

AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 1

ON HEALTH AND HUMAN SERVICES

ASSEMBLYMEMBER DR. JOAQUIN ARAMBULA, CHAIR

AND

ASSEMBLY BUDGET SUBCOMMITTEE NO. 4

ON STATE ADMINISTRATION

ASSEMBLYMEMBER WENDY CARRILLO, CHAIR

MONDAY, MARCH 14, 2022

2:30 PM, STATE CAPITOL, ROOM 127

We encourage the public to provide written testimony before the hearing. Please send your written testimony to: BudgetSub1@asm.ca.gov. Please note that any written testimony submitted to the committee is considered public comment and may be read into the record or reprinted. All are encouraged to watch the hearing from its live stream on the Assembly's website at <https://www.assembly.ca.gov/todaysevents>.

The hearing room will be open for attendance of this hearing. Any member of the public attending a hearing is encouraged to wear a mask at all times while in the building. The public may also participate in this hearing by telephone after all witnesses on all panels and issues have concluded, and after the conclusion of member questions.

We encourage the public to monitor the committee's website for updates.

ITEMS TO BE HEARD		
ITEM	DESCRIPTION	PAGE
0553 0559	CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY CALIFORNIA LABOR AND WORKFORCE DEVELOPMENT AGENCY	
ISSUE 1	GOVERNOR'S HEALTH CARE WORKFORCE BUDGET PROPOSALS – OVERVIEW	15
4140 4440 6440	DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION DEPARTMENT OF STATE HOSPITALS UNIVERSITY OF CALIFORNIA	
ISSUE 2	GRADUATE MEDICAL EDUCATION – OVERSIGHT	18
0559	CALIFORNIA LABOR AND WORKFORCE DEVELOPMENT AGENCY	
ISSUE 3	LABOR AGENCY COORDINATION RESOURCES FOR HEALTHCARE WORKFORCE DEVELOPMENT BCP	22
ISSUE 4	HIGH ROAD TRAINING PARTNERSHIPS FOR HEALTH AND HUMAN SERVICES	24
ISSUE 5	EMPLOYMENT TRAINING PANEL EXPANSION FOR HEALTH AND SOCIAL WORK	26
ISSUE 6	TARGETED EMERGENCY MEDICAL TECHNICIAN TRAINING	29
4140 4260	DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION DEPARTMENT OF HEALTH CARE SERVICES	
ISSUE 7	WORKFORCE FOR A HEALTHY CALIFORNIA FOR ALL HCAI BCP	31
ISSUE 8	EXCISE TAX: ELECTRONIC CIGARETTES: HEALTH PROFESSIONS CAREER OPPORTUNITY GRANT PROGRAM AND SMALL AND RURAL HOSPITAL RELIEF PROGRAM (SB 395) HCAI BCP	34
ISSUE 9	REPRODUCTIVE HEALTH CARE WORKFORCE AND CAPITAL INFRASTRUCTURE HCAI BCP	37
ISSUE 10	WORKFORCE AUGMENTATION AND BUDGET ALIGNMENT HCAI BCP	41
ISSUE 11	BEHAVIORAL HEALTH WORKFORCE ISSUES – OVERSIGHT	45
ISSUE 12	SKILLED NURSING FACILITIES WORKFORCE ISSUES – OVERSIGHT	50

LIST OF PANELISTS IN ORDER OF PRESENTATION**0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY****0559 CALIFORNIA LABOR AND WORKFORCE DEVELOPMENT AGENCY**

ISSUE 1: GOVERNOR'S HEALTH CARE WORKFORCE BUDGET PROPOSALS – OVERVIEW**PANEL 1 - PRESENTERS**

- **Darci Delgado**, Assistant Secretary, California Health and Human Services Agency
- **Abby Snay**, Deputy Secretary, Future of Work, California Labor and Workforce Development Agency

PANEL 1 – Q&A ONLY

- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

4140 DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION**4440 DEPARTMENT OF STATE HOSPITALS****6440 UNIVERSITY OF CALIFORNIA**

ISSUE 2: GRADUATE MEDICAL EDUCATION – OVERSIGHT**PANEL 2 – PRESENTERS**

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Cathryn Nation, MD**, Vice President of Health Services, University of California
- **Brent Houser**, Chief Deputy Director of Operations, Department of State Hospitals

PANEL 2 – Q&A ONLY

- **James Regan**, Assistant Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Kate Warburton, MD**, Medical Director, Department of State Hospitals
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Jack Zwald**, Principal Program Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

0559 CALIFORNIA LABOR AND WORKFORCE DEVELOPMENT AGENCY

ISSUE 3: LABOR AGENCY COORDINATION RESOURCES FOR HEALTHCARE WORKFORCE DEVELOPMENT BCP**PANEL 3 - PRESENTERS**

- **Abby Snay**, Deputy Secretary, Future of Work, California Labor and Workforce Development Agency

PANEL 3 – Q&A ONLY

- **Jay Sturges**, Associate Secretary, Fiscal Policy and Administration, Labor and Workforce Development Agency
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

ISSUE 4: HIGH ROAD TRAINING PARTNERSHIPS FOR HEALTH AND HUMAN SERVICES**PANEL 4 – PRESENTERS**

- **Tim Rainey**, Executive Director, California Workforce Development Board
- **Matt Legé**, Government Relations Advocate, SEIU

PANEL 4 – Q&A ONLY

- **Curtis Notsinneh**, Chief Deputy Director, California Workforce Development Board
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

ISSUE 5: EMPLOYMENT TRAINING PANEL EXPANSION FOR HEALTH AND SOCIAL WORK**PANEL 5 – PRESENTERS**

- **Jaime Gutierrez**, Chief Deputy Director, Employment Training Panel
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office

PANEL 5 – Q&A ONLY

- **Peter Cooper**, Assistant Director, Employment Training Panel
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

ISSUE 6: TARGETED EMERGENCY MEDICAL TECHNICIAN TRAINING**PANEL 6 - PRESENTERS**

- **Javier Romero**, Deputy Director, Workforce Services Branch, Employment Development Department
- **Alex Briscoe**, Director, Public Works Alliance

PANEL 6 – Q&A ONLY

- **Kimberlee Meyer**, Chief Workforce Services Central Office, Employment Development Department
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

4140 DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION
4260 DEPARTMENT OF HEALTH CARE SERVICES

ISSUE 7: WORKFORCE FOR A HEALTHY CALIFORNIA FOR ALL HCAI BCP**PANEL 7 – PRESENTERS**

- **Elizabeth Landsberg**, Director, Department of Health Care Access and Information
- **Maria Lemus**, Executive Director, Vision y Compromiso
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Michelle Gibbons**, Executive Director, County Health Executives Association of California

PANEL 7 – Q&A ONLY

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **James Regan**, Assistant Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Jacey Cooper**, State Medicaid Director & Chief Deputy Director of Health Care Programs, Department of Health Care Services
- **René Mollow**, Deputy Director of Health Care Benefits And Eligibility, Department of Health Care Services
- **Autumn Boylan**, Deputy Director of Office Of Strategic Partnerships, Department of Health Care Service
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Guadalupe Manriquez**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

ISSUE 8: EXCISE TAX: ELECTRONIC CIGARETTES: HEALTH PROFESSIONS CAREER OPPORTUNITY GRANT PROGRAM AND SMALL AND RURAL HOSPITAL RELIEF PROGRAM (SB 395) HCAI BCP**PANEL 8 – PRESENTERS**

- **Jeremy Marion**, Deputy Director, Cal-Mortgage Loan Insurance Division, Department of Health Care Access and Information

PANEL 8 – Q&A ONLY

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Carl Schumer**, Compliance Officer, Facilities Development Division, Department of Health Care Access and Information
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

**ISSUE 9: REPRODUCTIVE HEALTH CARE WORKFORCE AND CAPITAL INFRASTRUCTURE HCAI
BCP****PANEL 9 – PRESENTERS**

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information

PANEL 9 – Q&A ONLY

- **Jeremy Marion**, Deputy Director, Cal-Mortgage Loan Insurance Division, Department of Health Care Access and Information
- **Scott Christman**, Chief Deputy Director, Department of Health Care Access and Information
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

ISSUE 10: WORKFORCE AUGMENTATION AND BUDGET ALIGNMENT HCAI BCP**PANEL 10 – PRESENTERS**

- **Monica Erickson**, Deputy Director, Administrative Services Division, Department of Health Care Access and Information

PANEL 10 – Q&A ONLY

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

ISSUE 11: BEHAVIORAL HEALTH WORKFORCE ISSUES**PANEL 11 – PRESENTERS**

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Ryan Quist, PhD**, Behavioral Health Director, Sacramento County
- **Janet Coffman, MD**, Faculty, UCSF Healthforce Center
- **Le Ondra Clark Harvey, Ph.D.**, Chief Executive Officer, California Council of Community Behavioral Health Agencies
- **Tyler Rinde**, Executive Director, California Association of Alcohol and Drug Program Executives, Inc.

