

AGENDA

ASSEMBLY BUDGET SUBCOMMITTEE NO. 1 ON HEALTH AND HUMAN SERVICES

ASSEMBLYMEMBER DR. JOAQUIN ARAMBULA, CHAIR

WEDNESDAY, APRIL 6, 2022

1:30 P.M. – STATE CAPITOL, ROOM 444

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://assembly.ca.gov/todaysevents>.

The Capitol will be open for attendance of this hearing. Any member of the public attending a hearing in the Capitol is strongly encouraged to wear a mask at all times while in the building.

*A moderated telephone line will be available to assist with public participation. After all witnesses on all panels and issues have concluded, and after the conclusion of member questions, the public may provide public comment by calling the following toll-free number:
1-877-692-8957 / Access Code: 131 54 44.*

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LIST OF PANELISTS IN ORDER OF PRESENTATION

All panelists are asked to please be succinct and brief in their presentations (3-5 minutes is suggested, with five minutes as a firm maximum) in order to facilitate the flow of the hearing. Thank you.

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY (CALHHS)

5180 DEPARTMENT OF SOCIAL SERVICES (DSS)

ISSUE 1: RELEASE OF CALWORKS POLICY ALIGNMENT REPORT AND CALWORKS' NEXUS WITH CHILD WELFARE DISPARITIES REDUCTION GOALS

1. Kim Johnson, Director, California Department of Social Services and Member, CalHHS Child Welfare Council
2. Kristina Meza, CalWORKs and Family Resilience Branch Chief, California Department of Social Services
3. Cathy Senderling-McDonald, Executive Director, County Welfare Directors Association of California
4. Jennifer Greppi, Lead Chapter Organizer, Parent Voices California
5. Esi Hutchful, Policy Analyst, California Budget & Policy Center
6. Mike Herald, Legislative Advocate, Western Center on Law and Poverty
7. Ryan Anderson, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
8. Jenean Docter, Finance Budget Analyst, Department of Finance
9. Tyler Woods, Assistant Program Budget Manager, Department of Finance

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY (CALHHS)

0530 CALHHS OFFICE OF SYSTEMS INTEGRATION

0530 CALHHS CENTER FOR DATA INSIGHTS AND INNOVATION

5180 DEPARTMENT OF SOCIAL SERVICES

ISSUE 2: AUTOMATION PROJECTS AND DATA/OUTCOMES REPORTING FOR HUMAN SERVICES PROGRAMS

1. Brandon Hansard, Deputy Director, Benefit and Enrollment Technology Support (BETS) Division, Office of Systems Integration, CalHHS
2. John Boule, Executive Director, California Statewide Automated Welfare System (CalSAWS)
3. John Ohanian, Chief Data Officer, CalHHS and Director, Center for Data Insights and Innovation
4. Ryan Gillette, Research, Automation, and Data Division Chief Data Officer, California Department of Social Services

5. Cynthia Tocher, Deputy Director for Child Welfare Digital Services, Office of Systems Integration, CalHHS
6. Jessica Rougeux, Child Welfare System Branch Chief, California Department of Social Services
7. Jennifer Tracy, CalSAWS Advocates Co-Lead, California Association of Food Banks
8. Ruben Canedo, Director, Strategic Equity Initiatives and University of California (UC) Berkeley Basic Needs Committee Chair and UC System Basic Needs Co-Chair
9. Cathy Senderling-McDonald, Executive Director, County Welfare Directors Association of California
10. Brian Metzker, Principal Fiscal and Policy Analyst, Legislative Analyst's Office
11. Tyler Woods, Assistant Program Budget Manager, Department of Finance
12. Rob Trojan, Finance Budget Analyst, Department of Finance

4700 DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT (CSD)

ISSUE 3: GOVERNOR'S BUDGET PROPOSALS AND OVERSIGHT OF IMPLEMENTATION FOR PROGRAMS ADMINISTERED BY THE DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

1. David Scribner, Director, Department of Community Services and Development
2. Angela Short, Senior Fiscal and Policy Analyst, Legislative Analyst's Office
3. Jaleel Baker, Finance Budget Analyst, Department of Finance
4. Kia Cha, Principal Program Budget Analyst, Department of Finance

There are no panels for the Non-Discussion Items in this agenda.

Public Comment will be taken after the completion of all panels and any discussion from the Members of the Subcommittee.

ITEMS TO BE HEARD

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY (CALHHS) 5180 DEPARTMENT OF SOCIAL SERVICES (DSS)

ISSUE 1: RELEASE OF CALWORKS POLICY ALIGNMENT REPORT AND CALWORKS' NEXUS WITH CHILD WELFARE DISPARITIES REDUCTION GOALS

PANELISTS AND QUESTIONS ASKED OF EACH PRESENTER

Panelists have been asked to specifically answer the questions below as listed for each individual panelist in their five-minute maximum presentation to the Subcommittee.

1. Kim Johnson, Director, California Department of Social Services and Member, CalHHS Child Welfare Council

- What opportunities do the recommendations in the just-released CalWORKs Policy Alignment Report present to further realize the goals of CalWORKs 2.0 and the CalWORKs Outcomes and Accountability Review (Cal-OAR) effort?
- What are the key challenges for the CalWORKs caseload, with an emphasis on the children living in deep poverty who are in the program?
- How does Cal-OAR create accountability and improved program outcomes? Do work and WPR penalties help or hinder, or are they duplicative, of the work being undertaken in Cal-OAR?
- What are the connections between CalWORKs, the Child Welfare Council's vision and goals, and the state's goals around breaking two-generational poverty, child development, and greater equity?
- What role does the California Health and Human Services Agency (CalHHS) play in ensuring that initiatives, like the Bold Goals of 50x2025 in the Department of Health Care Services, carry consequence and impact for programs like CalWORKs, that are intended to meet basic needs, upon which other programs, e.g. Medi-Cal/CalAIM, rely for success?
- What are the near-term goals of the CalHHS and the Child Welfare Council to improve the lives of children living in deep poverty in California?

2. Kristina Meza, CalWORKs and Family Resilience Branch Chief, California Department of Social Services

- What are the key recommendations from the CalWORKs Policy Alignment Report?
- What is the vision for how CalWORKs can better serve parents in the program? How can it better serve children and give them a real chance to break the cycle of poverty?
- What are some key challenges for the primary recommendations?
- What are the most promising opportunities in the recommendations and how do these align with the 2.0 and Cal-OAR?

- When bringing new policies and supportive services forward, how will DSS prioritize the needs and desires of customers in a systemic, trauma-informed, and strength-based way?

3. Cathy Senderling-McDonald, Executive Director, County Welfare Directors Association of California

- What is the importance of continuing to work on the 2.0 and Cal-OAR at this moment in time?
- How would CWDA recommend the state consider the recommendations in both the CalWORKs Policy Alignment Report and the report by the California Budget & Policy Center on penalties to move further in the direction of CalWORKs 2.0?
- How does the work participation rate (WPR) help or hinder county implementation of 2.0 objectives?
- What is CWDA's perspective on problems and solutions identified in the CalWORKs Policy Alignment Report?
- What do the counties see as the opportunities and challenges in addressing poverty for children and families at risk of child welfare involvement?

4. Jennifer Greppi, Lead Chapter Organizer, Parent Voices California

- What are parents' perspectives on problems and solutions identified in the CalWORKs Policy Alignment Report?
- How did DSS intentionally engage parents and CalWORKs customers in the formulation of the Report's recommendations?
- Which of the Report's recommendations do you prioritize for action this budget cycle?
- What options do California policymakers have to better support CalWORKs families?

5. Esi Hutchful, Policy Analyst, California Budget & Policy Center

- What are the challenges that CalWORKs parents experience?
- What are the federal TANF requirements of states and do they reflect families' needs?
- How do California's own CalWORKs policies advance or hinder family well-being?
- What options do California policymakers have to better support CalWORKs families?

6. Mike Herald, Legislative Advocate, Western Center on Law and Poverty

- What is your perspective on problems and solutions identified in the CalWORKs Policy Alignment Report?
- Which of the Report's recommendations do you prioritize for action this budget cycle?
- What options do California policymakers have to better support CalWORKs families?

7. Ryan Anderson, Principal Fiscal and Policy Analyst, Legislative Analyst's Office

- Please provide your assessment of the Report's recommendations.
- Are there recommendations that stand out as salient and compelling for the state to consider, given prior and recent budget and policy actions?
- Are there recommendations that could have greater impact and perhaps a lower attached funding requirement?
- What are the state's options when it comes to the WPR and its penalty structure?

8. Jenean Docter, Finance Budget Analyst, Department of Finance**9. Tyler Woods, Assistant Program Budget Manager, Department of Finance**

- Please provide your assessment of the Report's recommendations.
- Are there recommendations that stand out as salient and compelling for the state to consider, given prior and recent budget and policy actions?
- What is the DOF assessment of the WPR penalty and removal of the county share, which many assert impedes the family stabilization, improved outcomes for parents, and child development goals of the CalWORKs program?

CALWORKS POLICY ALIGNMENT REPORT

Report Released April 1, 2022. The report from the California Work Opportunity and Responsibility to Kids (CalWORKs) Outcomes and Accountability Review (Cal-OAR) Policy Alignment Workgroup was due and was released by the California Department of Social Services (CDSS or DSS) on Friday, April 1, 2022. The report presents recommendations pursuant to the requirements of Assembly Bill (AB) 135 (Chapter 85, Statutes of 2021). The bill tasked the CDSS with facilitation of a workgroup to review CalWORKs laws and regulations that may create barriers to the successful implementation of Cal-OAR and make relevant recommendations. The report notes that CDSS served as a facilitator of the process, not a workgroup participant, and that the recommendations in the report do not necessarily reflect the opinions of CDSS or the Governor's Administration.

At the time of this writing, the report was not yet posted on the CDSS website, but should appear soon at: <https://www.cdss.ca.gov/inforesources/information-resources/family-engagement-and-empowerment-reports>.

Background and Impetus for the Report. The following is from the preface and executive summary of the Report:

SB 89 (Chapter 24, Statutes of 2017) established Cal-OAR, creating a local, data-driven program management system that facilitates continuous improvement of county CalWORKs programs by collecting, analyzing, and disseminating outcomes and best practices. County Welfare Departments (CWDs) and the County Welfare Directors Association (CWDA), with the help of Mathematica as lead contractor and the Center on Budget and Policy Priorities and EmPath as subcontractors, developed CalWORKs 2.0, an evidence-based, goal-driven service delivery framework that considers unique whole-family needs in making service delivery decisions.

[As noted in prior agendas, the CalWORKs] program is California's version of the federal Temporary Assistance for Needy Families (TANF) program. The program provides cash assistance and services for 60-months to meet family basic needs. Beyond the adult's 60-months of lifetime aid, the children in the household may continue to be aided until they are 18 years of age or until the household no longer meets income eligibility. This population is referred to as the CalWORKs Safety Net. During the 2020-2021 fiscal year, CalWORKs served a monthly average of 730,648 children in 314,678 cases.

While CalWORKs offers cash assistance, along with supports and services, above the federally mandated TANF minimum requirements, such as more flexible Welfare-to-Work (WTW) activities, for example, TANF is still fundamentally compliance-driven and work-first oriented. As with earlier iterations of work requirements, the work requirements in TANF have disproportionately impacted families of color, and in particular Black families, by promoting work activities over barrier-reduction services, such as domestic violence services, mental health counseling, or educational activities, which are consistently shown to improve family economic outlook, stability, and security.

