



**May Revision Highlights
Fiscal Year 2023-24**

California Department of Public Health

**Gavin Newsom
Governor
State of California**

**Mark Ghaly, MD, MPH
Secretary
California Health and Human Services Agency**

**Tomás J. Aragón, M.D., Dr.P.H.
*Director and State Public Health Officer***

May 12, 2023

CALIFORNIA DEPARTMENT OF PUBLIC HEALTH PROGRAM OVERVIEW

The mission of the California Department of Public Health (CDPH), a nationally accredited public health department, is to advance the health and well-being of California's diverse people and communities, primarily through population-based programs, strategies, and initiatives.

CDPH's core activities are:

- Protecting the public from communicable diseases;
- Protecting the public from unhealthy and unsafe environments;
- Reducing the risk of disease, disability, and premature death; and reducing health disparities;
- Preparing for, and responding to, public health emergencies;
- Producing and disseminating data to evaluate population health status, inform people, institutions and communities; and to guide public health strategies, programs, and actions;
- Promoting healthy lifestyles for individuals and families in their communities and workplaces; and
- Providing access to quality, population-based health services.

CDPH is comprised of eight Centers: the Center for Preparedness and Response, the Center for Healthy Communities, the Center for Infectious Diseases, the Center for Family Health, the Center for Environmental Health, the Center for Health Care Quality, the Center for Laboratory Sciences, and the Center for Health Statistics and Informatics.

In addition, within CDPH are: the Director's Office, the Office of Communications, the Office of Compliance, the Office of Legal Services, the Office of Policy and Planning, the Office of Health Equity, the Office of Professional Development and Engagement, the Office of Legislative and Governmental Affairs, the California Conference of Local Health Officers, the Information Technology Services Division, and the Administration and Human Resources Divisions.

GENERAL BUDGET OVERVIEW

CDPH's budget supports activities and services that reinforce the state's commitment to the health and well-being of all Californians. For 2023-24, the May Revision Budget provides \$5.5 billion for the support of CDPH's programs and services, an increase of .42 percent from the 2023-24 Governor's Budget.

Of the total May Revision Budget proposal, \$2 billion is for State Operations and \$3.5 billion is for Local Assistance. The budget affirms CDPH's commitment to address the public health needs of Californians.

**Total Departmental Budget at
2023-24 May Revision**

Dollars in thousands*

The charts below and the narrative that follows describe the specific budget adjustments.

Fund Source	2022-23 Enacted Budget	2023-24 Governor's Budget	2023-24 May Revision	% Change from 2023-24 Governor's Budget
General Fund	\$1,252,489	\$1,008,922	\$980,868	-2.78%
Federal Funds	\$1,668,994	\$2,159,343	\$2,249,494	4.17%
Special Funds & Reimbursements	\$3,947,608	\$2,312,862	\$2,273,567	-1.70%
Total Funds	\$6,869,091	\$5,481,127	\$5,503,929	0.42%

State Operations

Dollars in thousands*

State Operations by Program

Program Title	Program	2022-23 Enacted Budget	2023-24 Governor's Budget	2023-24 May Revision	% Change from 2023-24 Governor's Budget
Public Health Emergency Preparedness	4040	\$2,072,574	\$188,752	\$138,752	-26.49%
Public and Environmental Health	4045	\$1,502,065	\$1,375,271	\$1,386,763	0.84%
Licensing and Certification	4050	\$461,623	\$459,153	\$488,421	6.37%
Administration	9900100	\$106,095	\$105,892	\$105,892	0.00%
Distributed Administration	9900200	(\$106,095)	(\$105,892)	(\$105,892)	0.00%
Total State Operations		\$4,036,262	\$2,023,176	\$2,013,936	-0.46%

* Numbers may not add or match to other statements due to rounding of budget detail.