PANEL 11 – Q&A ONLY

- **James Regan**, Assistant Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Jacey Cooper**, State Medicaid Director & Chief Deputy Director of Health Care Programs, Department of Health Care Services
- **Kelly Pfeifer, MD**, Deputy Director of Behavioral Health, Department of Health Care Services
- **Autumn Boylan**, Deputy Director of Office of Strategic Partnerships, Department of Health Care Service
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Guadalupe Manriquez**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

ISSUE 12: SKILLED NURSING FACILITIES WORKFORCE ISSUES**PANEL 12 – PRESENTERS**

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Amanda Steele**, Deputy Policy Director, SEIU Local 2015
- **Nicole Howell**, Executive Director, Empowered Aging, 21-22 Health and Aging Policy Fellow
- **Elizabeth Halifax**, PhD, RN, Assistant Professor, Department of Social & Behavioral Sciences, University of California, San Francisco
- **Claire Enright**, BSN, RN-BC Geriatrics, Executive Director, Quality Care Health Foundation, California Association of Health Facilities

PANEL 12 – Q&A ONLY

- **James Regan**, Assistant Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Jacey Cooper**, State Medicaid Director & Chief Deputy Director of Health Care Programs, Department of Health Care Services
- **Lindy Harrington**, Deputy Director of Health Care Financing, Department of Health Care Services
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Guadalupe Manriquez**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

ITEMS TO BE HEARD**0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY****0559 CALIFORNIA LABOR AND WORKFORCE DEVELOPMENT AGENCY**

ISSUE 1: GOVERNOR'S HEALTH CARE WORKFORCE BUDGET PROPOSALS – OVERVIEW**PANEL 1 – PRESENTERS**

- **Darci Delgado**, Assistant Secretary, California Health and Human Services Agency
- **Abby Snay**, Deputy Secretary, Future of Work, California Labor and Workforce Development Agency

PANEL 1 – Q&A ONLY

- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

PROPOSAL

The Governor's budget includes a one-time \$1.7 billion investment over three years in care economy workforce development. These investments are proposed across state departments under the Labor Workforce and Development Agency and the California Health and Human Services Agency – including Employment Development Department, ETP, the California Workforce Development Board, the Department of Health Care Access and Information, and the Department of Health Care Services. According to the Governor's budget, the aim of this investment is to recruit, train, hire, and advance an ethically and culturally inclusive health and human services workforce, with improved diversity, wages, and health equity outcomes.

BACKGROUND

As California continues to make progress providing affordable health coverage to all its residents, current and projected shortages of providers of health care services make it difficult for many Californians, particularly those enrolled in Medi-Cal or with complex health care needs, to easily access necessary medical care. According to the California Future Health Workforce Commission, a diverse body of public, private, and non-profit stakeholders convened to study the state's health workforce needs, California is facing statewide and regional shortages of many essential providers of primary care, behavioral

health, public health interventions, and care for older adults. In addition, California lacks an adequate supply of frontline health care workers, such as community health workers (CHWs), home care workers, medical assistants (MAs), and peer support specialists, as well as an adequate supply of all providers with the necessary cultural and linguistic competency to effectively serve the health care needs of an increasingly diverse state.

Primary Care Workforce Shortages. According to the Healthforce Center at the University of California, San Francisco (UCSF), California will likely face a statewide shortfall of clinicians by 2030, with some regions facing greater shortages than others as providers are not evenly distributed across regions of the state. Based on their forecast of provider supply, the Healthforce Center estimates the supply of primary care physicians (MDs) will decrease between 8 and 25 percent because an insufficient number of new primary care MDs are completing residency programs to replace physicians who are projected to retire. The Healthforce Center also estimates that, by 2030, the supply of primary care nurse practitioners (NPs) is projected to increase between 82 and 157 percent and the supply of primary care physician assistants (PAs) is projected to increase between 64 and 127 percent. By 2030, nearly half of California's primary care workforce will consist of NPs and PAs, delivering up to 75 percent of all primary care services.

Behavioral Health Workforce Shortages. Similar to primary care, providers of behavioral health services suffer from geographic mal-distribution. For example, the San Joaquin Valley and Inland Empire regions have the lowest provider-to-population ratios in the state for almost every category of behavioral health provider, compared to the Bay Area which has more than three times as many psychiatrists by population as those two regions. In addition, most behavioral health occupations do not reflect the racial, ethnic, or gender diversity of the state. African Americans and Latinos are underrepresented among psychiatrists and psychologists, while Latinos are also underrepresented among counselors and clinical social workers. Men constitute the majority of psychiatrists, while women constitute the majority of psychologists, counselors, and social workers.

Training opportunities are similarly mal-distributed. For example, there are no residency programs for psychiatrists and no educational programs for mental health nurse practitioners or psychologists north of Sacramento. There are also no doctoral programs in psychology in the Central Coast or San Joaquin Valley regions. While Latino representation among graduates of social work and psychiatric technician programs has improved, Latinos remain underrepresented among graduates of psychiatric residency programs and clinical or counseling psychology programs.

According to Healthforce researchers, based on current supply of providers and demand for service utilization, by 2028, California will have 50 percent fewer psychiatrists than needed to meet the state's mental health needs, and 28 percent fewer psychologists, licensed marriage and family therapists (LMFTs), licensed professional clinical counselors (LPCCs), and licensed clinical social workers (LCSWs) than needed.

STAFF COMMENTS/QUESTIONS

The Subcommittees request the two agencies provide an overview of the state's health care workforce needs and challenges, and provide an overview of the package of proposals included in the Governor's Budget.

Staff Recommendation: No action recommended as this is an overview issue.

4140 DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION**4440 DEPARTMENT OF STATE HOSPITALS****6440 UNIVERSITY OF CALIFORNIA**

ISSUE 2: GRADUATE MEDICAL EDUCATION – OVERSIGHT**PANEL 2 – PRESENTERS**

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Cathryn Nation, MD**, Vice President of Health Services, University of California
- **Brent Houser**, Chief Deputy Director of Operations, Department of State Hospitals

PANEL 2 – Q&A ONLY

- **James Regan**, Assistant Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Kate Warburton, MD**, Medical Director, Department of State Hospitals
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Jack Zwald**, Principal Program Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

OVERSIGHT ISSUE

The state supports graduate medical education through several different programs that are located within either: the Department of Health Care Access and Information (HCAI), the University of California (UC), or the Department of State Hospitals.

UC Graduate Medical Education

Proposition 56 – the California Healthcare, Research and Prevention Tobacco Tax Act of 2016 – was passed by voters on the November 8, 2016 ballot and implemented a surcharge on tobacco tax products. Among the numerous programs supported with Proposition 56 funds, the measure requires \$40 million annually to go to the University of California (UC) for primary care physician post-graduate training programs (known as “graduate medical education”). UC uses the funds to support the CalMedForce program, which provides competitive grants to primary care graduate medical education programs throughout California. Under a memorandum of understanding with UC, Physicians for a Healthy California administers the grants.

The measure also directs the state to reduce the amount of Proposition 56 funds going for UC graduate medical education in response to declining tobacco tax revenues. However, the state has backfilled Proposition 56 funding reductions to CalMedForce with state General Fund, maintaining the program's total level of support at \$40 million. The Governor's Budget proposes a decrease of \$582,000 ongoing General Fund to maintain a total of \$40 million annually for the program, although that will likely be adjusted at the May Revision once a better estimate of Proposition 56 revenue is known.

PRIME

Launched in 2004, UC Programs in Medical Education (PRIME) are part of a system-wide initiative focused on addressing physician workforce shortages and meeting the needs of California's underserved populations by increasing medical student enrollment and the capacity of UC medical schools to train highly motivated, socially conscious graduates who will become physician leaders committed to serving medically underserved groups and communities across the state.

Each program includes a specified area of focus and combines structured activities ranging from student outreach and recruitment to specialized coursework, population-focused clinical training and research experiences, health care leadership and management training, community engagement experiences, master's degree educational opportunities, faculty mentoring, and sponsored events that are open to the broader campus community.

Prior to the 2021 Budget Act, there were 6 PRIME programs focusing on differing issues, including a program centered on rural health at UC Davis and a program on Latino health at UC Irvine. UC used about \$4.5 million in ongoing General Fund to fund the program. The 2021 Budget Act added \$12.9 million ongoing General Fund for PRIME, and allowed UC to create two new programs: a Native American health focus at UC Davis and UC San Diego, and a Black/African American health focus at UC Irvine and UC Riverside.

Song-Brown Healthcare Workforce Training Program.

