



Date: October 19, 2021

To: Honorable Mayor and Council

From: Councilwoman Cindy Allen, Second District
Vice Mayor Rex Richardson, Ninth District
Councilwoman Mary Zendejas, First District

Subject: Resolution for City Support of Molina Healthcare

RECOMMENDED ACTION:

Request the City Attorney to prepare a resolution to communicate to the State of California Department of Healthcare Services the City's full support of Molina Healthcare of California's (MHC) bid to continue providing healthcare to Medi-Cal recipients in the County of Los Angeles as the Primary Contracted Commercial Plan.

DISCUSSION:

Molina Healthcare was founded in Long Beach, and currently employs more than 2,500 individuals in LA County, with over 1,000 of these employees and their families residing in the City of Long Beach. Their ongoing commitment to the City of Long Beach will be a crucial element in an equitable recovery from COVID-19 and its ensuing economic crisis, especially in downtown where their headquarters employees provide a vital economic engine.

The economic impact of these families, along with Molina's significant real estate footprint in Long Beach, greatly contribute to our economic vitality – through both thousands of direct and indirect jobs and tax revenue to support our General Fund and City's operations.

Beyond the significant economic impact of the company in the City of Long Beach, the organization has stepped up tremendously throughout the COVID-19 pandemic to provide support and resources to communities across the County in its facilitation of vaccines to vulnerable and hard-to-reach populations; PPE donations; and additional volunteer and monetary support for community-based organizations.

It is appropriate for the City to formally support this homegrown company that seeks to maintain local operations and presence in Long Beach.

This matter was reviewed by Grace Yoon on September 27, 2021.



FISCAL IMPACT:

The recommendation requests the City Attorney to prepare a resolution to communicate the City's full support of MHC's bid to continue providing healthcare to Medi-Cal recipients in the County of Los Angeles as the Primary Contracted Commercial Plan. The requested action is anticipated to require a minimal level of staff hours beyond the budgeted scope of duties and have a minimal impact on other City Council priorities. Depending on whether Molina Healthcare of California succeeds in their bid, there could be significant gain or loss of local jobs.