State Operations by Fund Source

Fund Source	2022-23 Enacted Budget	2023-24 Governor's Budget	2023-24 May Revision	% Change from 2023-24 Governor's Budget
General Fund	\$796,946	\$638,029	\$609,047	-4.54%
Federal Fund	\$403,075	\$480,610	\$505,878	5.26%
Special Funds & Reimbursements	\$2,836,241	\$904,537	\$899,011	-0.61%
Total State Operations	\$4,036,262	\$2,023,176	\$2,013,936	-0.46%

Local Assistance

Dollars in thousands*

Local Assistance by Program

Program Title	Program	2022-23 Enacted Budget	2023-24 Governor's Budget	2023-24 May Revision	% Change from 2023- 24 Governor's Budget
Public Health Emergency Preparedness	4040	\$166,821	\$166,821	\$166,821	0.00%
Public and Environmental Health	4045	\$2,659,388	\$3,285,510	\$3,317,552	0.98%
Licensing and Certification	4050	\$6,620	\$5,620	\$5,620	0.00%
Total Local Assistance		\$2,832,829	\$3,457,951	\$3,489,993	0.93%

Local Assistance by Fund Source

Fund Source	2022-23 Enacted Budget	2023-24 Governor's Budget	2023-24 May Revision	% Change from 2023-24 Governor's Budget
General Fund	\$455,543	\$370,893	\$371,821	0.25%
Federal Fund	\$1,265,919	\$1,678,733	\$1,743,616	3.86%
Special Funds & Reimbursements	\$1,111,367	\$1,408,325	\$1,374,556	-2.40%
Total Local Assistance	\$2,832,829	\$3,457,951	\$3,489,993	0.93%

*Numbers may not add or match to other statements due to rounding of budget detail.

PROGRAMMATIC ADJUSTMENTS

The specific adjustments listed below reflect the major budgetary changes since the Governor's Budget. The major changes include Budget Change Proposals and May Estimates.

References to "GF" are to the General Fund; "OF" refers to Other Funds, including Special Funds, Federal Funds, and Reimbursements; and "TF" represents Total Funds. All values are listed in whole dollars.

I. Center for Preparedness and Response

The Preparedness and Response program is responsible for overall statewide planning and preparedness for public health disasters and emergencies, distributing and monitoring funding for disaster planning at the local level, operating the Medical Health Coordination Center, developing and maintaining a standard public health and medical emergency management system for local and state entities, and planning for the strategic national stockpile. This program is also responsible for recovery and resiliency initiatives within communities following a disaster and providing technical support to local preparedness efforts. Major budget adjustments include:

2023-24 Budget Adjustments

COVID-19 Response Reduced Resources

-\$50,000,000 TF
-\$50,000,000 GF

The May Revision reflects a decrease of \$50.0 million in General Fund (Fund 0001) State Operations provided for COVID-19 contingency for unanticipated costs. The May Revision maintains \$51.3 million General Fund to continue to support California's most vulnerable communities.

II. Center for Healthy Communities

The Healthy Communities program works to prevent and control chronic diseases such as cancer, cardiovascular diseases, asthma, and diabetes; to reduce the prevalence of obesity; to reduce tobacco use; to improve oral health through prevention, education, and community efforts; to provide training programs for the public health workforce; to prevent and control injuries, violence, deaths, and diseases related to behavioral, environmental, and occupational factors; to promote and support safe and healthy environments in communities and workplaces; and to prevent substance and gambling addiction and treat gambling disorder. This program includes the California Tobacco Control Branch, Childhood Lead Poisoning Prevention Branch, Chronic Disease Control Branch, Chronic Disease Surveillance and Research Branch, Environmental Health Laboratory Branch, Environmental Health Investigations Branch, Nutrition Education and Obesity Prevention Branch, Occupational Health Branch, Injury and Violence Prevention Branch, Substance and Addiction Prevention Branch, and the Office of Oral Health. Major budget adjustments include:

2023-24 Budget Adjustments

Lead Renovation, Repair and Painting Program (SB 1076)

2 Positions
\$546,000 TF
\$546,000 GF

The May Revision reflects an increase of two positions and \$546,000 in General Fund (Fund 0001) State Operations to implement the residential lead-based paint Renovation, Repair and Painting Program as mandated by Senate Bill (SB) 1076 (Chapter 507, Statutes of 2022).

Protecting Children from the Damaging Effects of Lead Exposure

2 Positions
\$9,718,000 TF
\$9,718,000 OF

The May Revision reflects an increase of two positions and \$9.7 million in Childhood Lead Poisoning Prevention (CLPP) Fund (Fund 0080), \$214,000 in State Operations and \$9.5 million in Local Assistance to provide services to children with blood lead levels that meet or exceed the Centers for Disease Control's (CDC) updated Blood Lead Reference Value (BLRV) and support new lead poisoning prevention activities.