HCAI administers the Song-Brown Healthcare Workforce Training Program (Song-Brown), which aims to increase the number of students and residents receiving quality primary care education and training in areas of unmet need throughout California. The Song-Brown program supports primary care residency training programs, nurse practitioner and physician assistant training programs, and registered nursing programs. In 2021-22, Song-Brown awarded \$20.8 million to support 166 existing residency slots in existing programs, \$5.9 million to support 47 residency slots in teaching health centers, \$5.4 million to support 18 new residency slots in existing programs, and \$3.2 million to support six new residency programs. In 2021-22, Song-Brown awarded \$1.9 million to support 162 slots in family nurse practitioner and physician assistant training programs. In 2020-21, Song-Brown awarded \$2.7 million to support 122 registered nursing slots.

AB 3426 (Filante), Chapter 1130, Statutes of 1992, authorizes the collection and transfer of voluntary fees by the Medical Board of California for support of the Song-Brown Program. The University of California matches each dollar in collected fees. According to HCAI, yearly contributions from voluntary fees are increasing and will soon meet or surpass the department's reimbursement expenditure authority of \$400,000. HCAI requests an increase in reimbursement authority of \$200,000 to account for the increased voluntary fee collections to support the Song-Brown program.

Recent increases in funding for Song-Brown in the state budget include:

2014 – \$2.94 million (special funds) and 1.0 limited-term position to expand the Song-Brown program in support of medical residency slots in underserved areas.

2016 – \$33 million General Fund per year for three years, including \$82.5 million in support for new and existing primary care medical residency slots and \$17.5 million in support for teaching health centers' residency programs.

2019 – approved of the 3-year appropriation of \$33.3 million General Fund per year to be ongoing, beginning 2020-21.

Napa State Hospital Psychiatric Residency Program

The Residency Program at St. Joseph Medical Center (SJMC) received accreditation from the Accreditation Council for Graduate Medical Education (ACGME) in February 2021, which enabled recruitment for residents. Since that time, both DSH positions of an Associate Program Director and Hospital Administration Resident II have been filled and the Residency Program has matched its first cohort of seven residents which began in July 2021. With the current contract in place, 28 residents will be in the program by post graduate year four. Of those no more than eight will be onsite at any given time.

When DSH originally put forward the Residency Program as part of the Workforce Development Budget Change Proposal (BCP) in the 2019 Budget Act, estimates were made on the number of residents and when the program would begin. When the final number of residents were provided by SJMC, it was higher than what DSH had projected in the original request (7 residents versus 4 residents per program year). However, due to the year delay in implementation due to COVID19, sufficient funding remains from the original BCP until fiscal year (FY) 2024-25 to fund the additional residents. In current year, DSH is anticipating a savings of \$363,000 due to the delay in beginning the Residency Program.

Given the success of recruiting the first cohort, DSH is currently working with SJMCs on potentially increasing the number of residents participating in the Residency Program. Per the ACGME, any expansions to a program should occur within the first five years of the program being established. DSH will provide more information on the status of the

proposed program expansion and potential number of residents in the 2022-23 May Revision.

STAFF COMMENTS/QUESTIONS

The Subcommittees request HCAI, UC, and DSH provide overviews of their graduate medical education programs, and respond to the following:

Questions for HCAI:

- How many more residency slots are there in California as a result of the Song-Brown Program, or as a result of the increased funding allocated to the program since 2014?
- Did the Office of Statewide Health Planning and Development, and/or will HCAI, monitor the Song-Brown grants to ensure that hospitals do not use the grant funding to backfill other funding in their residency programs, in order to shift funds to other hospital needs?

Questions for UC:

- How many universities have received grants under the CalMedForce program? How much funding is distributed with each grant? Has Proposition 56 led to an increase in graduates of GME programs?
- How many graduate medical education students does UC currently have? Please discuss recent trends in enrollment. What is the demographic breakdown of current GME students?
- Does UC monitor the CalMedForce grants to ensure that hospitals do not use the grant funding to backfill other funding in their residency programs, in order to shift funds to other hospital needs?
- How does the CalMedForce program interact with the Song-Brown program?
- Please provide an update on the creation of the two new PRIME programs. When will students first enroll? What are the goals of these new programs?
- Has the PRIME program achieved its overall goal to increase physicians serving medically underserved groups and communities?

Staff Recommendation: No action recommended as this is an oversight issue.

0559 CALIFORNIA LABOR AND WORKFORCE DEVELOPMENT AGENCY**ISSUE 3: LABOR AGENCY COORDINATION RESOURCES FOR HEALTHCARE WORKFORCE DEVELOPMENT BCP****PANEL 3 – PRESENTERS**

- **Abby Snay**, Deputy Secretary, Future of Work, California Labor and Workforce Development Agency

PANEL 3 – Q&A ONLY

- **Jay Sturges**, Associate Secretary, Fiscal Policy and Administration, Labor and Workforce Development Agency
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

PROPOSAL

LWDA requests \$500,000 General Fund for 2022-2023, 2023-24 and 2024-25 and two positions (Assistant Secretary for Health Care Workforce and a Research Data Specialist II), totaling \$1.5 million, to implement the Workforce for a Healthy California Initiative in partnership with California Health and Human Services Agency.

BACKGROUND

The roles and responsibilities of both positions and the temporary staffing is described below:

- Assistant Secretary for Healthcare Workforce: will collaborate with CalHHS and its multiple departments to conduct ongoing analysis of workforce shortages, trends and training modalities, and to develop specific training programs in partnership with CalHHS departments, as well as directing LWDA's training entities. This position will also lead collaborative planning and program development with the Department of Consumer Affairs and other licensing agencies, as well as the state's Community Colleges and Adult Education system under California Department of Education.
- Research Data Specialist II: will conduct research in support of this initiative, including labor market projections for targeted occupations, analysis of projected workforce shortages, assessment of certification and licensing practices that limit

growth, analysis of regulations and policies to expand workforce and improve job quality, including policies and programs of other states.

- Temporary Staffing: will provide research and evaluation, stakeholder outreach, program development and employer engagement.

STAFF COMMENTS/QUESTIONS

The Subcommittees request LWDA present this proposal.

Staff Recommendation: Hold open to allow for additional discussion and analysis.

ISSUE 4: HIGH ROAD TRAINING PARTNERSHIPS FOR HEALTH AND HUMAN SERVICES**PANEL 4 – PRESENTERS**

- **Tim Rainey**, Executive Director, California Workforce Development Board
- **Matt Legé**, Government Relations Advocate, SEIU

PANEL 4 – Q&A ONLY

- **Curtis Notsinneh**, Chief Deputy Director, California Workforce Development Board
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst’s Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst’s Office

PROPOSAL

California Workforce Development Board (CWDB) requests \$120 million General Fund in 2022-23, and \$110 million in 2023-24 and 2024-25, totaling \$340 million, to recruit, train, hire, and advance California’s health and human services sectors.

BACKGROUND

In its report “Putting California on the High Road: A Jobs and Climate Action Plan for 2030,” the UC Berkeley Labor Center describes the “high-road” as an approach to economic development that creates family-supporting jobs while optimizing climate policy outcomes. In this context, building a high-road economy requires investments in workforce development so businesses and employers pay the wages and benefits necessary to attract and retain skilled-workers.

CWDB has several high-road initiatives in place, including the High-Road Training Partnership (H RTP) which focuses on regional strategies to improve economic factors while creating environmentally resilient communities; or the High-Road Construction Careers (HRCC) which centers on partnerships with local building and construction trades council, workforce boards, community colleges, and other entities to create pathways to construction careers.

This proposal will focus on expanding and training the health and human services workforce. According to CWDB, efforts will primarily support careers in allied health (e.g. medical assistants, pharmacy technicians, radiology technologists, etc...). Similar to other CWDB efforts, funding would be awarded through regional grants. Partners may include community colleges, workforce boards, employers, and non-profit organizations.

CWDB projects that grants would range from \$250k to 1M. CWDB projects training approximately 22,000 individuals through this proposal

STAFF COMMENTS/QUESTIONS

The Subcommittees request the California Workforce Development Board presents on this proposal and answers the following questions:

1. Which specific health and human service sectors, jobs, and occupations would these proposals focus on expanding? How did CWDB design the list?
2. Can the CWDB provide a breakdown of categories of how grant funding will be used (e.g.: grants, stipends, trainings, etc...)
3. What are the metrics that will be used to determine the success of these proposed investments? For example, will time-to-hire, wages, career advancement, be considered?
4. Who will conduct third party assessments of these programs and how will that third-party be selected?
5. What outreach strategies will be used use to ensure a broad diversity of communities can take advantage of recruitment, training, and jobs offered through this proposal?
6. How will CWDB identify and support regions that are experiencing health care shortages?

Staff Recommendation: Hold open to allow for additional discussion and analysis.

ISSUE 5: EMPLOYMENT TRAINING PANEL EXPANSION FOR HEALTH AND SOCIAL WORK**PANEL 5 – PRESENTERS**

- **Jaime Gutierrez**, Chief Deputy Director, Employment Training Panel
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office

PANEL 5 – Q&A ONLY

- **Peter Cooper**, Assistant Director, Employment Training Panel
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

PROPOSAL

The Employment Training Panel (ETP) requests \$90 million one-time General Fund dollars to launch a Healthcare Workforce Advancement Program. This program aims to support job entry and career advancement for entry-level and other workers in care, healthcare, and human services social work settings.