Despite these inequities, state TANF programs must meet a federal Work Participation Rate (WPR) to avoid fiscal penalties. The WPR is the singular, binary metric used to measure states' success at the federal level. Recognition of the flaws embedded in this metric, along with the goal of applying more meaningful metrics of success, contributed to the creation of Cal-OAR and its directive towards data and outcome-driven process improvement efforts.

CalWORKs 2.0. [As mentioned above,] CalWORKs 2.0 is an initiative led by the County Welfare Directors Association of California (CWDA) to develop and utilize a goal-achievement services delivery framework and intentional service selection approach within CalWORKs. CalWORKs 2.0 utilizes brain science, and behavioral science research on how adults learn and build critical skills as the basis for developing and improving county procedures and interactions with clients. The shift toward putting the client at the center of their goal-achievement plan is intentional; it serves to build client investment in the program and confidence in themselves. Additionally, CalWORKs 2.0 serves to move the program away from a compliance-oriented framework that has proven ineffective for disrupting intergenerational poverty. The principles of CalWORKs 2.0 helped inform some of the recommendations included in this report. AB 135 (Chapter 85, Statutes of 2021) directed the Workgroup to make recommendations on how to implement Cal-OAR and CalWORKs 2.0 principles and practices statewide.

CalWORKs Outcomes and Accountability Review (Cal-OAR). Complemented by the CalWORKs 2.0 client-centered, goal-achievement framework, Cal-OAR takes an outcome driven approach which facilitates continuous improvement of county CalWORKs programs by collecting, analyzing, and disseminating outcomes and best practices for client achievement. Cal-OAR implemented July 1, 2021, per AB 135 (Chapter 85, Statutes of 2021), with the first Cal-OAR cycle beginning July 1, 2021 and concluding June 30, 2026.

As required by Welfare and Institutions Code (WIC) Section 11523, Cal-OAR consists of three core components: performance measures, a county CalWORKs self-assessment, and a county CalWORKs system improvement plan. The Cal-OAR continuous quality improvement cycles will take place over five years.

Cal-OAR Policy Alignment Workgroup Background. The first Cal-OAR Policy Alignment Workgroup, submitted to the Legislature in February 2020, was organized to comply with AB 80 (Chapter 27, Statutes of 2017), which directed CDSS to convene a stakeholder workgroup to review CalWORKs statutes and regulations that may create barriers to the successful

implementation of Cal-OAR and make relevant recommendations. This workgroup brought stakeholders, including, County Welfare Directors Association, advocates for the poor, recognized employee organizations that represent workers at CWDs, CalWORKs clients, and staff of the appropriate fiscal and policy committees of the Legislature together to share expertise in identifying and revising key policies to better serve CalWORKs clients. The CDSS served to facilitate and coordinate the workgroup meetings.

A second Cal-OAR Policy Alignment Workgroup was organized to comply with Chapter 85, Statutes of 2021 (AB 135), which directed CDSS to convene a stakeholder workgroup to make recommendations to the Legislature on how to implement Cal-OAR and CalWORKs 2.0 principles and practices statewide, and prioritize recommendations made by the Cal-OAR stakeholder group by April 1, 2022. The workgroup brought stakeholders together to share their expertise in identifying and revising key policies to better serve CalWORKs clients.

Pursuant to WIC 11523.5, stakeholder workgroup member affiliations included: the County Welfare Directors Association (CWDA), the exclusive representative of county CalWORKs staff, Western Center on Law and Poverty, Parent Voices, and Legislative staff. The CDSS was given flexibility to invite other entities to the workgroup as deemed appropriate. The CDSS served to facilitate and coordinate the workgroup meetings.

Key Report Recommendations. Below are a set of recommendations that were ranked among the top twenty percent overall. Recommendations that were not ranked among the top twenty percent may be reviewed in full in an appendix to the report. The recommendations in the report are intended by workgroup participants to offer potential resolution to many pressing concerns in the current CalWORKs program. Efforts in recent years, through both Cal-OAR and CalWORKs 2.0, move CalWORKs towards a program aimed at building family stability and resilience. This series of recommendations from the workgroup members is intended to serve as a continuation of that effort geared toward positive outcomes for CalWORKs clients and county staff supporting the CalWORKs program.

- The Legislature shall mandate the creation of a family navigator position within each CWD whose qualifications, at a minimum, will be that the person is a recent current or former CalWORKs client. The position would be created in the near-term, unless labor-related needs and/or automation require a longer timeframe. NOTE: The recommendation is that the position cannot be contracted out. However, staff who are contracted with the CWD to complete this form of work may be eligible for consideration.
- The Legislature shall mandate CDSS, in consultation with stakeholders, to integrate trauma informed practices, e.g., Trauma Informed Care (TIC) modules, in the development of mandatory training curriculum for all new county WTW staff, and for all county WTW staff periodically thereafter. This shall be implemented in the near-term.
- The recommendation is for CDSS to create and implement a uniform way of doing early engagement, through guidance and technical assistance to CWDs, that will enable clients to have maximum choice in deciding how they want to navigate the process with the help of a program navigator, to the effect of standardizing program experience and access.

- The recommendation is for statutory changes to CalWORKs Welfare and Institutions Code sections and for CDSS to be mandated to re-write the penalty pass-on regulations and remove those using the time clock, to the effect of reducing fiscal penalties on counties and creating an environment for more innovative solutioning.
- The recommendation is for CDSS to be required to seek a waiver from the Federal Administration for Children and Families in order to avoid being penalized for not meeting the WPR, to the effect of reducing the fear of fiscal penalties for counties, as well as the state. This shall be sought as soon as possible so that it can be implemented in the short term.
- The recommendation is for statutory changes to CalWORKs Welfare and Institutions Code in order to authorize a standardized transportation payment to all WTW participants with allowance for additional flexibilities, in order to provide clients with needed supportive services to fulfill WTW requirements. Clients should receive a stipend of \$100 per month, increased for the cost of living every 3 years; clients will receive a form to claim actual expenses if they wish to do so using mileage reimbursement rates consistent with IRS rates. Transportation shall include trips to and from child care providers for child care drop-off and pick-up.
- The recommendation is for the Legislature and Governor to make statutory changes to CalWORKs Welfare and Institutions Code in order to mandate that CalWORKs clients be provided a supportive services request form at application, at recertification, at semiannual intervals, and any other time client is engaged with WTW.
- CDSS engages in surveys, focus groups, and other tools to learn about the clients' experiences in the program and what they identify as program strengths and weaknesses, to the effect of making the program more responsive and effective in supporting clients and laying the foundation for a client-led program.
- The Legislature and Governor shall mandate that CalWORKs be renamed to a more strength-based alternative, such as "CalFamilies" or "CalKids," to the effect of changing public perception about the program.
- The recommendation is for CDSS and CWDA to gather information via surveys, focus groups during FY 2022-23 to understand current best practices and barriers around engagement, eligibility and other relevant areas in order to develop resources for dissemination among county staff.
- The recommendation is that beginning in FY 2023-24, counties shall provide CDSS with data on application denial reasons on a quarterly basis, in a manner identified by CDSS, so that CDSS can identify the most common barriers to program entry and develop strategies and policy recommendations to reduce them.

- The recommendation is for CDSS to draft new guidance to counties recommending process changes to create or expand on Family Services Teams, and if necessary, to seek statutory changes. Based on the timelines associated with the new CDSS guidance, counties would develop implementation plans meeting the timelines laid out by the CDSS. Additionally, the CDSS would draft a local assistance proposal to increase funding for counties to support implementation.
- The recommendation is for CDSS to draft new guidance to counties recommending process/policy changes for how to implement a peer support model, and if necessary, seek statutory changes. Based on the timelines associated with the new CDSS guidance, counties would develop implementation plans meeting the timelines laid out by the CDSS. Next, counties would work with families involved in the program to seek support in building this new peer system. Additionally, the CDSS would draft a local assistance proposal to increase funding for counties to support implementation if needed.
- The counties will survey their workforce and review existing processes to determine what capabilities they have and what appointments with families could be improved through new electronic communication systems, potentially BenefitsCal or SAWS communication systems. Next, the CDSS will determine if statute or regulations need to be updated to allow for changes in communication processes and draft the necessary proposals to the legislature for updates. Alternatives need to remain optional. Counties cannot require these systems, but can offer them to help with improved communication with clients.
- The counties will review their existing processes to determine the levels at which sanctioned families are resolving their status. If there are systemic gaps or changes that need to be made to implement amnesty for sanctioned participants and return them to good standing, counties will work internally to update their processes. If the counties find that there would require actual changes to statute or regulation to accomplish this, they will work with the CDSS to draft the required legislative proposals for updates. The budget methodology may need to be changed for additional funding, although expectations are that the budget methodology has needed to be recalculated regardless.
- The recommendation is for the Legislature and Governor to mandate CWDs to confirm receipt of all indicated supportive services before requiring WTW participation to ensure clients are able to participate in WTW meaningfully.
- The recommendation is for the Legislature and Governor to require a 6-month client deferral for clients for whom OCAT flags domestic violence and/or learning disability issues. Clients may voluntarily agree to participate as a WTW exempt volunteer if so desired.
- The recommendation is for the Legislature and Governor to enact a statute providing a monthly flat rate benefit for internet access, in addition to the CalWORKs maximum aid payment.
- The recommendation is for the Legislature and Governor to require that mileage reimbursement be built into the BenefitsCal system or other electronic system.

- The recommendation is for the Legislature and Governor to amend existing statute to allow the client to choose which mode of transportation to use; existing statute requires the least costly form of transportation when the transit time is less than one hour from home site to activity.

CALHHS CHILD WELFARE COUNCIL

The California Child Welfare Council (CWC) was established by the Child Welfare Leadership and Accountability Act of 2006 (Welfare and Institutions Code Sections 16540-16545) and serves as an advisory body responsible for improving the collaboration and processes of the multiple agencies and courts that serve children in the child welfare system. The Council is co-chaired by the Secretary of the California Health and Human Services Agency and the designee of the Chief Justice of the California Supreme Court, and membership is comprised of state departments, county departments, nonprofit service providers, advocates, parents, and former foster youth. The Council is charged with monitoring and reporting on the extent to which the agencies and courts are responsive to the needs of children in their joint care.

The following is from the 2018-19 Annual Report from the Council:

Established as a statewide multidisciplinary advisory body by the Child Welfare Leadership and Accountability Act of 2006, the California Child Welfare Council (Council) is responsible for improving services to children and families in the child welfare system and those at risk of entering the system, with an emphasis on collaboration among the state's multiple child serving agencies and the courts. The Council is also charged with reporting on the responsiveness of those child serving programs and the courts to the needs of children in their joint care. The State of California is responsible for ensuring that foster children and youth receive mandated services provided by several state departments, but in the Council's authorizing statute the Legislature acknowledged that the services available to meet their basic needs were insufficient.

The statute declared that statewide leadership and coordination across partner agencies, organizations, and state departments is essential to addressing poor outcomes and to providing these young people with critically needed support and services at the local level. Since its inception, the Council has continued to make incremental progress in meeting the statutory goals by monitoring and reporting on administrative and judicial projects, participating as a partner in the development of new state programs, identifying opportunities for improving existing state programs, and keeping informed about new research on effective child welfare services.

