood Healthcare Center	4109 Emerald Street	Torrance	90503
Heritage Rehabilitation Center	21414 S. Vermont Ave.	Torrance	90502
Sunnyside Nursing Center	22617 S. Vermont Ave.	Torrance	90502
Berkly Valley Convalescent Hospital	6600 Sepulveda Blvd.	Van Nuys	91411
California Healthcare & Rehabilitation Center	6700 Sepulveda Blvd.	Van Nuys	91411
Country Villa Woodman	13524 Sherman Way	Van Nuys	91405
Evergreen Chataue	13530 Sherman Way	Van Nuys	91405
Lake Balboa Care Center	16955 Vanowen St.	Van Nuys	91406
Desert Knolls Convalescent	14973 Hesperia Road	Victorville	92395
Knolls West Convalescent	16890 Green Tree Blvd.	Victorville	92395
Country Villa West Covina	850 S. Sunkist Ave.	West Covina	91790
Stanly Health Care Center	14102 Springdale St.	Westminster	92683
Shea Rehabilitation and Health Care Center	7716 Pickering Ave.	Whittier	90602
Braswell's Community Convalescent	13542 2nd St.	Yucaipa	92399
Braswell's Yucaipa Convalescent Hospital	35253 Ave. "H"	Yucaipa	92399