BACKGROUND

According to ETP, funding may go directly to employers to provide their own training, as well as organized labor groups, community-based organizations, or trade associations.

ETP plans to prioritize which health and human service jobs to support based on several factors, including sectors with a high demand for entry-level occupations, or sectors that provide greater access to services to marginalized groups. Additionally, ETP will include occupations with opportunity for growth in wages and continued education that would lead to additional license and state certifications.

Based on occupational employment projections provided by EDD, potential health care sectors that ETP would support under this proposal include:

- Acute care
- Skilled nursing
- Long term care
- Home care
- Outpatient and ambulatory care
- Homeless services / Housing Assistance
- Child welfare & Family Assistance
- Social work (clinical and non-clinical)

- Community Outreach
- Patient and Case Managers
- School-based behavioral health
- Behavioral health
- Rehabilitative services
- Early learning and care
- Developmental services
- Emergency services
- Public health services
- Health and wellness education
- Food Assistance

Health and Human Service Job sector settings may include:

- In Patient Facilities (Hospitals, Skilled Nursing, Adult Senior and other Care / Rehab facilities)
- Out-patient Centers
- Public Health Organizations
- Community-Based Organizations
- Child Care Centers
- Homeless Shelters
- Behavioral Health Centers
- Home Health Settings

ETP notes that at the conclusion of the program, a third party will conduct an independent evaluation to assess the investments impact on worker retention, skills, and wages.

STAFF COMMENTS/QUESTIONS

The Subcommittees request the ETP present this proposal and answers the following questions:

1. Can the ETP provide a breakdown of categories of how grant funding will be used (e.g.: grants, stipends, trainings, etc...)
2. What are the metrics that will be used to determine the success of these proposed investments? For example, will time-to-hire, wages, career advancement, be considered?
3. Who will conduct third party assessments of these programs and how will that third-party be selected?

4. What outreach strategies will be used use to ensure a broad diversity of communities can take advantage of recruitment, training, and jobs offered through this proposal?
5. How will ETP identify and support regions that are experiencing health care shortages?
6. How would the ETP program differ from the CWDB program?

Staff Recommendation: Hold open to allow for additional discussion and analysis.

ISSUE 6: TARGETED EMERGENCY MEDICAL TECHNICIAN TRAINING**PANEL 6 – PRESENTERS**

- **Javier Romero**, Deputy Director, Workforce Services Branch, Employment Development Department
- **Alex Briscoe**, Director, Public Works Alliance

PANEL 6 – Q&A ONLY

- **Kimberlee Meyer**, Chief Workforce Services Central Office, Employment Development Department
- **Patrick Toppin**, Finance Budget Analyst, Department of Finance
- **Kris Cook**, Assistant Program Budget Manager, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

PROPOSAL

The Employment Development Department (EDD) requests \$20 million General Fund annually from 2022-23 through 2024-25, totaling \$60 million, to launch a program that provides targeted emergency medical technician training.

BACKGROUND

This proposal targets youth and those who may have barriers to employment for roles as Emergency Medical Technicians. These will be developed, in partnership with local public health systems and their contracted emergency medical providers. This proposal is based on a program developed and tested in Alameda County, which includes 380 hours of classroom instruction following a pre-course in medical terminology. Students will also participate in 20 hours of direct medical treatment and job shadowing, and receive intensive wrap-around support, including case management, mentoring, life coaching and job readiness. A training stipend of \$1,000 a month will allow participants to focus on their training program without part-time or full-time employment.

According to EDD, this proposal's initial planning process will identify program sites best suited for success. Factors will take into account stakeholder input, current regional health care workforce needs, assessment of counties' population of underserved youth, and regional capacity to administer the program.

STAFF COMMENTS/QUESTIONS

The Subcommittees request EDD present this proposal and provide an overview of the Alameda pilot program. Additionally, EDD should answer the following questions:

- How many individuals participated in the pilot program?
- How many individuals are planned to participate in this proposal?
- What regions of the state would this program operate in?

Staff Recommendation: Hold open to allow for additional discussion and analysis.

4140 DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION
4260 DEPARTMENT OF HEALTH CARE SERVICES

ISSUE 7: WORKFORCE FOR A HEALTHY CALIFORNIA FOR ALL HCAI BCP**PANEL 7 – PRESENTERS**

- **Elizabeth Landsberg**, Director, Department of Health Care Access and Information
- **Maria Lemus**, Executive Director, Vision y Compromiso
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Michelle Gibbons**, Executive Director, County Health Executives Association of California

PANEL 7 – Q&A ONLY

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **James Regan**, Assistant Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Jacey Cooper**, State Medicaid Director & Chief Deputy Director of Health Care Programs, Department of Health Care Services
- **René Mollow**, Deputy Director of Health Care Benefits And Eligibility, Department of Health Care Services
- **Autumn Boylan**, Deputy Director of Office Of Strategic Partnerships, Department of Health Care Service
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Guadalupe Manriquez**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

PROPOSAL

HCAI requests expenditure authority of \$296.5 million (\$270.5 million General Fund and \$26 million Opioid Settlement Fund) in 2022-23, and General Fund expenditure authority of \$370.5 million in 2023-24 and 2024-25. If approved, these resources would allow HCAI to support additional loan repayment, scholarship, stipend, and organizational grant awards for health workforce initiatives in its Workforce for a Healthy California for All Program. Of these requested resources, \$14.8 million in 2022-23 and \$18.5 million in 2023-24 and 2024-25 would support state operations costs to administer the program.

BACKGROUND

The resources being requested would support the following workforce initiatives:

Community Health Workers. HCAI is requesting resources to support a new program to recruit, train, and certify 25,000 new community health workers by 2025, with specialized training to work with certain populations including the justice-involved, the unhoused, older adults, or persons with disabilities. According to HCAI, the training requirements would align with Medi-Cal requirements for reimbursement for providing its new community health worker services benefit.

Comprehensive Nursing Initiative. HCAI requests resources to increase the numbers of registered nurses, licensed vocational nurses, certified nursing assistants, certified nurse midwives, certified medical assistants, family nurse practitioners, and other health professions. These resources would expand existing workforce programs at HCAI for these professionals. According to HCAI, these resources would annually support 4,509 loan repayments, 1,666 scholarships, and 20 training program grants for nurses and other professionals covered by this program expansion.

Social Workers. HCAI requests resources to increase the number of social workers trained in California by supporting social work training programs and providing stipends and scholarships for working people to create a new pipeline for diverse social workers. According to HCAI, these resources would annually support 250 loan repayments, 620 stipends, and 5 training program grants for social workers' training.

Psychiatric Residents. HCAI requests resources to increase the number of behavioral health providers such as psychiatrists, psychiatric nurse practitioners, and psychologists. Utilizing its existing workforce programs, HCAI expects these resources to result in eight additional residency slots in 2022-23, 10 in 2023-24, and 12 in 2024-25.

Multilingual Health Initiatives. HCAI requests resources to increase the linguistic and cultural competencies in the health workforce by expanding scholarship and loan repayment opportunities for multilingual applicants. According to HCAI, additional slots will be created and set aside in existing health workforce programs for multilingual applicants, including annual support for 389 loan repayments and 459 scholarships.

Opioid Response Initiatives. HCAI requests expenditure authority from the Opioid Settlement Fund of \$26 million for two workforce development, training, and supportive employment efforts focused on opioid abuse:

- Opioid Provider Training - \$22 million in 2022-23 would support a three-year grant program, in partnership with the Department of Health Care Services, for community-based substance use disorder (SUD) providers to increase the number of licensed clinicians and non-licensed providers focused on opioid treatment,

particularly fentanyl and fentanyl analogs. These grants would support recruitment, retention, and engagement; apprenticeship programs for high school youth; and recruitment of individuals transitioning from incarceration, transition age youth, low socioeconomic status individuals, or multilingual applicants.

- Vocational Rehabilitation - \$4 million in 2022-23 would support the Department of Rehabilitation, with support from HCAI, to establish a pilot project to provide vocational rehabilitation services for consumers with SUD related to opioid use. The pilot will train the provider workforce on how to include employment services as part of participation in treatment.

State Operations for Administration of Workforce Programs. In addition to direct support for workforce initiatives, HCAI requests expenditure authority of \$14.8 million (\$13.5 million General Fund and \$1.3 million Opioid Settlement Fund) in 2022-23 and General Fund expenditure authority of \$18.5 million in 2023-24 and 2024-25 to support state operations costs to administer the program.

In addition to support for workforce programs, HCAI requests resources to support the existing Health Workforce Education and Training Council to research healthcare shortages and best practices and strategies to build a diverse, culturally competent health workforce.

STAFF COMMENTS/QUESTIONS

The Subcommittees request HCAI present this proposal.