During fiscal year 2018-19, the Council built on work begun in prior years to further develop multi-system collaboration, process improvement, and effective partnerships necessary for continued improvement within the greater child welfare system. The Council and its Committees and Task Forces provide an opportunity to achieve interagency collaboration, creative problem solving, and systems improvement—and represents a successful model that is both significant and uncommon in government. In its quest to improve the child welfare

system the Council has taken on the issues described in this report, many of which have long perplexed policy makers, administrators, courts, service providers and—most of all—families and children who receive services. By bringing together the many disciplines involved in child welfare, as well as consumers and advocates, the Council generates meaningful discussion of these difficult issues. It also promotes solutions that have the greatest likelihood of success in the real world, having been developed by people who have an in-depth understanding of the issues from personal experience. The likelihood of success is enhanced because consideration has been given to the perspectives of the many players who must be part of implementing any solution.

At the same time, these complex, cross-cutting issues defy simple or quick solutions. Rather, they require thoughtful minds to gather information, discuss the nature of the issues, brainstorm strategies to address them, apply science and compassion in designing solutions, and develop practical ways to implement improved services and support structures. While this process takes time, the involvement of many agencies and their respective constituencies is essential. Well-functioning multi-system collaborations remain an elusive goal, but one that nevertheless remains first and foremost in the Council's work, true to the vision of its creators.

The California Child Welfare Council brings together, among other stakeholders:

- Leaders from multiple agencies across all three branches of government at the state and local level
- Former foster youth
- Parents
- Service providers
- Educators
- Advocates
- Researchers

Vision. Every California child lives in a safe, stable, permanent home, nurtured by healthy families with the capacity to meet the child's needs and support the child's well-being, and is prepared for the transition into adulthood and becoming a contributing member of society.

Mission. We provide an effective, collaborative forum for the three branches of government, foster youth and their families, and key stakeholders to advocate for effective and promising strategies and adequate resources to improve outcomes for children, youth and families involved with or at risk of involvement with the child welfare system.

1. Collaboration is essential among the three branches of government, foster youth and their families, and key stakeholders to achieving improved outcomes for children, youth and families.
2. Accountability for child, youth, and family outcomes is shared between federal, state, and local governments and among multiple agencies, the courts, community partners, families, and youth.
3. Engaging families and youth in the development, implementation and evaluation of services, programs, and policies is essential to achieving improved system outcomes.
4. Sharing data and information across governmental jurisdictions, agencies and the courts promotes more informed program planning, development, and evaluation. At the

local level, it enables the linkage of children, youth and families to appropriate community services and supports.

5. Best and promising practices should be replicated statewide where appropriate and possible.
6. Maximizing and using multiple funding sources flexibly across systems provides resources needed to meet the comprehensive and complex needs of children, youth and their families.
7. Recommendations will be culturally appropriate, strength-based, evidence-informed, and outcomes-driven to ensure that all children, youth and their families are treated fairly and equally without regard to age, race, gender, sexual orientation, and ethnicity.

CALIFORNIA BUDGET & POLICY CENTER REPORT

The California Budget & Policy Center released a report in March 2022 entitled, “Undercutting the Needs of California Families: The Harm of Racist, Sexist Work Requirements & Penalties in CalWORKs.” The following are excerpts from the report, which overlap with many of the underlying principles and recommendations in the CalWORKs Policy Alignment report recently released by the Administration.

Racist & Sexist Federal Work Requirements Undercut CalWORKs Families’ Needs.

While CalWORKs parents face mounting discriminatory workplaces, as well as educational and health barriers that limit many participants’ ability to maintain or advance in jobs over the long term, TANF rules focus primarily on getting parents into jobs as quickly as possible. This work-first focus undermines families’ needs and the state’s goals of achieving economic and health security for all Californians. For many families, receiving cash assistance is conditional on engaging in employment or other specified “welfare-to-work” activities intended to lead to employment, such as on-the-job training or unpaid work experience. The federal government evaluates state programs not on how well they serve families in crisis, but on whether they meet specific work participation rate (WPR) targets, defined as the share of families receiving assistance that engaged in a narrowly-defined set of welfare-to-work activities. States that do not meet these narrow targets can lose part of their federal funding. Like other states, California has at times struggled to meet its WPR targets; however, due to appeals and corrective actions, the state has never paid a WPR penalty.

This work-first focus does not address the factors which make it hard for families in low-income households, particularly those led by women and people of color, to find consistent and well-paying jobs. These work requirements force Californians to “earn” public support and are based on racist and sexist beliefs that people of color take advantage of public assistance and that the unpaid caregiving that women traditionally provide is not real work. Though research suggests many clients need both employment-focused activities and those encouraging education and treatment, many welfare-to-work activities related to barrier removal and education do not fully count towards the federally-defined WPR, such as counseling for domestic violence.

As states do not want to risk losing funding by missing federal work rates, the WPR penalty discourages states from pursuing longer-term treatment or education that will help parents and families. Ironically, this disincentive to addressing work barriers for families may ultimately hinder states' efforts to raise WPR. To resolve this conflict, federal policymakers should expand the kinds of activities that fully count toward WPR to include these supportive services. However, in the meantime, states can still take steps to prevent the WPR policy from interfering with the support they provide parents.

State Policymakers Undercut Their Goal to Better Support CalWORKs Parents.

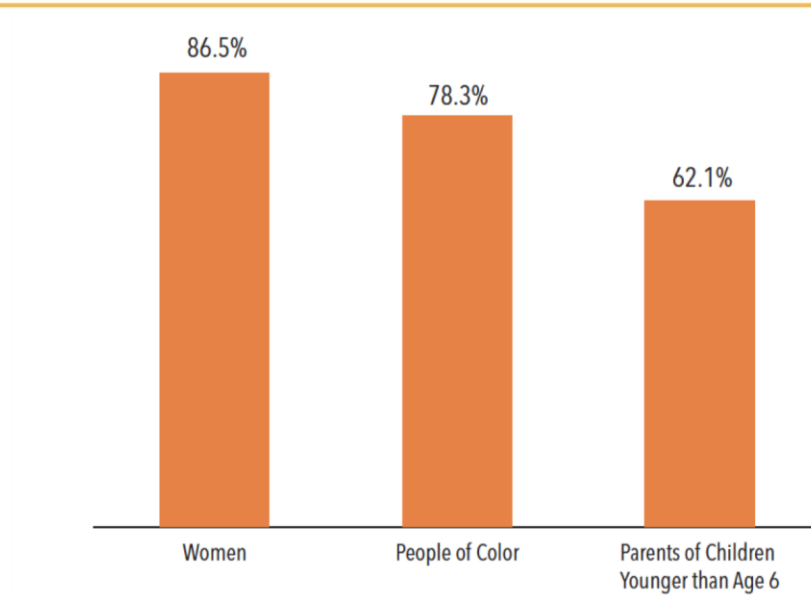
Recognizing the significant challenges facing CalWORKs families, in recent years California policymakers have made key policy changes intended to better support participants. Through Senate Bill 1041 (SB 1041) in 2012, California established its own CalWORKs participation standards separate from federal standards. Under these state standards, there are no limits on barrier removal and education and these activities are treated as equal to employment activities. The state has also adopted a behavioral approach aimed at helping families set goals (CalWORKs 2.0), created additional outcome measures to evaluate the program beyond the work rate (the California CalWORKs Outcome and Accountability Review or Cal-OAR), and implemented a voluntary home visiting program to support engaged parenting and enhance family health.

Yet a longstanding state policy that makes counties partially liable for any WPR penalty has hampered the effectiveness of these reforms. Counties that miss work rate targets must shoulder half the cost of the WPR penalty, a fiscal threat that pressures counties to prioritize meeting WPR over other goals. An evaluation of the policy changes in SB 1041 revealed how this pressure trickles down to county caseworkers, who can be penalized when the parents they support do not meet the work targets. Consequently, some caseworkers steer clients away from activities like treatment and education that may not meet WPR toward those that will. According to the study, county staff perceived an "inherent conflict" between making WPR and supporting clients under SB 1041. CalWORKs 2.0 and Cal-OAR face similar conflicts. Though the Department of Social Services (DSS) anticipates that these reforms will help increase the state's work rates in the long term, in the short term counties still risk a penalty for not meeting their target work rates. As WPR remains the only outcome measure for which counties face sanction, it will likely remain the focus for many county caseworkers.

CalWORKs parents also experience significant challenges that negatively affect both their health and their employment prospects. On average at least 30.8% of clients each month report having experienced mental health challenges, 20.0% have faced domestic abuse, and 5.4% have struggled with substance use. Additionally, in almost 4 in 10 (37%) CalWORKs cases, the head of the household did not complete high school. These data reflect national research that TANF parents often face at least one of these barriers, with a significant share experiencing more than one. As the Office of the California Surgeon General has noted, adverse experiences like mental illness, substance use, and domestic abuse, as well as poverty, sexism, and racism, are linked to toxic stress and create negative health outcomes for children and their families. However, though families living in poverty are more likely to face these challenges, they are also unlikely to have access to resources or financial support needed to heal and adapt from their trauma instead of developing toxic stress.

CalWORKs Clients Are Particularly Exposed to an Economy That Discriminates Against Women, People of Color, and Parents

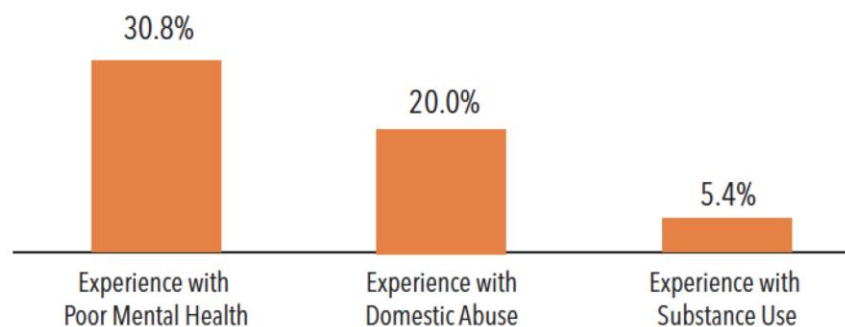
Welfare-to-Work Caseload, Federal Fiscal Year 2018



Source: Budget Center analysis of Department of Social Services data

CalWORKs Participants Face Significant Barriers to Employment and Personal Well-being

Share of CalWORKs Appraisals, Monthly Average for State Fiscal Year 2018-19



Note: Data are from the Online CalWORKs Appraisal Tool used to assess participant barriers to employment and reflect if a participant has ever experienced a specific barrier.

Source: Budget Center analysis of Department of Social Services data

The report urges policymakers to commit to helping parents address barriers and reject a short-sighted work-first approach that discourages critical counseling and education. This

would continue to make progress toward making CalWORKs a program that truly serves families in crisis. To achieve this goal, the report recommends the following for action:

1

Focus on providing holistic support to CalWORKs parents.

CalWORKs parents deal with myriad stressors of poverty, race and gender discrimination, and other challenges that are detrimental to their health and economic security. Policymakers should focus on how to best reject a punitive and compliance-based model in favor of a supportive behavioral approach, including by strengthening CalWORKs 2.0 and Cal-OAR so that success is defined as how well CalWORKs helps parents move out of poverty and meet their personal goals.

2

Direct the Department of Social Services to remove or revise the WPR penalty for counties.

The penalty-sharing policy effectively punishes counties for fully implementing state reforms and pursuing activities that do not count toward the work rate, which is itself the result of misguided work requirements that do little to support parents' long-term success in employment. Ideally, the state would end the penalty-sharing policy entirely. This shift would allow caseworkers to instead focus on addressing parents' barriers to work and on supporting their goals. Fiscally, this change would leave the state to shoulder the full cost of any potential penalty, however unlikely. Another option is to shield counties from potential WPR penalties provided they would have met WPR targets if supportive activities fully counted in calculating the work rate. This change would create an incentive for counties to adopt reforms but could also create more administrative costs.

