

CALIFORNIA
PRISON HEALTH CARE
RECEIVERSHIP CORP.

J. Clark Kelso
Receiver

VIA ELECTRONIC MAIL

April 24, 2008

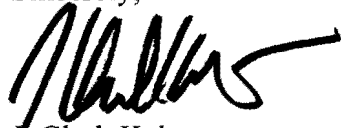
Dear Dr. Ron Shansky:

I want to thank you for taking the time to speak with me about our draft strategic plan.

Your comments regarding the need for a training program for management positions that would focus on leadership, management skills, how to implement policies and how to self-monitor have struck a responsive chord with me. We are just at the beginning of a major refresh of the leadership positions at the institutions, and those new leaders will need the support and training to lead fundamental culture change at each institution. We are asking our institutional leaders to engage in the most difficult type of organizational change, and appropriate training, mentoring and guidance will be an important component of our success.

I also agree with your sense that our regional leaders are responsible for too many institutions within their regions. Staff is actively considering whether our ultimate structure should expand the number of regions (e.g., to six) or whether we should establish "sub-regions" within some or all of our regions. There are pros and cons to each approach. I look forward to a recommendation from staff in a few months on this important organizational decision, and I will keep your comments in mind as I review their recommendation.

Sincerely,



J. Clark Kelso
Receiver