Proposition 99 Health Education Account

\$5,306,000 TF
\$5,306,000 OF

The May Revision reflects an increase of \$5,306,000 in Proposition 99 Health Education Account (Fund 0231), including an increase of \$3,407,000 in State Operations and an increase of \$1,899,000 in Local Assistance as a result of the updated Proposition 99 revenue projections. The increase includes \$1,209,000 in State Administration, \$1,423,000 in Media Campaign, \$1,899,000 in Competitive Grants (Local Assistance), and \$1,200,000 in Evaluation (State Operations), and a decrease of \$425,000 in Competitive Grants (State Operations). The revenues support a comprehensive statewide tobacco control program and reducing illness and premature death attributable to the use of tobacco products. The funds are provided to state and local government agencies, tribes, universities, colleges, community-based organizations, and other qualified agencies for the implementation, evaluation, and dissemination of evidence-based health promotion and health communication activities.

Proposition 99 Research Account

-\$18,000 TF
-\$18,000 OF

The May Revision reflects a decrease of \$18,000 in Proposition 99 Research Account (Fund 0234) State Operations as a result of updated Proposition 99 revenue projections. The decrease includes \$2,000 in State Administration and \$16,000 in External Contracts. The revenues are used for tobacco-related disease research.

Proposition 99 Unallocated Account

-\$57,000 TF
-\$57,000 OF

The May Revision reflects a decrease of \$57,000 in Proposition 99 Unallocated Account (Fund 0236) State Operations as a result of updated Proposition 99 revenue projections. The decrease includes \$32,000 in State Administration, \$15,000 for the California Health Interview Survey, and \$10,000 in External Contracts. The revenues are used to support tobacco education, tobacco prevention efforts, tobacco-related programs, tobacco-related healthcare services, environmental protection, and recreational resources.

Proposition 56 State Dental Program Account

-\$817,000 TF
-\$817,000 OF

The May Revision reflects a decrease of \$817,000 in State Dental Program Account (Fund 3307) Local Assistance as a result of updated Proposition 56 revenue projections. The funds are used for the state dental program for the purpose and goal of educating about, preventing, and treating dental disease, including dental diseases caused by use of cigarettes and other tobacco products.

Proposition 56 Tobacco Prevention and Control Programs Account

-\$5,809,000 TF
-\$5,809,000 OF

The May Revision reflects a decrease of \$5,809,000 in Tobacco Prevention and Control Programs Account (Fund 3322), including a decrease of \$7,573,000 in State Operations and an increase of \$1,764,000 in Local Assistance as a result of updated Proposition 56 revenue projections. The decrease includes a decrease of \$800,000 in State Administration, \$4,607,000 in Media Campaign, \$3,253,000 in Competitive Grants (State Operations), \$125,000 in Competitive Grants (Local Assistance), and an increase of \$1,889,000 in Local Lead Agencies, and \$1,087,000 in Evaluation. The revenues are used for a comprehensive statewide tobacco control program and reducing illness and premature death attributable to the use of tobacco products. The funds are provided to state and local government agencies, tribes, universities, colleges, community-based organizations, and other qualified agencies for the implementation, evaluation, and dissemination of evidence-based health promotion and health communication activities.

Domestic Violence Training and Education Fund Workload Adjustment

\$0 TF
\$0 OF

The May Revision reflects a shift of \$135,000 in the Domestic Violence Training and Education Fund (Fund 0624) from State Operations to Local Assistance to fund community-based organizations and conduct community-level domestic violence primary prevention work.

III. Center for Infectious Diseases

The Infectious Diseases program works to prevent and control infectious diseases such as Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Syndrome (AIDS), viral hepatitis, influenza and other vaccine preventable illnesses, tuberculosis, emerging infections, vector-borne disease, sexually transmitted diseases (STD), infant botulism, and foodborne illnesses. This program includes the Division of Communicable Disease Control, Office of AIDS, which oversees the AIDS Drug Assistance Program (ADAP), Office of Binational Border Health, and Office of Refugee Health. Major budget adjustments include:

2022-23 Budget Adjustments

ADAP Estimate

-\$68,249,000 TF
-\$68,249,000 OF

The May Revision reflects a decrease of \$68.2 million in Local Assistance. This includes a decrease of \$582,000 in the Federal Trust Fund (Fund 0890) and a decrease of \$67.7 million in the ADAP Rebate Fund (Fund 3080). The decrease is primarily due to lower medication expenditures and premiums than previously estimated as clients transition to Medi-Cal through various Medi-Cal expansion policies, marginally offset by increased expenditures from the Pre-Exposure Prophylaxis Assistance Program caseload.