3

Move away from work requirements.

All Californians should have access to the support they need to meet their basic needs, regardless of whether an adult is working for pay or not. Work requirements are regressive, racist, and sexist and national research suggests they do not even lead to meaningful improvements in stable employment or reductions in poverty.¹⁷ State policymakers should take dedicated steps to reevaluate work requirements in CalWORKs and to consider alternatives that would better support CalWORKs families.

STAFF COMMENTS AND QUESTIONS

There is an opportunity for intersectionality in government work today to improve the lives of hundreds of thousands of children and their parents living below deep poverty (defined as 50 percent of the federal poverty level) in California. This Subcommittee has been discussing and drawing connections between anti-poverty programs, namely CalWORKs, work on person-centered, equity-promoting goals fostered by the CalHHS Agency, and stark and racialized disparities that continue today in the child welfare space.

Staff suggests that the Subcommittee consider which of the recommendations from the CalWORKs Policy Alignment report are ripe for action in the 2022 Budget and work toward development of consensus for those objectives. Utilizing the work of the California Budget & Policy Center's recent report, and the testimony heard by the Subcommittee by thought leaders in the poverty space, including Senior Advisor Michael Tubbs, the elimination of the county work participation penalty could be considered for action. The statute governing this policy is included in Welfare and Institutions Code Section 10544 below:

WIC 10544. (a) If the department finds that a county is experiencing significantly worsened outcomes, it shall report this finding to the Chairs of the Senate Committee on Budget and Fiscal Review, the Assembly Committee on Budget, the Senate Committee on Health and Human Services, and the Assembly Committee on Human Services.

(b) If the state does not achieve the outcomes required by federal law and, as a result, is subject to a fiscal penalty, the penalty shall be shared equally by the state and the counties after exhaustion of all reasonable and available federal administrative remedies. If a county's single allocation pursuant to Section 15204.2 is reduced by the state to offset the county's share of any federal penalty imposed pursuant to this section, the county shall be required to utilize county general funds to replace the offset amount, so that total funding remains equal to the county's single allocation. These funds shall be in addition to the funds required to meet the maintenance-of-effort requirement pursuant to Section 15204.4. Only those counties that have failed to meet the federal requirements shall be required to share in the fiscal penalty imposed on the state. Those counties' share of the penalty imposed on the state shall equal 50 percent of that penalty. Each county's share of the penalty shall be based, in consultation with the County Welfare Directors Association, on the county's degree of performance that contributes to the failure to meet the federal requirement.

(c) A county may be provided relief, in whole or in part, from a penalty imposed pursuant to subdivision (b) if the department determines that there were circumstances beyond the control of the county. A county may also be provided relief based on the degree of success or progress in meeting federal requirements, and, to the extent that there are differences between state and federal program requirements, the degree of success in meeting state participation requirements. Any adjustment made pursuant to this subdivision shall be reported to the Chair of the Joint Legislative Budget Committee. If a county is granted relief, that portion of the total penalty shall not be imposed on the other counties that failed to meet the federal requirements.

(d) A county that fails, without good cause, to submit accurate and timely data used to measure work participation, as required by the department, shall be deemed to have failed to meet applicable federal requirements. For purposes of this subdivision, good cause shall include, but shall not be limited to, the lack of accurate, timely, and complete instructions from the department.

(e) The amendments made to subdivision (b) by the amendment of this section in 2006 by Chapter 75 of the Statutes of 2006, clarify existing law, as enacted by Assembly Bill 1542 (Ch. 270, Stats. 1997).

Staff Recommendation: Staff suggests that the Subcommittee consider requesting assistance from the Legislative Analyst's Office to ascertain which of the primary recommendations from the Policy Alignment report could be ready for adoption in this budget cycle, and that the LAO work with CDSS to understand what General Fund amount would be required for 2022-23 and on-going to accomplish implementation of those recommendations.

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY (CALHHS)**0530 CALHHS OFFICE OF SYSTEMS INTEGRATION****0530 CALHHS CENTER FOR DATA INSIGHTS AND INNOVATION****5180 DEPARTMENT OF SOCIAL SERVICES****ISSUE 2: AUTOMATION PROJECTS AND DATA/OUTCOMES REPORTING FOR HUMAN SERVICES PROGRAMS****PANELISTS AND QUESTIONS ASKED OF EACH PRESENTER**

Panelists have been asked to specifically answer the questions below as listed for each individual panelist in their five-minute maximum presentation to the Subcommittee.

1. Brandon Hansard, Deputy Director, Benefit and Enrollment Technology Support (BETS) Division, Office of Systems Integration, CalHHS

- Please provide an update on the CalSAWS integration, describing the budget and if/how any changes have occurred there, the schedule, and scope of the project.
- Please review the implementation of BenefitsCal and describe any issues, concerns, or challenges, and what the plans are to address any problems. How does the data on cases since the implementation compare with case information from before (e.g. rates of administrative denials, rates of timely determinations of all programs, and numbers of applications rescinded)?
- How does the stakeholder engagement process of CalSAWS compare to that of similar projects?
- Are we on track to complete the CalSAWS integration by the end of calendar year 2023 and what are the key remaining milestones to compliance?

2. John Boule, Executive Director, California Statewide Automated Welfare System (CalSAWS)

- Please describe the nature of what will be released in the coming months related to CalSAWS and BenefitsCal and what they mean for program access, customer-friendly design, language access, and program retention.
- Please review the implementation of BenefitsCal and describe any issues, concerns, or challenges, and what the plans are to address any problems. How does the data on cases since the implementation compare with case information from before (e.g. rates of administrative denials, rates of timely determinations of all programs, and numbers of applications rescinded)?
- How does the stakeholder engagement process of CalSAWS compare to that of similar projects?
- Are we on track to complete the CalSAWS integration by the end of calendar year 2023 and what are the key remaining milestones to compliance?

- 3. John Ohanian, Chief Data Officer, CalHHS and Director, Center for Data Insights and Innovation (CDII)**
 - What is the focus of the CDII's work to date and have there been challenges or issues of which the Legislature should be apprised?
 - What connection does CDII have to the major anti-poverty programs administered by CalHHS via the Department of Social Services, principally CalWORKs, CalFresh, and SSI/SSP? If there are no CDII projects that aim for improved outcomes for these programs currently, are there opportunities in the future?
 - How is CDII evaluating its success and what are your near-term milestones for this and next budget year?
 - Has the CDII provided the March 1, 2022 written update on major endeavors? If not, when will this, with the legislative briefings required in statute, be provided?
- 4. Ryan Gillette, Research, Automation, and Data Division Chief Data Officer, California Department of Social Services**
 - Please review the purposes of and cost, schedule, and scope for the Statewide Verification Hub being developed by DSS. What will be the new, unique purpose of the Hub and how will it facilitate access to and retention of benefits for Californians who qualify?
 - Please describe the major endeavors of your division affecting the largest anti-poverty programs administered by DSS and the primary objectives of this work.
- 5. Cynthia Tocher, Deputy Director for Child Welfare Digital Services, Office of Systems Integration, CalHHS**
 - Please provide a review of the cost, schedule, and scope for the Child Welfare Services – California Automated Response and Engagement System (CWS-CARES) project. What are the major changes and why?
- 6. Jessica Rougeux, Child Welfare System Branch Chief, California Department of Social Services**
 - What functionalities have been implemented for major components of the Continuum of Care Reform (CCR) effort and what is on the horizon for implementation and by when?
- 7. Jennifer Tracy, CalSAWS Advocates Co-Lead, California Association of Food Banks**
 - What concrete strategies can the state take to ensure that eligibility systems and interfaces are customer-friendly and support access to benefits?
 - What key features should be prioritized in future BenefitsCal and CalSAWS Releases?
- 8. Ruben Canedo, Director, Strategic Equity Initiatives and University of California (UC) Berkeley Basic Needs Committee Chair and UC System Basic Needs Co-Chair**
 - How are we prioritizing data infrastructure, high quality analysis, and innovation to ensure transparency, accountability, and success through this next phase of social services for the state of California?
 - Why are college students important in this next phase of social services for the state of California?

- What is the relationship between social services, college student success, and our local to state economies?

9. Cathy Senderling-McDonald, Executive Director, County Welfare Directors Association of California

- What are CWDA's and the counties' role with regard to the CWS-CARES project, and how is that working from the county perspective?
- From the county perspective, what factors are most important for the migration of the CalWIN counties to CalSAWS and BenefitsCal?

10. Brian Metzker, Principal Fiscal and Policy Analyst, Legislative Analyst's Office

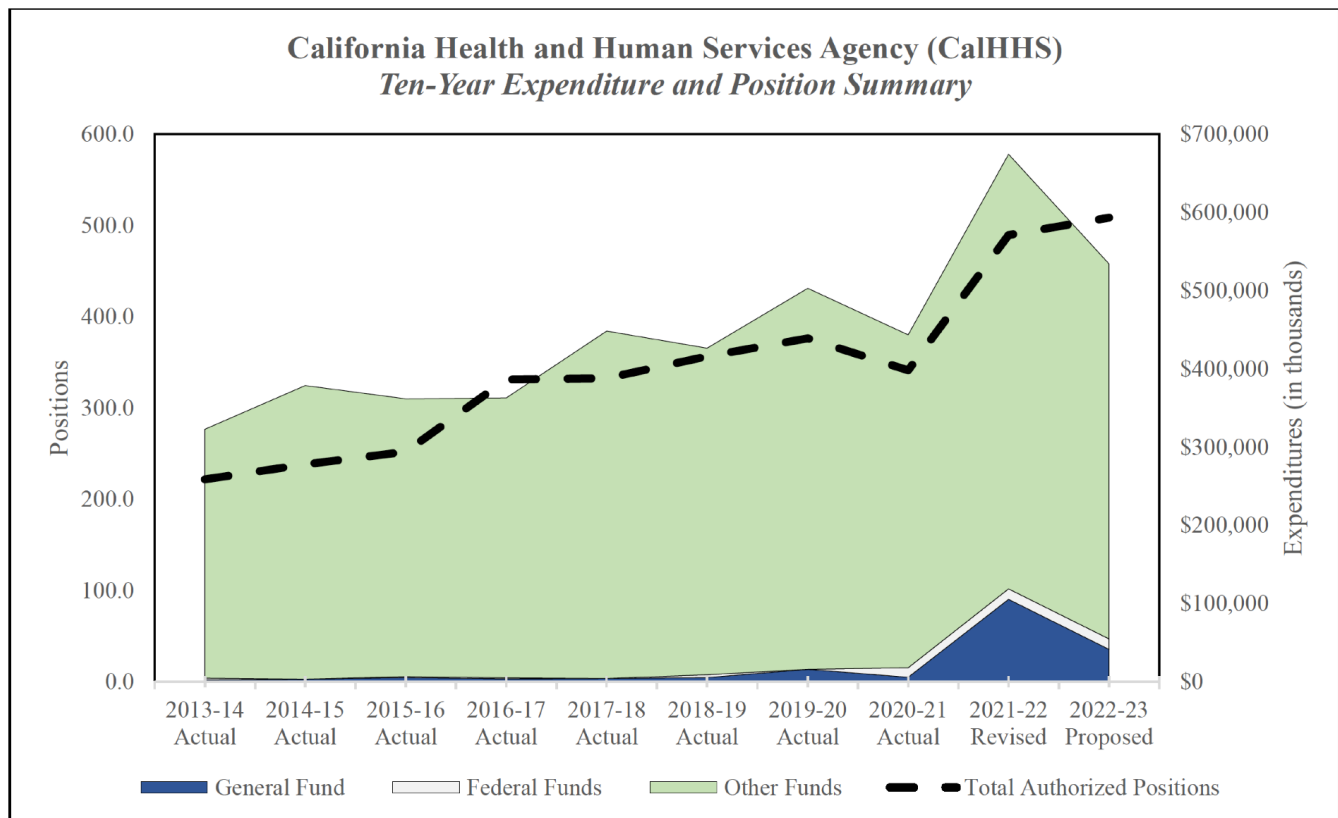
- Please provide high-level issues, questions, concerns, or observations that the Legislature should consider in reviewing the budgets of the state's major automation projects in the social services and health space.
- What recommendations does the LAO have at this time for the state to consider?