Staff Recommendation: Hold open to allow for additional discussion and analysis.

ISSUE 8: EXCISE TAX: ELECTRONIC CIGARETTES: HEALTH PROFESSIONS CAREER OPPORTUNITY GRANT PROGRAM AND SMALL AND RURAL HOSPITAL RELIEF PROGRAM (SB 395) HCAI BCP**PANEL 8 – PRESENTERS**

- **Jeremy Marion**, Deputy Director, Cal-Mortgage Loan Insurance Division, Department of Health Care Access and Information

PANEL 8 – Q&A ONLY

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Carl Schumer**, Compliance Officer, Facilities Development Division, Department of Health Care Access and Information
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

PROPOSAL

HCAI requests four positions and expenditure authority from the Small and Rural Hospital Relief Fund of \$876,000 in 2022-23, \$842,000 in 2023-24, and \$684,000 annually thereafter. If approved, these positions and resources would allow HCAI to support administration of the Small and Rural Hospital Relief Program, which supports seismic upgrades for small, rural, and critical access hospitals, pursuant to the requirements of SB 395 (Caballero, Chapter 489, Statutes of 2021). Specifically, HCAI requests the following positions and resources:

Cal-Mortgage Loan Insurance Division – Two positions

- One Associate Health Facility Construction Financing Analyst would develop screening criteria and analyze applications and financial statements for hospital grants.
- One Associate Governmental Program Analyst (AGPA) would administer and monitor the contract with the managing entity and serve as point of contact.

Facilities Development Division – Two positions

- One Senior Structural Engineer would establish the new program, develop and adopt regulations, create and align the application process and database, and serve as primary point of contact with the Cal-Mortgage Division.
- One AGPA would assist with establishment, implementation, and administration of the program and serve as liaison with the Cal-Mortgage Division through 2023-24.

Information Services Division - \$500,000 contract resources in 2022-23, \$100,000 annually thereafter

- HCAI requests expenditure authority of \$500,000 in 2022-23 and \$100,000 annually thereafter for a contractor to modify the existing business application report collections; perform project management, business analysis, and system design; and software engineering of existing toolsets.

BACKGROUND

SB 395 authorizes a tax of 12.5 percent on the sale of electronic cigarettes. SB 395 requires revenues from this tax to be deposited in the California Electronic Cigarette Excise Tax Fund and are continuously appropriated for the following purposes:

Health Education Account. 18 percent of revenue will be deposited in the Health Education Account to support tobacco control programs.

California Children and Families Trust Fund. 12 percent of revenue will be deposited in the California Children and Families Trust Fund, which supports First 5 Commissions.

Proposition 56 Medi-Cal Physicians and Dentists Loan Repayment Program. 48 percent of revenue will support the Proposition 56 Medi-Cal Physicians and Dentists Loan Repayment Program at the Department of Health Care Services (DHCS), which provides loan repayment awards of up to \$300,000 to physicians and dentists in exchange for a five-year service obligation and a commitment to maintain a patient caseload of 30 percent or more Medi-Cal beneficiaries. Of the revenue transferred to this program, 70 percent will be allocated for physicians and 30 percent for dentists.

Medical Education. Seven percent of the revenue will support the joint program in medical education between the University of California, San Francisco (UCSF) School of Medicine, UCSF Fresno, and the University of California, Merced.

Health Professions Career Opportunity Program. Five percent of the revenue will support the Health Professions Career Opportunity Program (HCOP) at HCAI, which exposes students to health careers by awarding grants to institutions to support conferences, workshops, or career exploration activities. The 2021 Budget Act included resources and trailer bill language to also allow the program to create health career pipeline programs to support students from underrepresented regions and backgrounds through internships, post undergraduate fellowships, and post-baccalaureate scholarships. SB 395 requires five percent of revenue from the excise tax on electronic cigarettes to support HCOP.

Small and Rural Hospital Relief Program. Ten percent of the revenue will be transferred to the Small and Rural Hospital Relief Fund to support seismic safety upgrades for small, rural, and critical access hospitals. SB 395 establishes the Small and Rural Hospital Relief Program. Currently, the Alfred E. Alquist Hospital Facilities Seismic Safety Act (Alquist Act) requires that hospitals be constructed to ensure the safety of patients and staff in the event of an earthquake and to ensure that hospitals are reasonably capable of remaining operational and providing services to the public after a seismic event. Hospitals must comply with the Alquist Act by January 1, 2030. HCAI is responsible for overseeing hospital compliance with the Alquist Act through the Seismic Compliance Unit of its Facilities Development Division. Under the requirements of SB 395, HCAI will provide grants to small, rural, and critical access hospitals to support seismic safety compliance with the Alquist Act if: 1) compliance imposes a financial burden on the hospital that could result in closure, and 2) hospital closure would substantially impact the accessibility of health care in the surrounding communities.

According to HCAI data, 50 out of 62 small and rural hospitals and 31 out of 36 critical care access hospitals have buildings that do not comply with the Alquist Act. Among these hospitals, there are a total of 223 buildings that require seismic upgrades for compliance by the 2030 deadline.

STAFF COMMENTS/QUESTIONS

The Subcommittees request HCAI present this proposal, and provide an update on implementation of the 2021 Budget Act augmentation and program expansion for the Health Professions Careers Opportunity Program (HCOP).

Staff Recommendation: Hold open to allow for additional discussion and analysis.

ISSUE 9: REPRODUCTIVE HEALTH CARE WORKFORCE AND CAPITAL INFRASTRUCTURE HCAI BCP**PANEL 9 – PRESENTERS AND QUESTIONS FOR PRESENTERS**

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information

PANEL 9 – Q&A ONLY

- **Jeremy Marion**, Deputy Director, Cal-Mortgage Loan Insurance Division, Department of Health Care Access and Information
- **Scott Christman**, Chief Deputy Director, Department of Health Care Access and Information
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

PROPOSAL

HCAI requests General Fund expenditure authority of \$40 million in 2022-23, available for encumbrance and expenditure through June 30, 2028 to support implementation of some of the recommendations of the California Future of Abortion Council, by supporting workforce development and capital infrastructure for providers of reproductive health services. Of these resources, \$2 million would support state operations to administer these programs. Specifically, HCAI requests resources for the following:

- ***Reproductive Clinical Health Care Workforce.*** HCAI requests General Fund expenditure authority of \$19 million to support expansion of slots within existing scholarship and loan repayment programs for reproductive health care providers (e.g. physicians, nurse-midwives, physician assistants, and nurse practitioners) who commit to practice in reproductive health clinics for several years. According to HCAI, slots would be expanded in the National Health Corps State Loan Repayment Program, the Steven M. Thompson Physician Corp Loan Repayment Program, and the Advanced Practice Health Scholarship Program.
- ***Capital Infrastructure for Reproductive Healthcare Facilities.*** HCAI requests General Fund expenditure authority of \$19 million to assist reproductive healthcare facilities with capital costs to improve security and privacy protections for abortion providers, patients, volunteers, and staff. Capital costs could include facility security, cybersecurity, security personnel, and staff training.

- **State Operations.** Of the requested resources, \$2 million would support state operations to administer these programs.

BACKGROUND

The constitutional guarantee of access to reproductive health care is currently under assault by conservative state governments and the recently installed conservative majority in the United States Supreme Court. Protections provided by previous Supreme Court precedents in *Roe v. Wade* (1973) and *Planned Parenthood v. Casey* (1992) may be overturned in the Court's review of a challenge to a restrictive abortion law in Mississippi that bans most abortions after 15 weeks in *Dobbs v. Jackson Women's Health Organization*. In addition, the Court allowed a Texas law (SB 8) to be implemented that permits anyone to sue an individual who performs or knowingly aids and abets an abortion after a heartbeat is detected. Judgments against these individuals would include an injunction, a minimum of \$10,000 in damages, and attorney's fees. The final disposition of the challenge to the constitutionality of SB 8 is pending before the Court in *United States v. Texas*.

In response to the Court's decision allowing SB 8 to be implemented in Texas, more than 40 organizations established the California Future of Abortion Council, including participation and support from reproductive health care providers, reproductive rights and justice advocacy organizations, legal and policy experts, researchers, advocates, the Governor, the Speaker of the Assembly, and the President Pro tempore of the Senate. The Council was convened to identify barriers to abortion services and recommend policy proposals supporting equitable and affordable access to abortion care for Californians and all others who seek care in California. In December 2021, the Council released a report with the following recommendations:

Increased Investment in Abortion Funds, Direct Practical Support and Infrastructure. These investments ensure sufficient financial support for abortions and practical services, including; 1) funds to support the work of abortion organizations, providers, and other community-based organizations; 2) development of an abortion access landing page to provide information for those seeking abortion care in California; 3) funding for practical support infrastructure, capacity building, coordination, and safety measures for providers, clinics, patients, and funds; and 4) improve access to and capacity of Medi-Cal transportation services and encourage use of this benefit by abortion patients.