Public Health Workforce Investments Restoration

\$5,000,000 TF
\$5,000,000 GF

The May Revision reflects the restoration of \$5.0 million in General Fund (Fund 0001) State Operations to support Public Health Workforce Investments, that were proposed for reduction at the 2023-24 Governor's Budget.

2023-24 Budget Adjustments

ADAP Estimate

-\$42,086,000 TF
-\$42,086,000 OF

The May Revision reflects a decrease of \$42.1 million in Local Assistance. This includes an increase of \$583,000 in the Federal Trust Fund (Fund 0890) and a decrease of \$42.7 million in the ADAP Rebate Fund (Fund 3080). The decrease is primarily due to lower medication expenditures and premiums than previously estimated as clients transition to Medi-Cal through various Medi-Cal expansion policies, partially offset by increases in Pre-Exposure Prophylaxis Assistance Program costs.

Increased Resources for the Vector-Borne Disease Section

\$68,000 TF
\$68,000 OF

The May Revision reflects an increase of \$68,000 in the Vectorborne Disease Account Fund (Fund 0478) to support increased program expenditures.

Public Health Workforce Investments Restoration

\$20,800,000 TF
\$20,800,000 GF

The May Revision reflects the restoration of \$19.9 million in State Operations and \$928,000 in Local Assistance General Fund (Fund 0001) to support Public Health Workforce Investments, that were proposed for reduction at the 2023-24 Governor's Budget. Funding shall be available for encumbrance or expenditure until June 30, 2026.

IV. Center for Family Health

The Family Health program works to improve the health and well-being of pregnant people, children and youth as well as reduce disparities in perinatal health outcomes. The key programs include the Genetic Disease Screening Program (GDSP); the Maternal, Child and Adolescent Health (MCAH); and the Special Supplemental Nutritional Program for Women, Infants, and Children (WIC). Major budget adjustments include:

2022-23 Budget Adjustments

WIC Program Estimate

\$16,203,000 TF
\$16,203,000 OF

The May Revision reflects an increase of \$16.2 million in food expenditures. This includes an increase of \$36.6 million in the Federal Trust Fund (Fund 0890) and a decrease of \$20.4 million in the WIC Manufacturer Rebate Fund (Fund 3023). The increase in federal food expenditures is based on an increase in participation, an increase in food inflation, and an increase to the estimated cost for the fruits and vegetables benefit increase. These increases are partially offset by a reduction in rebate expenditures which can be attributed to the infant formula shortage as well as lower rebate per can following the transition to a new infant formula contractor.

GDSP Estimate

-\$7,932,000 TF
-\$7,932,000 OF

The May Revision reflects a \$7.9 million decrease in Genetic Disease Testing Fund (Fund 0203) in Local Assistance attributed to a methodology change in projecting Prenatal Screening Program (PNS) caseload. This new methodology is based on the actual number of PNS program participants from November 2022 to January 2023 rather than forecasting caseload as a percentage of the Department of Finance Demographic Research Unit's (DRU) projected number of live births.

2023-24 Budget Adjustments

WIC Program Estimate

\$59,695,000 TF
\$59,695,000 OF

The May Revision reflects an increase of \$59.7 million in WIC's food expenditures. This includes an increase of \$64.3 million in the Federal Trust Fund and a decrease of \$4.6 million in the WIC Manufacturer Rebate Fund. The increase in food expenditures is driven by an increase to the estimated cost for the fruits and vegetables benefit increase, an increase in participation projections, and increases in food inflation. The rebate expenditures decrease is due to lower projected rebate per can following the transition to a new infant formula contractor.