11. Tyler Woods, Assistant Program Budget Manager, Department of Finance

12. Rob Trojan, Finance Budget Analyst, Department of Finance

- Please review any related requests that have been made in April 1 letters from the Department of Finance related to automation projects and the rationale for each.

AGENCY OVERVIEW



California Health and Human Services Agency- Department Funding Summary <i>(dollars in thousands)</i>				
Fund Source	2020-21 Actual	2021-22 Budget Act	2021-22 Revised	2022-23 Proposed
General Fund	\$5,628	\$22,493	\$105,254	\$41,202
Federal Funds	\$12,236	\$13,415	\$13,415	\$13,446
Other Funds	\$425,728	\$488,472	\$555,674	\$479,480
Total Department Funding:	\$443,592	\$524,380	\$674,343	\$534,128
Total Authorized Positions:	341.3	376.7	489.5	508.5
<u>Other Funds Detail:</u>				
<i>Reimbursements (0995)</i>	\$5,050	\$4,131	\$4,978	\$4,185
<i>Office of Patient Advocate Trust Fund (3209)</i>	\$1,971	\$2,205	\$2,236	\$2,231
<i>Data Insights and Innovation Fund (3377)</i>	\$0	\$443	\$443	\$443
<i>Central Service Cost Recovery Fund (9740)</i>	\$5,105	\$5,105	\$5,135	\$2,894
<i>California HHS Automation Fund (9745)</i>	\$413,602	\$476,588	\$542,882	\$469,727

Background. The California Health and Human Services Agency (CalHHS) oversees twelve departments and five offices that provide a range of health care services, social services, mental health services, alcohol and drug services, income assistance, and public health services to Californians. CalHHS is administered by a cabinet-level Secretary of Health and Human Services, appointed by the Governor and confirmed by the California State Senate.

According to CalHHS, its primary mission is to provide policy leadership and direction to the departments, boards, and programs it oversees, to reduce duplication and fragmentation among departments in policy development and implementation, to improve coordination among departments on common programs, to ensure programmatic integrity, and to advance the Governor's priorities on health and human services issues.

The departments and other entities within CalHHS include:

- Department of Aging (CDA)
- Department of Public Health (DPH)
- Department of Child Support Services (DCSS)
- Department of Community Services and Development (CSD)
- Department of Developmental Services (DDS)
- Emergency Medical Services Authority (EMSA)
- Department of Health Care Services (DHCS)
- Department of Managed Health Care (DMHC)
- Department of State Hospitals (DSH)
- Department of Rehabilitation (DOR)
- Department of Social Services (DSS)
- Department of Health Care Access and Information (HCAI)

Within CalHHS there are several other entities administered by appointed commissions or governing boards, including:

- State Council on Developmental Disabilities
- Commission on Aging
- California Senior Legislature
- California Children and Families Commission
- California Health Benefit Exchange (Covered California)
- State Independent Living Council

CalHHS also oversees the allocation of funds to local governments under 1991 and 2011 State-Local Realignment. Within the organizational structure of CalHHS are five offices and the Center for Data Insights and Innovation.

Office of the Secretary of Health and Human Services. The Office of the Secretary formulates and coordinates policy among the Agency's departments, and communicates with the Legislature, stakeholders, and the public about issues relating to the state's health and human services programs. The Office of the Secretary is composed of six distinct offices or units, including:

- **Office of Legislative Affairs** – The Office of Legislative Affairs provides coordination, oversight, and management of proposed legislation and ensures the Administration's legislative priorities are developed and implemented. The office provides policy guidance, instruction, and direction to health and human services departments and entities, and coordinates with the Governor's Office on legislative positions.
- **Office of External Affairs** – The Office of External Affairs manages ongoing public information and public affairs functions and provides guidance and direction to public information officers in health and human services departments and entities. The office serves as the official Agency spokesperson to respond to media inquiries, and coordinates with the Governor's Office communication staff on significant and sensitive media issues.
- **Office of the Agency General Counsel** – The Office of the Agency General Counsel provides legal counsel to the Office of the Secretary and senior Agency staff, coordinates with the Governor's Office of Legal Affairs and with the Chief Counsels in health and human services departments and entities.
- **Office of Program and Fiscal Affairs** – The Office of Program and Fiscal Affairs is responsible for formulating, analyzing, revising, and evaluating the program and fiscal impacts of major health and human services policies of the Administration. This work includes assessment of all policy, legislative, fiscal, and other issues that have implications among health and human services departments and agencies, as well as other state agencies.
- **Administration Unit** – The Administration Unit manages personnel, human resources, training, and internal budget issues.
- **Office of the Agency Information Officer** – The Office of the Agency Information Officer supports health and human services departments and entities to successfully deliver data and technology solutions through portfolio support, enterprise architecture, information security, agency governance, and horizontal integration activities.

- **Office of Policy and Strategic Planning** – The Office of Policy and Strategic Planning is responsible for driving measurable outcomes on CalHHS guiding principles and strategic priorities through system alignment and program integration across the agency's departments and offices. The Office works on a set of initiatives to advance equity, address the social determinants of health, and ensure a whole person approach.

Office of Systems Integration (OSI). The Office of Systems Integration (OSI) procures, manages, and delivers technology systems that support the delivery of health and human services to Californians. OSI manages a portfolio of large, complex information technology (IT) projects, providing project management, oversight, procurement, and support services for these projects and coordinating communication, collaboration, and decision-making among project stakeholders and program sponsors. After the procurement phase, OSI oversees the design, development, governance, and implementation of IT systems that support the administration of health and human services programs in California.

Office of the Surgeon General (OSG). The Office of the Surgeon General (OSG) was established in 2019 to advise the Governor, serve as a leading spokesperson on matters of public health, and drive solutions to the state's most pressing public health challenges. The OSG has established early childhood, health equity, adverse childhood experiences (ACEs), and toxic stress as key priorities. The OSG has set a goal to reduce ACEs and toxic stress by half in one generation.

Office of Law Enforcement Support (OLES). The Office of Law Enforcement Support (OLES) was established in 2014 to provide monitoring and oversight of law enforcement personnel serving in the Office of Protective Services at DSH and DDS. OLES develops training protocols, policies, and procedures for law enforcement officers operating at DSH and DDS, and investigates incidents involving law enforcement personnel at state hospitals or developmental centers.

Office of Youth and Community Restoration (OYCR). The Office of Youth and Community Restoration (OYCR) supports the transition of justice involved youth being served in local communities by promoting a youth continuum of services that are trauma responsive and culturally informed, using public health approaches that support positive youth development, building the capacity of community-based approaches, and reducing the justice involvement of youth. The OYCR also assesses the efficacy of local programs, provides technical assistance and support, reviews local Juvenile Justice Realignment Grants, fulfills statutory obligations of an Ombudsperson, and develops policy recommendations.

Center for Data Insights and Innovation (CDII). The Center for Data Insights and Innovation (CDII) was established in 2021 to advance CalHHS data initiatives and help turn data into insights, knowledge, and action. The Center combines functions from the previous Office of Health Information Integrity (CalOHII), Committee for the Protection of Human Subjects (CPHS), Office of the Patient Advocate (OPA), and Office of Innovation. These functions include ensuring state department compliance with the Health Insurance Portability and Accountability Act (HIPAA) and other related state and federal privacy laws, health plan and medical group report cards evaluating health care quality and the patient experience, and

reporting on health care consumer and patient assistance centers by state agencies (Department of Managed Health Care, Medi-Cal, Department of Insurance, and Covered California). CDII also administers the CalHHS Open Data Portal, which provides public access to non-confidential health and human services data.

GOVERNOR'S BUDGET PROPOSALS FOR OSI

There are four Budget Change Proposals for OSI/DSS projects in the Governor's Budget and one piece of trailer bill related to the CDII. These are described below (and for some of these, agendas for other hearing dates covered these subjects, so a higher level description is included).

- 1. Electronic Benefit Transfer (EBT) Project BCP.** The Governor's Budget requests three positions and expenditure authority from the CalHHS Automation Fund of \$480,000 in 2022-23 and 2023-24. If approved, these positions and resources would allow OSI to effectively manage three new electronic benefit transfer (EBT) projects, meet stakeholder demands, and maintain the level of operations required for the state's benefit recipients.

Program Funding Request Summary (CalHHS-OSI)		
Fund Source	2022-23	2023-24
9745 – CHHS Automation Fund	\$480,000	\$480,000
Total Funding Request:	\$480,000	\$480,000
Total Requested Positions:	3.0	3.0

Background. The California Electronic Benefit Transfer (EBT) Project is responsible for automating the issuance, delivery, redemption, settlement, and reconciliation of California's public food and cash program benefits. The EBT Project supports the CalFresh program, the Women, Infants, and Children (WIC) Program, the California Work Opportunity and Responsibility to Kids (CalWORKs) Program, the Refugee Cash Assistance Program, the State Utility Assistance Subsidy (SUAS, formerly LI-HEAP), the Cash Assistance Program for Immigrants, and General Assistance/General Relief. The California EBT system provides recipients with electronic access to food, cash and WIC benefits using magnetic-strip cards at point-of-sale (POS) terminals and automated teller machines (ATMs). California EBT issues close to \$12 billion annually in food and cash aid benefits to more than two million EBT cardholders enrolled in California public benefit programs.

According to OSI, the California EBT Project has evolved from a maintenance and operations organization to being a multi-service organization for automated benefit issuance, complex data analytics on benefit redemption, and stakeholder management. In addition, the project now supports three new programs: Online Purchasing, Pandemic EBT (P-EBT), and Summer EBT.

Online Purchasing enables individuals and families to purchase groceries online using their EBT card at participating retailers. Implemented as a pilot project in a few states prior to the pandemic, California implemented Online Purchasing, including Amazon and Walmart, within

weeks of federal expansion of authority during the pandemic. Online Purchasing is now a permanent program for EBT services and, according to OSI, is rapidly expanding to include other retailers.

P-EBT and Summer EBT were implemented during the pandemic by the Department of Social Services (DSS), the Department of Education (DOE), and the California EBT Project to enable children who would otherwise receive free or reduced-price meals at school to receive extra food benefits when schools are closed. P-EBT provides the benefit during the regular school year, while Summer EBT provides the benefit during the summer months. According to OSI, P-EBT has served nearly 7.5 million children since it was implemented in May 2020, and the program was expanded and extended by the federal American Rescue Plan Act of 2021 to include Summer EBT.