Adequate and Timely Reimbursement for Abortion and Abortion-Related Services. These investments would ensure cost is not a barrier to care and reimbursement rates and payment policies for abortion and abortion-related care are adequate and streamlined. Specifically, these investments would: 1) create and fund an uncompensated care program for abortion and abortion-related services provided to individuals without other means of paying for care; 2) establish a gap coverage program to provide coverage

for Californians lacking coverage for abortion and abortion-related care; 3) Eliminate cost-sharing for abortion and abortion-related services regardless of a patient's insurance type; 4) improve Medi-Cal reimbursement rates to reflect the cost to provide care; 5) establish a supplemental payment program for providers that serve a high volume of Medi-Cal beneficiaries with abortion and abortion-related care; 6) standardize telehealth policies across Medi-Cal and commercial payers and ensure reimbursement on the same basis and at the same rate as in-person care; and 7) more robust oversight by state health plan and insurance regulators to ensure uniform utilization and reimbursement for abortion, abortion-related care, and comprehensive sexual and reproductive health care.

Investments in a Diverse California Abortion Provider Workforce. These investments would focus on expanding the capacity of California's health care workforce to provide high-quality and client-centered abortion care, including: 1) improve the education pipeline by creating a California Reproductive Scholarship Corps to train physicians, nurse practitioners, certified nurse-midwives, physician assistants, and other health care professions; 2) optimize loan repayment to increase retention and recruitment of clinicians who provide abortion; 3) provide financial support for abortion service providers to access affordable insurance coverage; 4) require primary care and family medicine education programs to provide training in miscarriage management, medication abortion, and aspiration abortion; 5) create and fund a grant program for abortion training and for providers serving medically underserved populations; 6) expand the Song-Brown Healthcare Workforce Training Program to include certified nurse-midwives and additional support for abortion training; 7) support California-based organizations providing and enabling clinical abortion training; 8) review competency requirements for abortion training for nurse practitioners, certified nurse-midwives, and physician assistants; and 9) provide grants to implement or re-introduce medication abortion in clinics.

Reduce Administrative and Institutional Barriers to Abortion Care. These investments would focus on eliminating key barriers to abortion and abortion-related care, including: 1) update Medi-Cal billing policies for medication abortion to facilitate equitable access using telehealth consistent with current clinical guidelines; 2) explore mechanisms for California providers to offer medication abortion services to patients residing in other states using telehealth; 3) update Medi-Cal policies that limit access to abortion care including restrictions on coverage later in a pregnancy and ensure coverage to the extent allowed by state law; 4) address existing barriers to abortion care later in pregnancy in licensing boards, and other health care institutions, to address disparities in the interpretation of state law regarding abortion care; 5) assess and address gaps in abortion access in areas of the state primarily served by religiously-affiliated hospitals and health systems; 6) modernize the presumptive eligibility for pregnant women program in Medi-Cal; and 7) provide funding for security infrastructure, training and enforcement of existing security and privacy laws to protect reproductive health care providers patients, and clinics.

Strengthen Legal Protections for Abortion Patients, Providers, Supporting Organizations and Individuals. These investments seek to ensure the privacy and security of abortion patients, providers, and supporters to protect them from criminal, civil, or administrative liability for providing, obtaining, or assisting in abortion care or in the event of pregnancy loss. These investments include: 1) legal protections from civil and criminal liability and disciplinary actions for clinicians that provide abortions to patients in California or other states; 2) protect people from prosecutions and criminalization of abortion or pregnancy loss; 3) protect patients that self-manage their abortion; 4) protect Californians from third-party enforcement of abortion restrictions; 5) repeal invalidated law requiring parental consent for abortion services; and 6) enhance implementation and compliance with laws protecting patient confidentiality when they seek sensitive services.

Address Misinformation and Disinformation and Provide Access to Medically Accurate, Culturally Relevant and Inclusive Education about Abortion and Access to Care. These investments would expand, strengthen, and ensure the provision of medically accurate and inclusive comprehensive education around sexual and reproductive health, including: 1) adequately fund implementation and monitoring of California's existing comprehensive sexual health education mandate; 2) fund culturally relevant, community-based organizations that serve and provide medically accurate, comprehensive sexual and reproductive health education, including information about abortion, to communities that experience extreme barriers to care; 3) ensure eligible beneficiaries accessing services through the Medi-Cal Minor Consent program or Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) benefit have coverage for and access to medically accurate, age appropriate comprehensive sexual health education inclusive of abortion education; and 4) require school districts to participate in the California Healthy Kids Survey and include a module on sexual and reproductive health care in the survey.

Support Data Collection, Research, and Reporting to Assess and Inform Abortion Care and Education Needs. These investments would support research designed to inform policies and improve access to abortion care and education, including: 1) the California Future of Abortion Council progress and impact report; 2) comprehensive community survey and research to identify unmet educational and health needs; 3) data on the effectiveness of sexual health education in public schools; 4) data on the effectiveness and impact of the provision of medication abortion; and 5) data on the effectiveness of current reproductive and sexual health education interventions.

STAFF COMMENTS/QUESTIONS

The Subcommittees request HCAI present this proposal.

Staff Recommendation: Hold open to allow for additional discussion and analysis.

ISSUE 10: WORKFORCE AUGMENTATION AND BUDGET ALIGNMENT HCAI BCP**PANEL 10 – PRESENTERS**

- **Monica Erickson**, Deputy Director, Administrative Services Division, Department of Health Care Access and Information

PANEL 10 – Q&A ONLY

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

PROPOSAL

HCAI requests net expenditure authority from special funds and reimbursements of \$2.8 million in 2022-23 and \$2.7 million annually thereafter to shift program funding for the Peer Personnel and Mini-Grants Programs from state operations to local assistance consistent with current practice, increase funding for the Mini-Grants Program and the Song-Brown Healthcare Workforce Training Program, and continue its service agreement to administer the County Medical Services Program Loan Repayment Program.

BACKGROUND

HCAI administers a wide variety of grant programs to support the education and training of primary care and behavioral health professionals. These programs are designed to address California's unmet needs for high quality health care providers with appropriate linguistic and cultural competencies in a diverse state. Workforce development programs may include support for residency programs, scholarships, tuition support, loan repayments, stipends, or other support for students, educational institutions, or health facilities.

Peer Personnel Training and Placement Program. HCAI administers the Peer Personnel Training and Placement Program, which funds organizations that support individuals with lived experience as a behavioral health services consumer, family member, or caregiver. Funded organizations conduct recruitment and outreach, career counseling, training, placement, and six months of support services. The program awarded \$6.7 million to the following 14 eligible organizations in 2021-22:

- Cal Voices - \$500,000
- Crestwood Behavioral Health, Inc. - \$420,000
- Emotional Health Association - \$500,000
- Loma Linda University - \$297,000
- Loyola Marymount University - \$500,000
- Lutheran Social Services of Southern California - \$492,000
- Mental Health Association of San Francisco - \$500,000
- NAMI California - \$486,000
- NAMI San Diego - \$500,000
- PRC - \$500,000
- Project Return Peer Support Network - \$498,000
- Recovery Innovations International - \$500,000
- San Diego State University Research Foundation - \$500,000
- Sterling Solutions - \$494,000

Health Careers Exploration Program. The Health Careers Exploration Program (HCEP), formerly the Mini-Grants program, awards up to \$25,000 to organizations to support conferences, workshops, or career exploration activities, exposing students to health careers. The program is designed to strengthen educational and social foundations by providing direct and indirect program support for underrepresented or disadvantaged individuals interested in pursuing health careers. For the 2020-21 grant cycle, HCEP awarded \$108,000 to the following eight organizations:

- Alliance in Mentorship - \$12,000
- Health Care Foundation for Ventura County - \$15,000
- Kern Medical Center - \$12,000
- Skyrocket, Inc. - \$15,000
- The Regents of the University of California - \$12,000
- UNITE-LA-INC - \$15,000
- University of California, San Francisco - \$15,000
- University of Southern California - \$12,000

Expenditure Authority Changes for Peer Personnel and HCEP Programs. HCAI requests to shift \$2.1 million of expenditure authority from state operations to local assistance for the Peer Personnel Training and Placement Program and HCEP. According to HCAI, this requested net-zero shift would reflect the current operation of the program. In addition, HCAI requests additional expenditure authority of \$200,000 to allow HCEP to support more students and expand its geographic reach.

County Medical Services Program Loan Repayment. The County Medical Services Program (CMSP) provides health coverage for uninsured, low-income, indigent adults that are not otherwise eligible for other publicly funded health care programs, including Medi-Cal, in thirty-five mostly rural counties in California. Coverage is funded through

1991 Realignment revenue and the CMSP Governing Board, established in 1995, has program and fiscal responsibility for the program including setting eligibility standards, defining the scope of covered healthcare benefits, and determining payment rates for providers. CMSP counties include: Alpine, Amador, Butte, Calaveras, Colusa, Del Norte, El Dorado, Glenn, Humboldt, Imperial, Inyo, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Modoc, Mono, Napa, Nevada, Plumas, San Benito, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Tuolumne, Yolo, and Yuba.