GDSP Estimate

-\$234,000 TF
-\$234,000 OF

The May Revision reflects a decrease of \$1.2 million in Genetic Disease Testing Fund State Operations and an increase of \$1 million in Genetic Disease Testing Fund Local Assistance. The decrease in State Operations is attributed to a \$1.2 million technical adjustment. The \$1 million increase in Local Assistance consists of a \$2.2 million decrease due to a technical adjustment and a \$3.2 million increase attributed to contract cost rate increases and projected caseload increases in Case Management and Coordination Services and Contract Regional Laboratories costs centers in both the PNS and Newborn Screening Programs. The May Revision also proposes to implement activities associated with prenatal screening for Sex Chromosome Aneuploidies; provisional language is proposed to augment expenditure authority in the Genetic Disease Testing Fund to support these activities.

V. Center for Health Statistics and Informatics

The Health Statistics and Informatics program works to improve the public's health by managing information systems and facilitating the collection, validation, analysis, and dissemination of health statistics and demographic information on California's population. This program includes Vital Records, Vital Statistics, and Public Health Informatics. There are no major budget adjustments.

VI. Center for Environmental Health

The Environmental Health program works to protect and improve the health of all California residents by utilizing investigation, inspection, technical assistance, regulatory and/or emergency response activities to improve the safety of food, drugs, medical devices; conduct underage tobacco enforcement; oversee the use of radiation and radioactive materials; regulate medical waste; and conduct other environmental management programs. The program includes the Division of Food and Drug Safety and the Division of Radiation Safety and Environmental Management. Major budget adjustments include:

2023-24 Budget Adjustments

Industrial Hemp Licensing and Compliance Program Reappropriation

\$1,200,000 TF
\$1,200,000 GF

The May Revision reflects a reappropriation of \$1.2 million General Fund (Fund 0001) State Operations from the 2022 Budget Act to implement the regulation of Industrial Hemp products mandated in Chapter 576, Statutes of 2021 (Assembly Bill 45).

Proposition 56 Tobacco Law Enforcement Account

-\$151,000 TF
-\$151,000 OF

The May Revision reflects a decrease of \$151,000 in Tobacco Law Enforcement Account (Fund 3318) State Operations as a result of updated Proposition 56 revenue projections. This funding supports the enforcement of state and local laws related to the illegal sales of tobacco to minors.

VII. Center for Health Care Quality

The Health Facilities program regulates the quality of care in public and private health facilities, clinics, and agencies throughout the state; licenses nursing home administrators, and certifies nurse assistants, home health aides, and hemodialysis technicians; and oversees the prevention, surveillance, and reporting of healthcare-associated infections in California's health facilities. Major budget adjustments include:

2022-23 Budget Adjustments

CHCQ Estimate

\$32,289,000 TF
\$32,289,000 OF

The May Revision reflects an increase of \$32.3 million in Federal Trust Fund (Fund 0890) State Operations expenditure authority for potential Title XVIII and Title XIX supplemental awards, an increased Hospice IMPACT award, and potential supplemental CARES Act funding.

2023-24 Budget Adjustments

CHCQ Estimate

\$25,268,000 TF
\$25,268,000 OF

The May Revision reflects an increase of \$25.3 million in Federal Trust Fund State Operations expenditure authority for potential Title XVIII and Title XIX supplemental awards, an increased Hospice IMPACT award, and potential supplemental CARES Act funding.

Skilled Nursing Facilities Staffing Audits

\$4,000,000 TF
\$4,000,000 GF

The May Revision reflects an increase of \$4 million General Fund (Fund 0001) State Operations to support the workload of the Staffing Audits Section (SAS) for Skilled Nursing Facility (SNF) minimum staffing requirement audits.

Skilled Nursing Facility Staffing Requirements Compliance (AB 81) Technical Adjustment

\$0 TF
-\$939,000 OF
\$939,000 GF

The May Revision reflects a decrease of \$939,000 and six positions in the State Department of Public Health Licensing and Certification Program Fund (Fund 3098) in State Operations and an increase of \$939,000 and six positions in the General Fund reimbursement authority in 2023-24 and ongoing to align budget authority with the correct fund source.

VIII. Office of Health Equity

The Office of Health Equity provides a key leadership role in advancing physical and mental health equity in California. This office works with communities and across sectors to address the root causes of health inequities, including but not limited to climate change and racial injustice, and to embed health and equity considerations into the decision-making process. This office has played a critical role in centering equity and those disproportionately impacted by the COVID-19 pandemic, which will also help to establish a health equity lens for future public health challenges. There are no major budget adjustments.