Resource Request. OSI requests three positions and expenditure authority from the California Health and Human Services Automation Fund of \$480,000 in 2022-23 and 2023-24 to manage the three new electronic benefit transfer (EBT) projects, meet stakeholder demands, and maintain the level of operations required for the state's benefit recipients. Specifically, OSI requests positions and resources for the following purposes:

Online Purchasing Coordinator. One IT Specialist I position would serve as the Online Purchasing Coordinator, acting as the lead technical specialist responsible for complex activities related to EBT Online Purchasing. The position would coordinate and participate in testing activities, and coordinate all Online Purchasing communications with stakeholders, such as retailers, the United States Department of Agriculture Food and Nutrition Service, counties and the state.

P-EBT and Summer EBT Lead. One IT Specialist I position would serve as P-EBT and Summer EBT Lead, acting as the lead technical specialist for complex activities related to P-EBT and Summer EBT. The position would coordinate and participate in testing activities, and coordinate all P-EBT and Summer EBT communications with stakeholders.

P-EBT and Summer EBT Testing Lead. One IT Specialist I position would serve as P-EBT and Summer EBT Testing Lead, working with the EBT Test Manager to test EBT system changes in the test environment for P-EBT and Summer EBT, ensure system requirements related to these two programs are testable, consistent, and traceable, and track and test bug fixes and software releases.

2. Cybersecurity Program Augmentation BCP. The Governor's Budget requests two positions and expenditure authority from the California Health and Human Services Automation Fund of \$993,000 annually. If approved, these positions and resources would allow OSI to respond to cybersecurity attacks and address security and privacy risks identified by state and other security assessments.

Program Funding Request Summary (CalHHS-OSI)		
Fund Source	2022-23	2023-24*
9745 – CHHS Automation Fund	\$993,000	\$993,000
Total Funding Request:	\$993,000	\$993,000
Total Requested Positions:	2.0	2.0

* Positions and resources ongoing after 2023-24.

Background. AB 670 (Irwin), Chapter 518, Statutes of 2015, authorizes the California Department of Technology (CDT) to conduct independent security assessments of state departments and agencies, requiring no fewer than 35 assessments be conducted annually. AB 670 requires CDT to prioritize for assessment state departments or agencies that are at higher risk due to handling of personally identifiable information or health information protected by law, handling of confidential financial data, or levels of compliance with certain information security and management practices. Independent security assessments are conducted by the Cyber Network Defense (CND) Team at the California Military Department. In addition to requirements under AB 670, State Administrative Manual Section 5300 requires each state entity to be responsible for establishing an information security program to effectively manage risk, provide protection of information assets and prevent illegal activity, fraud, waste, and abuse.

AB 2813 (Irwin), Chapter 768, Statutes of 2018, established the California Cybersecurity Integration Center (Cal-CSIC) within the Office of Emergency Services (CalOES). Cal-CSIC's primary mission is to reduce the likelihood and severity of cyber incidents that could damage California's economy, its critical infrastructure, or public and private sector computer networks. Cal-CSIC serves as the central organizing hub of state government cybersecurity activities and coordinates information sharing with local, state, and federal agencies, tribal governments, utilities and other service providers, academic institutions, and nongovernmental organizations. CalHHS is one of 12 federal, state, and higher education entities that comprise the governance structure of Cal-CSIC.

Within CalHHS, the Office of the Agency Information Officer (OAIO) supervises all information technology and telecommunications activities within the agency, including information security, technology, and telecommunications personnel, contractors, systems, assets, projects, purchases, and contracts. The OAIO supports agency departments to enhance programs through successful delivery of data and technology solutions through portfolio support, enterprise architecture, agency information security, and agency governance activities. The OAIO also monitors agency departments' compliance with state and federal information security and privacy regulations.

Resource Request. OSI requests two positions and expenditure authority from the California Health and Human Services Automation Fund of \$993,000 annually to respond to cybersecurity attacks and address security and privacy risks identified by state and other security assessments. Specifically, OSI requests the following positions and resources:

Deputy Agency Information Officer. One IT Specialist II position would serve as Deputy Agency Information Security Officer to assist CalHHS and agency departments with

cybersecurity tasks and efforts, and serve as the specialized technical expert to assist with agency oversight responsibilities and compliance activities with state and federal information security and privacy regulations.

Cal-CSIC Representative. One IT Specialist III position would serve as a specialized technical expert advisor on cybersecurity threats and provide guidance and advice on methods to investigate, document, and report on cybersecurity issues and emerging trends. The position would provide actionable technical and tactical cyber information and intelligence to federal, state, local, tribal, and territorial governmental and private sector partners. This position would also provide backup to the Agency Information Security Officer representing CalHHS at the Cal-CSIC.

Consulting Services. \$600,000 annually would support consulting services to engage with agency departments to create more standardization and identify opportunities for collaboration on implementation of cybersecurity efforts.

- 3. California Healthcare, Eligibility, Enrollment, and Retention System (CalHEERS) BCP.** OSI requests six positions and expenditure authority from the California Health and Human Services Automation Fund of \$1.3 million annually. If approved, these positions and resources would allow OSI to support the stabilization of critical services within the California Healthcare, Eligibility, Enrollment, and Retention System (CalHEERS). This BCP was covered more extensively at the Subcommittee's February 14, 2022 hearing.
- 4. Electronic Visit Verification (EVV) Phase II BCP.** OSI, the Department of Health Care Services (DHCS), and the Department of Developmental Services (DDS) request 16 positions (six at OSI, six at DHCS, and four at DDS) and total expenditure authority of \$13 million (\$3 million General Fund and \$10 million federal funds) in 2022-23, \$11.3 million (\$3 million General Fund and \$8.2 million federal funds) in 2023-24, \$9.3 million (\$2.5 million General Fund and \$6.8 million federal funds) in 2024-25, \$9.4 million (\$2.6 million General Fund and \$6.8 million federal funds) in 2025-26, and \$9.1 million (\$2.5 million General Fund and \$6.7 million federal funds) in 2026-27. If approved, these resources would continue the multi-departmental effort for the second phase (Phase II) of implementation of Electronic Visit Verification for personal care services and home health care services. This BCP was covered more extensively at the Subcommittee's March 28, 2022 hearing.
- 5. CDII Trailer Bill Language Proposal.** The fund name is proposed to be changed to the Health Plan Improvement Fund to acknowledge the new functions of the Center for Data Insights and Innovation and differentiate it from the Office of the Patient Advocate. It is intended to more appropriately reflect the intended use of the monies to administer various duties related to monitoring the quality of health care and patient experience.

Chapter 696, Statutes of 2021 (AB 172) established the Center for Data Insights and Innovation (CDII) within the California Health and Human Services Agency. The bill transferred the functions of the Office of the Patient Advocate to CDII. AB 172 also created the Health Plan Improvement Fund as the successor fund for the Office of Patient Advocate

Fund and authorized the transfer all of monies in the Office of Patient Advocate Fund to the Health Plan Improvement Fund.

Due to the required administrative and accounting activities needed to implement AB 172 (i.e., abolish the Office of Patient Advocate Fund, create the Health Plan Improvement Fund, transfer all monies to the new fund, and other activities), the Administration determined that it would be less administratively burdensome to rename the fund in statute instead. As such, the 2022-23 Governor's Budget includes a proposal to rename the fund in Health and Safety Code section 130208.

OVERSIGHT ISSUES

This oversight section includes information received from the Administration for the following initiatives and projects, which panelists will be speaking to in response to the Subcommittee's posed questions, reflected in this agenda:

1. Statewide Automated Welfare System (SAWS) California Statewide Automated Welfare Systems (CalSAWS) Project
2. Child Welfare Services – California Automated Response and Engagement System (CWS-CARES) Project
3. Child Welfare Services/Case Management System Project
4. Research, Automation, and Data Division (RADD) at CDSS
5. Center for Data Insights and Innovation at CalHHS

1. Statewide Automated Welfare System (SAWS) California Statewide Automated Welfare Systems (CalSAWS) Project.

SAWS Overview. The SAWS encompasses the case management systems supporting the state of California's public assistance programs providing eligibility determination and benefit calculation for county eligibility and employment staff to assist program recipients. The SAWS provides support and automation for the administration of the following programs:

- CalWORKs
- CalFresh
- California Food Assistance Program
- Medi-Cal
- Foster Care
- Refugee Cash Assistance
- Cash Assistance Program for Immigrants
- Kinship Guardianship Assistance Payment
- General Assistance/General Relief
- Welfare-to Work
- Child Care
- Adoption Assistance

On September 20, 2011, Governor Brown signed Assembly Bill 16 (Chapter 13, Statutes of 2011), which set forth the Consortium IV (C-IV) migration to the Leader Replacement System (LRS) that resulted in the combined 40-County California Automated Consortium Eligibility System (CalACES) Consortium, replacing the LRS and C-IV consortia.

Based on Federal direction, and for the SAWS to continue receiving Federal Financial Participation to comply with State and Federal technical architectures, the Centers for Medicare and Medicaid Services and Food and Nutrition Service are requiring California to implement a single CalSAWS System supporting all 58 counties by 2023. For the statewide consortium governance structure, the previous 40-county CalACES Joint Powers Authority (JPA) structure was expanded and updated to include the additional 18 California Work Opportunity and Responsibility to Kids Information Network (CalWIN) counties and non-voting state representation. During 2018 and 2019, executive leadership representatives from the California counties finalized the formal JPA governance structure. The expanded 58 county CalSAWS JPA became effective on June 28, 2019 and now constitutes a single legal entity for purposes of managing the CalSAWS Consortium and the CalSAWS System.

Currently there are two separate SAWS systems managed by the CalSAWS consortium: CalSAWS (supporting Los Angeles (LA) County and 39 C-IV counties), and CalWIN (supporting 18 counties).

CalSAWS Design, Development, and Implementation (DD&I). CalSAWS is one of two county-level welfare systems providing the automation of county welfare business processes in California. The project automates public assistance for Los Angeles County and the 39 C-IV Counties and strives for uniform application of program policy, timely and accurate delivery of benefits, and enhanced management information for county business decisions. The CalSAWS system encompasses the following functions: eligibility determination, benefit computation, benefit delivery, case management and management information. In October 2019, LA County's LRS system was converted to CalSAWS. On September 27, 2021, the CalSAWS project decommissioned the C-IV system and successfully migrated the 39 C-IV counties to join LA in forming a 40-county CalSAWS system. In August 2021, Central Print Services went live for LA County. CalSAWS Imaging Solution, Central Print Services, and Portal/Mobile Application (BenefitsCal) went live for the 39-C-IV counties in September 2021.

The CalSAWS system automation supports the programs listed in the SAWS Overview. The CalSAWS System supports over 16,000 users and 5.06 million clients for LA County, which represents 30 percent of the recipients statewide based on the FY 2019-20 Persons Count. The CalSAWS System supports over 18,000 users and 5.20 million clients for the 39 C-IV Counties, which represents 30 percent of the recipients statewide based on the FY 2019-20 Persons Count. Currently, the 40-county CalSAWS system supports over 34,000 users and 10.26 million clients, which represents 60% of the statewide caseload.

CalWIN Maintenance and Operations (M&O). CalWIN handles the state's welfare caseload for its 18 member counties and encompasses the following functions: eligibility determination, benefit computation, benefit delivery, case management and management information. The CalWIN system is one of two county-level welfare systems providing the automation of county

welfare business processes in California. The system is currently managed by the 58-county CalSAWS consortium and is integral to the counties' ability to deliver timely and accurate benefits and services to needy individuals and families. The system automation supports the programs listed in the SAWS Overview.