HCAI administers the CMSP Loan Repayment Program, which supports healthcare professionals working in one of the 35 CMSP counties including physicians, psychiatrists, physician assistants, nurse practitioners, and dentists. The program provides loan repayment awards up to \$50,000 per year in exchange for a two-year service obligation providing direct patient care at a contracted provider site in a CMSP county. In 2018-19, 55 applications were received, and 40 loan repayments were awarded. Each of the awards was for the maximum of \$50,000 per year for two years.

CMSP provides funding to HCAI for the CMSP Loan Repayment Program through a service agreement that funds the costs of the loan repayment awards and administration of the program. The program began in 2016 with total funding of \$3.4 million over three years, expiring in 2019-20. In May 2019, HCAI and CMSP agreed to extend the termination date until 2022-23 and increase total reimbursement funding to \$4.7 million. In August 2019, the Department of Finance approved a request for increased reimbursement authority of \$2.2 million under Section 28.00 of the 2019 Budget Act for this purpose. The 2020 Budget Act included reimbursement authority of \$2.2 million in 2020-21, \$180,000 in 2021-22, and \$60,000 in 2022-23 to fund the remaining years of the agreement with CMSP.

HCAI reports it is in the process of entering into a service agreement with the CMSP Governing Board for additional funding in 2021-22 through 2025-26 totaling \$6.9 million. For 2021-22, HCAI indicates it will seek approval for funding through Control Section 28.00 authority in the 2021 Budget Act. For 2022-23 until 2025-26, HCAI is requesting increased reimbursement authority of \$2.3 million to continue to administer the program on behalf of CMSP.

Song-Brown Healthcare Workforce Training Program. HCAI administers the Song-Brown Healthcare Workforce Training Program (Song-Brown), which aims to increase the number of students and residents receiving quality primary care education and training in areas of unmet need throughout California. The Song-Brown program supports primary care residency training programs, nurse practitioner and physician assistant training programs, and registered nursing programs. In 2021-22, Song-Brown awarded \$20.8 million to support 166 existing residency slots in existing programs, \$5.9 million to support 47 residency slots in teaching health centers, \$5.4 million to support 18 new residency slots in existing programs, and \$3.2 million to support six new residency programs. In 2021-22, Song-Brown awarded \$1.9 million to support 162 slots in family nurse

practitioner and physician assistant training programs. In 2020-21, Song-Brown awarded \$2.7 million to support 122 registered nursing slots.

AB 3426 (Filante), Chapter 1130, Statutes of 1992, authorizes the collection and transfer of voluntary fees by the Medical Board of California for support of the Song-Brown Program. The University of California matches each dollar in collected fees. According to HCAI, yearly contributions from voluntary fees are increasing and will soon meet or surpass the department's reimbursement expenditure authority of \$400,000. HCAI requests an increase in reimbursement authority of \$200,000 to account for the increased voluntary fee collections to support the Song-Brown program.

HCAI also requests an increase in expenditure authority from the California Health Data and Planning Fund of \$92,106 to reflect the return of unspent grant funding awarded to the University of California San Francisco. According to HCAI, the increase in expenditure authority would allow these funds to be awarded to another program.

STAFF COMMENTS/QUESTIONS

The Subcommittees request HCAI present this proposal.

Staff Recommendation: Hold open to allow for additional discussion and analysis.

ISSUE 11: BEHAVIORAL HEALTH WORKFORCE ISSUES**PANEL 11 – PRESENTERS**

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Ryan Quist, PhD**, Behavioral Health Director, Sacramento County
- **Janet Coffman, MD**, Faculty, UCSF Healthforce Center
- **Le Ondra Clark Harvey, Ph.D.**, Chief Executive Officer, California Council of Community Behavioral Health Agencies
- **Tyler Rinde**, Executive Director, California Association of Alcohol and Drug Program Executives, Inc.

PANEL 11 – Q&A ONLY

- **James Regan**, Assistant Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Jacey Cooper**, State Medicaid Director & Chief Deputy Director of Health Care Programs, Department of Health Care Services
- **Kelly Pfeifer, MD**, Deputy Director of Behavioral Health, Department of Health Care Services
- **Autumn Boylan**, Deputy Director of Office of Strategic Partnerships, Department of Health Care Service
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Guadalupe Manriquez**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

OVERSIGHT ISSUE

As described in other parts of this agenda, as well as in the last two Subcommittee #1 hearings – which focused on behavioral health – behavioral health is an especially challenging, extreme, and urgent component of the health care workforce shortage. Many experts agree that the state (and nation) faced a behavioral health crisis prior to the pandemic, which has only worsened as a result of the pandemic. The behavioral health workforce has also suffered as a result of the pandemic, exactly when a robust workforce is needed most. Several significant investments have been made over the past few years into behavioral health workforce programs, as follows:

2019 Mental Health Workforce Expansion

The 2019 Budget Act included \$50 million in one-time General Fund to expand the mental health workforce. Specifically, the Office of Statewide Health Planning and Development (OSHDP, now HCAI) was given multi-year appropriation authority of \$50 million General

Fund beginning in Fiscal Year (FY) 2019-20, through 2024-25, to support mental health workforce development programs. OSHPD proposed to fund the following programs with these resources:

Loan Repayment and Scholarship Programs	Mental Health Professions	Maximum Award Amount	Service Obligation Period
Allied Healthcare Loan Repayment Program	<ul style="list-style-type: none"> Community Health Worker/Promotoras Medical Assistant Social Worker 	\$8,000	1 Year
Licensed Mental Health Services Provider Education Program	<ul style="list-style-type: none"> Licensed Clinical Social Worker Licensed Marriage and Family Therapist Licensed Professional Counselor 	\$15,000	2 Years
Advanced Practice Healthcare Loan Repayment Program	<ul style="list-style-type: none"> Clinical Nurse Specialist Nurse Practitioner Physician Assistant 	\$25,000	2 Years
State Loan Repayment Program	<ul style="list-style-type: none"> Health Service Psychologist Licensed Clinical Social Worker Licensed Professional Counselor Licensed Marriage and Family Therapist Psychiatric Mental Health Nurse Practitioner Psychiatric Nurse Specialist Psychiatrist 	\$50,000	2 Years
Steven M. Thompson Physician Corps Loan Repayment Program	<ul style="list-style-type: none"> Psychiatrist 	\$105,000	3 Years
Allied Healthcare Scholarship Program	<ul style="list-style-type: none"> Community Health Worker/Promotoras Medical Assistant Social Worker 	\$8,000	1 Year
Advanced Practice Healthcare Scholarship Program	<ul style="list-style-type: none"> Clinical Nurse Specialist Nurse Practitioner Physician Assistant 	\$25,000	1 Year
Mental Health Loan Assumption Program	<ul style="list-style-type: none"> Consumer or Peer Counselor 	\$10,000	1 Year

	<ul style="list-style-type: none"> • Licensed Marriage and Family Therapist • Licensed Clinical Social Worker • Licensed Professional Counselor • Licensed Psychologist • Mental Health Admin or Support Staff • Psychiatric Mental Health Nurse Practitioner • Psychiatrist • Rehabilitation Counselor 		
--	---	--	--

2019 WET Plan

Established with the passage of the Mental Health Services Act (MHSA), the WET programs were developed to address the growing need for a more diverse public mental health workforce. Statute required a fund be created where revenues were deposited between Fiscal Years 2004-05 and 2007-08. At the end of this period, a total of \$444.5 million was allocated to support counties and OSHPD to enhance the public mental health workforce. The following are statewide WET programs and related activities:

- Stipend Program
- Psychiatric Residency Programs
- Education Capacity – Psychiatrists
- Education Capacity – Psychiatric Mental Health Nurse Practitioners
- Regional Partnerships (RPs)
- Mental Health Shortage Designation Program
- Mental Health Loan Assumption Program
- Peer Personnel Preparation
- Consumer and Family Member Employment
- Mini-Grants
- Retention
- Evaluation
- Public Mental/Behavioral Health Pipeline Program

The MHSA requires OSHPD to create a statewide WET plan every five years yet only provided ten years of funding which supported the first two plans. The 2019 Budget Act included \$60 million (\$25 million Proposition 63 Mental Health Services Fund, \$35 million General Fund), contingent on the availability of 33 percent in local matching funds, for the 2020-2025 WET Plan.

The 2020-2025 Plan states:

- “The purpose of the WET Plan is to guide efforts to improve and expand the Public Mental Health System workforce throughout California.
- The WET Plan includes the vision, values, mission, measurable goals, objectives, funding principles, performance indicators, a statewide needs assessment, and career pathway recommendations.
- The WET Plan carries forth the MHSA vision to create a transformed, culturally-competent system that promotes wellness, recovery, and resilience across the lifespan of infants, children, adolescents, transition age youth, and older adults.”

The current WET Plan seeks to end the fragmented approach to funding many different programs, and instead seeks to create a more comprehensive, systematic approach based on state-regional partnerships. The Plan has a two-pronged framework of supporting individuals and supporting systems. Specifically:

Supporting Individuals:

- Pipeline development
- Undergraduate college and university scholarships
- Clinical master and doctoral level graduate education stipends
- Educational loan repayment

Supporting Systems:

- Peer Personnel Preparation
- Psychiatric Education Capacity Program
- Train New Trainers Psychiatry Fellowship
- Research and Evaluation

Children and Youth Behavioral Health Initiative – 2021 Budget Act

The 2021 Children and Youth Behavioral Health Initiative (CYBHI) includes a significant investment in the behavioral health workforce, specifically for children and youth, as follows:

- Behavioral Health Workforce Capacity \$448
- Behavioral Health Counselors and Coaches \$352

The administration’s February, 2022 implementation update on the CYBHI includes the following information on the workforce components:

	Progress in last 3 months	Ongoing Activities/Priorities
School BH Counselor and BH Coach Workforce	<ul style="list-style-type: none"> Launched preliminary background research, including interviews with children, youth, parents, behavioral health providers, and experts from various fields 	<ul style="list-style-type: none"> Continuing preliminary background research, stakeholder engagement and synthesizing insights Launching design process and defining initial design options to be considered
Broad BH Workforce Capacity	<ul style="list-style-type: none"> Drafted preliminary timeline for grant application launches across types of grants (e.g., SUD workforce, expanded peer personnel, psychiatry / social work) Funded \$10 million for Behavioral Health Training for Primary Care Providers 	<ul style="list-style-type: none"> Developing stakeholder engagement plan to gather initial inputs from government agencies, non-government agencies, as well as youth, families, and communities Developing detailed plans for grant application launches across types of grants (e.g., SUD workforce, expanded peer personnel, psychiatry / social work)

STAFF COMMENTS/QUESTIONS

The Subcommittees request HCAI to provide an overview of these, and any, workforce programs specific to behavioral health, provide updates on the funding and accomplishments of these programs and investments, describe ongoing challenges associated with California's behavioral health workforce, and respond to the following:

- Is any of the CYBHI workforce funding specifically designated for peer-to-peer support, or is peer support just an option for the funding (to be decided by grantees)?

The Subcommittees request the stakeholders on the panel describe the most significant workforce-shortage-related barriers to behavioral health care, and recommendations for addressing those barriers.

Staff Recommendation: No action recommended as this is an oversight issue.

ISSUE 12: SKILLED NURSING FACILITIES WORKFORCE ISSUES**PANEL 12 – PRESENTERS**

- **Caryn Rizell**, Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Amanda Steele**, Deputy Policy Director, SEIU Local 2015
- **Nicole Howell**, Executive Director, Empowered Aging, 21-22 Health and Aging Policy Fellow
- **Elizabeth Halifax**, PhD, RN, Assistant Professor, Department of Social & Behavioral Sciences, University of California, San Francisco
- **Claire Enright**, BSN, RN-BC Geriatrics, Executive Director, Quality Care Health Foundation, California Association of Health Facilities

PANEL 12 – Q&A ONLY

- **James Regan**, Assistant Deputy Director, Healthcare Workforce Development Division, Department of Health Care Access and Information
- **Jacey Cooper**, State Medicaid Director & Chief Deputy Director of Health Care Programs, Department of Health Care Services
- **Lindy Harrington**, Deputy Director of Health Care Financing, Department of Health Care Services
- **Katherine Clark**, Assistant Program Budget Manager, Department of Finance
- **Guadalupe Manriquez**, Assistant Program Budget Manager, Department of Finance
- **Joseph Donaldson**, Finance Budget Analyst, Department of Finance
- **Corey Hashida**, Fiscal and Policy Analyst, Legislative Analyst's Office
- **Mark Newton**, Deputy Legislative Analyst, Legislative Analyst's Office

OVERSIGHT ISSUE

Particularly in light of the pandemic, and the significant loss of life in skilled nursing facilities (SNFs) due to COVID, there is a robust policy discussion underway in California on how to improve the quality of care and safety in SNFs. Many experts on long-term care and patient advocates contend that increased staffing leads to increased quality of care in SNFs. California's SNF industry argues that while they would like to increase staffing levels, they cannot afford to in light of their primary source of revenue being low Medi-Cal rates. In fact, Medi-Cal rates only cover 95 percent of SNF labor costs. Advocates typically assert that, despite low Medi-Cal rates, SNFs are highly profitable and therefore can afford to offer higher wages and hire more staff if they so desired.

Current SNF regulations require nursing service personnel to be employed and on duty in at least the number and with the qualifications determined by the California Department of Public Health (CDPH) to provide the necessary nursing services for patients admitted for care. The staffing requirements are minimum standards only. SNFs are required to

employ and schedule additional staff as needed to ensure quality resident care based on the needs of individual residents and to ensure compliance with all relevant state and federal staffing requirements.

SB 97 (Committee on Budget and Fiscal Review, Chapter 52, Statutes of 2017), required SNFs to provide at least 3.5 hours per day of nursing care to each patient, up from the previous requirement of 3.2 hours, with 2.4 of the hours to be provided by a certified nursing assistant (CNA). In July of 2018, CDPH adopted regulations to implement the staffing requirement, which include a process to apply for one of two types of waivers to be exempted from the statutory staffing ratios: 1) workforce shortage waiver; and 2) acuity waiver (when a facility meets the overall 3.5 ratio but not the 2.4 for CNAs). As of July 20, 2021, 143 SNFs had waivers of the staffing requirements approved by CDPH. Most waiver requests generally cite a workforce shortage of CNAs as the reason behind the request.

Certified Nursing Assistants (CNAs)

Under the supervision of RNs and LVNs, CNAs perform basic duties such as feeding, bathing, and dressing SNF patients and taking and monitoring vital signs (such as patients' temperature and blood pressure). To become a CNA, individuals must be at least 16 years old, pass a physical (health) screening and criminal background check, complete an approved training program consisting of at least 60 classroom hours and 100 hours of clinical practice at a SNF, and pass a state CNA certification examination.

According to the 2019 OSHPD LTC Financial Pivot data set for licensed SNFs, the average wage was \$16.76 per hour for CNAs. According to the California Association of Health Facilities, they recently conducted a workforce survey with 88% of facilities reporting that they raised base wages in 2020 due to COVID-19.

Training programs for CNAs include school district-run adult schools and Regional Occupational Centers and Programs, California Community Colleges, nonprofits (such as the American Red Cross), and for-profit schools (such as Coast Health Career College in Orange County). They also include some SNFs that provide their own training programs on site. Under the SNF training model, SNFs hire their own instructors (often employees of the SNF) and often pay students hourly wages while they receive training. In exchange, SNFs typically ask, but do not require, students to commit to working at the SNF for a specified amount of time (such as one year) after becoming a CNA.

2021 Budget Act Investments

The 2021 Budget Act allocated \$45.5 million General Fund one-time to support training efforts for certified nursing assistants (CNAs), including: 1) \$40.5 million for CNA startup programs, scholarships and stipends; and 2) \$5 million for a CNA certification training pilot program based on the Healthcare Career Pathway program. Specifically, the 2021 Budget Act includes:

CNA Workforce – \$38,475,000 for: (1) certified nursing assistant training programs to support the establishment of new training programs or the expansion of existing programs at nursing facilities, or at other private or public training programs approved by the California Department of Public Health; and (2) scholarships and stipends to nursing assistants who are obtaining their certification or are continuing their employment in a skilled nursing facility for a specified period of time.

Health Career Pathway Program – \$5,000,000 for the Health Career Pathway program to start certified nurse assistant training programs in up to six counties. HCAI is required to contract with Empowered Aging, for the administration and expansion of the Health Career Pathway program, and to select the career pathway program sites, contract for program evaluation, and to hire, retain, and oversee the work of a program director to oversee the Health Career Pathway expansion sites. The budget also requires:

- The grants to be contingent on applications that include a local partnership for overseeing the program, including local adult education, workforce development, skilled nursing facilities, and advocates for residents of long-term care, such as the local Long-Term Care Ombudsman program.
- Program expansion sites to use the curriculum as provided by the Health Career Pathway program that has been approved by CDPH.
- Program expansion sites to seek to create appropriate and comprehensive support services for students with addressable barriers such as transportation, food, and soft skills training.

STAFF COMMENTS/QUESTIONS

The Subcommittees request HCAI provide an implementation update on the CNA investments included in the 2021 budget, and requests the stakeholders on the panel provide their perspectives and recommendations on how best to increase staffing, and therefore improve the quality of care, in SNFs.

The Subcommittee also requests DHCS explain the justification for Medi-Cal rates that do not cover 100 percent of SNF labor costs.

Staff Recommendation: No action recommended as this is an oversight issue.