The CalWIN serves a user base that exceeds 25,000 users and 6.814 million clients, which represents 40 percent of the recipients statewide based on the FY 2019-20 Persons Count. In alignment with the federal mandate for a single statewide eligibility system, the 18 CalWIN counties will migrate to CalSAWS to form a 58-county CalSAWS system in a series of six conversion waves from October 2022 through October 2023. Implementation of Imaging, Central Print Services, and BenefitsCal for CalWIN counties will be coordinated with their individual CalSAWS conversion waves. Deloitte was the selected vendor for the CalWIN Training, Change Management, and Implementation Support contract to support CalWIN county migration activities.

CalSAWS DD&I Project Status. The SAWS single-system strategy is being achieved through a cloud hosting strategy and a single application development effort, ensuring the functionality meets the needs of all counties and clients, applying the principle of reuse of technology investments through the implementation of shared services, and modernizing CalSAWS as needed in the future.

In October 2019, the LRS application successfully migrated from the on-premise data center to the Amazon Web Services Cloud. The existing LRS system was modified to become CalSAWS over the course of several scheduled modifications/releases to both C-IV and LRS. This ensured that when C-IV was ready to migrate to the cloud, LRS and C-IV would be in sync and C-IV data would successfully migrate into the LRS, which became CalSAWS after the scheduled releases. After CalSAWS software development and implementation effort was complete, the 39 C-IV System counties migrated to the CalSAWS in a single cutover event on September 27, 2021. The CalSAWS BenefitsCal Application went live for the 39 C-IV counties in conjunction with the C-IV cutover event. LA County will migrate to the BenefitsCal Portal/Mobile Application in a future release and CalWIN conversion to CalSAWS will follow the C-IV migration in a series of six conversion waves over a 13-month period.

In August 2020, the competitive procurement was completed to acquire a vendor to build a statewide Portal/Mobile Application to serve residents of all California counties and integrate seamlessly with the CalSAWS system. The selected vendor, Deloitte Consulting, LLP (Deloitte), employed a robust User Centered Design (UCD) process to actively engage with County representatives, State staff, advocates, Community Based Organizations (CBOs), Application Assisters (Assisters), and clients to design and develop the BenefitsCal based on UCD principles. Based on surveys and feedback from Deloitte and key stakeholders, BenefitsCal was developed with a user friendly and responsive web design, accessible from smartphone devices. Deloitte continues to involve stakeholders in future development and UAT processes to elicit stakeholder input. Under the leadership of the State and the CalSAWS consortium, Deloitte facilitates training, communication, and engagement with the advocate and client participants throughout the BenefitsCal implementation phases.

Gainwell Technologies, LLC (Gainwell), the new Central Print Services vendor, began work in March 2021. Print Services for LA County began in August 2021 and became available to the 39 C-IV Counties in September 2021. The 18 CalWIN counties will migrate to Central Print according to their CalSAWS conversion waves. The CalSAWS DD&I phase is planned for completion in October 2023 based on the March 2019 CalSAWS project start date.

COVID Activities. Throughout 2020 and 2021, the CalSAWS consortium continues to implement changes to the existing SAWS systems in response to public health emergencies challenging California. The CalSAWS and CalWIN M&O vendors performed services to modify and enhance the application software to comply with policy direction from multiple COVID Executive Orders, the Federal Coronavirus Aid, Relief, and Economic Security Act, the Families First Coronavirus Response Act, and subsequent County Letters.

Total Project Budget:

Total CalWIN Budget/Cost	Timeframe	Document Referenced
\$641,717,037	FY 1999-00 to FY 2006-07	PIER, Fall 2007

Total CalSAWS Project Budget/Cost	Timeframe	Document Referenced
\$577,829,699	FY 2018-19 to FY 2021-22	January 2021 As-Needed IAPDU

FY 2021-22 SAWS (C-IV, LRS and CalWIN) M&O Budget:

Federal Funds	General Fund	Other	Total
\$87,921,000	\$69,263,000	\$6,758,000	\$163,942,000

FY 2021-22 CalSAWS DD&I Project Budget:

Federal Funds	General Fund	Other	Total
\$168,230,000	\$101,470,000	\$9,769,000	\$279,469,000

Vendor(s):

C-IV			
Contractor(s)	Role/Function	Term of Core Contract	Extensions
Accenture	Prime M&O Vendor	March 2001 – October 2021	N/A, contract ended.

LRS			
Contractor(s)	Role/Function	Term of Core Contract	Extensions
Accenture	Prime M&O Vendor	November 2012 – October 2023	No extensions remaining.

CalWIN			
Contractor(s)	Role/Function	Term of Contract	Extensions
Gainwell Technologies	Prime M&O Vendor	February 2015 – January 2023	One optional two-year extension remaining If optional years are exercised, the contract would extend to 1/31/2025

CalSAWS Project			
Contractor(s)	Role/Function	Term of Core Contract	Extensions
Accenture	Prime DD&I Vendor	August 2019 – October 2023	M&O vendor beyond 2023 to be procured separately

Sponsors / Key Stakeholders:

- Sponsors:
 - California Department of Social Services
 - California Department of Health Care Services
- Key Stakeholders:
 - Centers for Medicare and Medicaid Services
 - Food and Nutrition Service
 - California Department of Technology
 - Department of Finance
 - Covered California
 - 58 SAWS Project Directors
 - California Welfare Directors Association
 - County Welfare Directors
 - Other Welfare advocate groups

2. Child Welfare Services – California Automated Response and Engagement System (CWS-CARES) Project.

Project Background. The Child Welfare Services (CWS) program is the primary prevention and intervention resource for child abuse and neglect in California. The Child Welfare Digital

Services (CWDS) organization is responsible for maintaining and operating the existing Child Welfare Services/Case Management System (CWS/CMS) and the development of the Child Welfare Services – California Automated Response and Engagement System (CWS-CARES).

The CWS/CMS is the existing statewide system used by approximately 30,000 county and state workers, that automates the case management, service planning, and information gathering functions of child welfare services. However, the CWS/CMS, which was initially implemented in 1997, is outdated with technical constraints that cannot keep pace with state and federal laws that change child welfare practices and system requirements. The CWS/CMS does not provide adequate support for innovation and new practices, and due to its aged technology, it is not an efficient and effective system capable of achieving federal Comprehensive Child Welfare Information System (CCWIS) compliance.

In January 2013, the California Department of Technology (CDT) approved the project's Feasibility Study Report (FSR) to implement a fully automated, web-based solution. In November 2015, the project moved away from a waterfall development approach and adopted an agile approach with iterative custom development and incremental releases to production of distinct functional modules. However, this approach required reassessment due to the length of time it was taking to custom build CWS-CARES. In August 2018, the CWDS conducted extensive research to identify ways to accelerate the development of the replacement system in Service Cloud offerings that enable rapid configuration and/or development while providing a secure and scalable infrastructure. The research resulted in a decision to use Salesforce, which will allow the CWDS to focus on development to support core business needs rather than platform development and maintenance within the infrastructure. The research indicated that the development in Salesforce will yield better and faster results while retaining key principles foundational to success such as directly involving County partners, utilizing user-centered design, and configuring/developing in an agile, iterative way. Overall, this positions the CWDS to deliver a new system with improved results to the counties, child welfare workers, children and families, and California. The CWDS will deliver the CWS-CARES operational applications on the Salesforce platform, using an iterative development methodology and user-centered design. In tandem, the CWDS will deliver the CWS-CARES data services on the CARES Data Infrastructure (CDI). Together, operational applications delivered on the Salesforce platform and data services delivered on the CDI make up California's CCWIS.

Total Project Budget:

Total Budget/Cost	Timeframe	Document Referenced
\$911,400,000	FY 2013-14 to FY 2025-26	SPR #4

OSI FY 2021-22 Budget:

Federal Funds	General Fund	Other	Total
\$60,927,000	\$68,791,000	\$0	\$129,718,000

Project Status. The CWS-CARES project delivered several feature sets through the custom development approach, which include the Child Welfare History Snapshot, Facility Search, and Child and Adolescence Needs and Strengths (CANS) Assessment. These three feature sets in production today are referred to as “CARES-Live,” and the project remains committed to maintaining the integrity of the existing CARES-Live system, with an emphasis on increasing system efficiency for all users. The project continues to promote user adoption since the statewide release in September 2019. The project has observed an increase in CANS usage and number of users as a direct result of the CDSS All County Letter (ACL) 21-27, dated March 12, 2021. The ACL mandated the entry of the CANS data into the CARES-Live and offered the option for Behavioral Health users to perform direct entry of the CANS in support of individual county implementation plans. Functionality that replaces and improves upon the CARES-Live feature sets will be built as part of CWS-CARES V1, which will allow for decommissioning of CARES-Live after the CWS-CARES V1 implementation activities are completed.

The CDT approved the Special Project Report (SPR) 4 on April 1, 2021 to continue with the Design, Development, and Implementation (DD&I) of the CWS-CARES. The project completed the procurements and executed the primary vendor contracts by April 2021. In May 2021, the project selected a demonstration module for the initial CWS-CARES development, which allows the project to test out the new Salesforce Platform as a Service (PaaS) development and delivery approach, including the CDI, along with the established Service Delivery Lifecycle. This provides the CWDS with a means to demonstrate product value to counties while establishing an effective implementation approach. The demonstration module selected was the Resource Family Approval (RFA) Application Submission, Review and Approval process that provides the ability to create and submit an RFA Application to a given county. The DD&I activities for the demonstration module began in July 2021 and will be implemented in the pilot counties by March 2022.

Vendor(s):

Contractor	Scope of Services	Start Date	End Date	Remaining Extensions
CivicActions, Inc.	CARES-Live Site Reliability Services	1/10/19	12/16/2021	None
Public Consulting Group, Inc.	Independent Verification and Validation	12/21/18	12/12/2022	None
Oak Technical Services, LLC	CARES-Live Production Support Services	3/30/20	3/29/2022	1-year option
Veterans Enhanced, Inc.	ServiceNow	8/30/20	2/2/2022	None
Celer Systems, Inc.	Lotus Domino	6/25/20	6/24/2022	Core
Solutions Simplified	Splunk	9/27/2021	9/26/2022	Core
HHS Technology Group, LLC	CARES-Live Site Reliability Services 2	1/4/2021	10/3/2022	four 1-year options
KPMG LLP	Product Value Services	3/1/2021	2/29/2024	three 1-year options

Contractor	Scope of Services	Start Date	End Date	Remaining Extensions
Deloitte Consulting LLP	Platform as a Service Systems Integrator	4/1/2021	3/31/2024	three 1-year options
Elyon Enterprise Strategies, Inc.	Independent Advisor	4/14/2021	4/13/2024	three 1-year options
OnCore Consulting, LLC	CARES Data Infrastructure	4/15/2021	4/14/2024	three 1-year options
Deloitte Consulting, LLP	Implementation Services	7/7/2021	7/6/2024	two 1-year options
Business Advantage Consulting, Inc.	Quality Assurance Testing Services	9/1/2021	8/31/2024	two 1-year options
Infinite Solutions Inc.	Project Management and Technical Support Services	9/7/2021	9/6/2024	three 1-year options

State Staffing:

Organization	Authorized Positions	Filled Positions
OSI	72.0	65.0
CDSS	19.0	18.0

Position Changes/Requests. The project will submit a Spring Budget Change Proposal for SFY 2022-23 resources.

Notable Items. The State intends to develop a new solution that is compliant with the CCWIS regulations identified in 45 Code of Federal Regulations (CFR) Part 1355 §§1355.50 through 1355.59. These sections contain the requirements that must be met to receive and maintain Federal Financial Participation. The CCWIS regulation includes new requirements around design, data quality, and data exchange standards, and aligns with current and emerging technology.

Sponsors/Key Stakeholders:

- Sponsor:
 - California Department of Social Services
- Key Stakeholders:
 - County Welfare Directors Association
 - California Department of Health Care Services
 - Department of Child Support Services
 - California Department of Public Health
 - Consortia representing the 58 counties of California
 - Tribal Partners

Greenfield Overview. The CWS-CARES project undertook a “greenfield” effort with two primary purposes:

1. Provide the project the opportunity to demonstrate, test, and evaluate its product development and implementation processes

2. To deliver a small subset of CARES functionality that could provide value to a pilot group of/within counties

Through a collaborative process with counties that had to account for data synchronization constraints with the legacy system, the project selected core functionality related to the Resource Family Approval (RFA) Application Submission, Review, and Approval process as the target greenfield module. This module was released and implemented on schedule (February 2022) to the five participating counties, and the project is releasing enhancements in response to user feedback.

Equally important, this initiative surfaced Service Delivery Lifecycle (SDLC) improvement opportunities in the following areas:

- Incorporation of a more continuous Design (Discovery), Prototype, Build and Iterate process to support a steady cadence and predictable, consistent resource allocation/usage. Leverage the Salesforce tools directly during the design process, as this better informs and supports user-centered design, and also allows for more efficient, higher quality outputs that require less rework.
- Creation of a single repository as the “source of truth” for data and business rules requirements, to avoid the ambiguity and inconsistencies between multiple artifacts used by designers, analysts, developers, and quality assurance testers.
- Improved rigor in the collaborative process for epic and user story creation, to minimize back and forth across multiple teams during story review and development activities. This also supports a shared understanding of the needs by the development teams. Development of a backlog of prioritized user stories that is consistently maintained, ensuring no disruption to project momentum while allowing for reasonable changes to product sequencing.

In addition to these process changes, Greenfield also provided the opportunity to assess its skills and resource needs, as well as to identify some foundational project infrastructure that will improve both quality and efficiency for the larger project effort. These include:

1. Additional scope elaboration and confirmation through a thorough review of the Building Blocks, Epics, Service Maps, Metrics and other supporting materials to better inform schedule and resource needs. This is essential to ensure that CARES users have a consistent understanding of what will be delivered through CARES and will allow for improved definition and planning for the initial “V1” release.
2. An assessment of the multi-vendor model to identify improved opportunities for continuity and accountability.
3. Proactive and monitored efforts to ensure that foundational project infrastructure is in place in advance of V1 development activities, to include:
 - a. Identifying and configuring changes in the tracking tool (Jira) that align with the SDLC improvements.
 - b. Updating tracking to align with the proposed changes to SDLC and work activities.
 - c. Updating the project staffing plan based on the scope and schedule refinements.

- d. Redefining project reports to align work with incremental development of business value.

The project has begun V1 design activities and is implementing this foundational project infrastructure to support the start of development activities. This work will inform ongoing planning and process/tool improvement activities that are part of every project.

The following table provides identified Project Milestones and planned completion dates:

Project Milestones	Planned Completion Dates
Complete Greenfield Implementation	Mar 2022
Complete Implementation of Jira Progress Metric Improvements	Apr 2022
Execute new IV&V Services Contract	Apr 2022
Establish Installed CARES V1 System Architecture (hardware/software) Baseline	Jun 2022
Complete PaaS SI contract modifications	TBD
Establish Backlog for minimum of 2 sprints reviewed by PaaS SI (continuously maintain going forward)	Jun 2022
Begin Build Activities for CARES V1	Jun 2022
Establish approach for working across CWS/CMS and CWS-CARES	Jun 2022
Award Financial Management Services Contract	Jul 2022
Submit IAPDU to ACYF	Aug 2022
Submit FY 2023-24 Fall BCP	Sep 2022
CARES V1 Cutover Plan	Dec 2022
Draft CWS-CARES System Technical Recovery Plan	Dec 2022
Submit SPR 6 to CDT	Dec 2022
Draft CWDS Business Continuity Plan	Apr 2023

3. Child Welfare Services/Case Management System Project.

Project Background. The Child Welfare Services/Case Management System (CWS/CMS) is the largest single child welfare system in the nation with approximately 30,000 named users throughout the state. The CWS/CMS supports child welfare workers, which includes both social workers and probation officers, with the ability to provide case management functionality to facilitate service delivery to children and families, allowing child welfare staff to streamline routine work tasks. The automated system is used by the California Department of Social Services (CDSS) and the Child Welfare Services (CWS) agencies within California's 58 counties. The CWS program is a federally required program operated by each of the 50 states.

The California Department of Technology approved the initial Feasibility Study Report (FSR) for the development of CWS/CMS on December 15, 1989. In 1998, the CWS/CMS was fully implemented and transitioned to the operational phase. California is one of 11 states that operate on a State-supervised/county-administered model of governance for the CWS program.

Under this system, CDSS is responsible for the design and operation of the CWS program. CDSS develops and implements the regulatory and statutory requirements governing the program, provides overall guidance to the counties (including monitoring and supporting counties through regulatory oversight, administration, and the development on policies and laws), and each of California's 58 individual counties administers the child welfare program on behalf of CDSS. The CWS/CMS is funded through CDSS Local Assistance budget via a combination of state, federal and county funding.

CDSS has overall responsibility for CWS/CMS within the State of California and is the project sponsor. CDSS is responsible for development and resolution of program and policy issues and providing project and program direction to the Office of Systems Integration (OSI). OSI provides IT expertise and is responsible for the acquisition, implementation, and day-to-day operations of the CWS/CMS. The primary goal of the day-to-day operations of CWS/CMS is to provide:

- CWS workers with immediate access to child and family specific information in order to make appropriate and expeditious case decisions.
- CWS workers with the case management information needed to effectively and efficiently manage their caseloads and take appropriate and timely case management actions.
- State and county CWS management with the information needed to monitor and evaluate the accomplishment of CWS tasks and goals.
- CWS agencies with a common database and definition of information from which to evaluate the CWS programs.

Total Project Budget:

Total Budget/Cost	Timeframe	Document Referenced
\$622,442,440	FY 1989-90 to FY 2005-06	PIER, February 2006

OSI FY 2021-22 Budget:

Federal Funds	General Fund	Other	Total
\$32,618,000	\$34,663,000	\$3,543,000	\$70,823,000

Project Status. CWS/CMS is in the Maintenance and Operations (M&O) phase. All 58 counties and CDSS are linked to a common database and are in production.

Vendor:

Contractor	Role/Function	Term of Contract	Extensions
IBM	Prime Vendor	1/23/1992 through 11/30/2025	11/30/2026

Notable Budget/Contract Changes. The Child Welfare Digital Services conducted negotiations with IBM Global Services for Contract #31091 Amendment 31 to significantly reduce annual base M&O costs, extend the term of the contract, and update provisions to conform with the State's current model language. This will support an efficient and cost-effective decommissioning of the CWS/CMS and eventual transition to the Child Welfare Services-California Automated Response and Engagement System (CWS-CARES). Amendment 31 was executed on December 30, 2020.

Negotiations with IBM Global Services for Contract #31091 Amendment 32 were conducted to increase the contract by \$9.4M to convert the CWS/CMS existing Visual Basic version 6 (VB6) code base to C#, add contractor background check requirements, and update deliverable format requirements to use modern technology. Since CWS/CMS is the statewide tool used by county social workers to document their child welfare case management activities, it is critical to maintain the functionality and fidelity of CWS/CMS. Migrating from VB6 to C# ensures continued Microsoft support and availability of current CWS/CMS functionality. Amendment 32 was executed on August 5, 2021.

State Staffing:

Organization	Authorized Positions	Filled Positions
OSI	32.0	28.0
CDSS	14.0	14.0

Position Changes/Requests. There are no current position changes or requests.

Notable Items. The State intends to develop a CWS/CMS replacement solution, the CWS-CARES, that is compliant with the Comprehensive Child Welfare Information System (CCWIS) regulations identified in 45 Code of Federal Regulations Part 1355 §1355.50 through 1355.59. These sections contain the requirements that must be met to receive and maintain Federal Financial Participation. The CCWIS regulation includes new requirements around design, data quality, and data exchange standards, and aligns with current and emerging technology.

Sponsors/Key Stakeholders:

- Sponsor:
 - California Department of Social Services
- Key Stakeholders:
 - County Welfare Directors Association
 - California Department of Health Care Services
 - Department of Child Support Services
 - California Department of Public Health
 - Consortia representing the 58 counties of California

4. Research, Automation, and Data Division (RADD) at CDSS.

Overview of RADD. The Research, Automation, and Data Division (RADD) at the California Department of Social Services (CDSS) was created in July 2020 to serve as an advocate and steward for data across CDSS. RADD's mission is to ensure that data about CDSS programs, including their participants, is collected accurately and efficiently, curated deliberately, and deployed effectively. This helps to ensure that CDSS is providing the right services to the right people at the right time and in the manner that achieves the best results.

Key Projects. In addition to helping build a sustainable data culture throughout the Department, RADD plays a key role in a number of major CDSS initiatives, including:

- **Statewide Verification Hub:** A system to consolidate and streamline eligibility determination for key safety net programs, including CalFresh, CalWORKs, and MediCal, currently under development in partnership with the CDSS Information Services Division (ISD). RADD serves as a project sponsor.
- **Brilliant Beginnings:** A series of technology projects currently under development to create a new childcare data landscape that will facilitate a better flow of data between families, providers, state officials, and other stakeholders. RADD serves as a project sponsor on projects and helped develop the strategic vision.
- **CalSAWS:** An effort to migrate all 58 counties onto a single statewide eligibility determination system for needs-based programs. RADD serves as a project sponsor and has a project management team embedded on the project.

- **BenefitsCal:** Concurrent to the CalSAWS migration, BenefitsCal will be the single, statewide client portal and provide mobile functionality. This portal can be used to apply for benefits, submit forms, and communicate with county workers. RADD is a project sponsor and liaison between all program partners and CalSAWS/BenefitsCal for design, development, testing, and implementation.
- **CalOAR:** An initiative to facilitate continuous improvement of county CalWORKs programs through the use of outcomes metrics and performance management practices. RADD serves as a project sponsor, helped design the original vision, and produces the performance measures.
- **EBT System:** RADD, in partnership with the Office of Systems Integration, oversees Fidelity National Information Services (FIS), which is the vendor that operates the state's Electronic Benefits Transfer (EBT) card program. EBT is the mechanism for delivery of public assistance benefits including CalFresh, CalWORKs cash aid, and the Pandemic-EBT programs.

In addition to the projects listed here, RADD develops dashboards, surveys, reports, and other analyses for CDSS program teams. RADD also helps facilitate access to departmental data for outside researchers and manages research partnerships.

5. Center for Data Insights and Innovation at CalHHS.

CDII shares that its current emphasis is on the following initiatives:

- **Agency 'Data Hub':** Develop Minimum Viable Product for ongoing data hosting for cross-departmental research and public facing data that is managed by a single team.
- **Coordinate Data Standards:** Identify key data sets across CalHHS, identify where to align areas for metadata, data mappings and fields.
- **Data-Sharing Guidance Pilot:** Identify new pilot to expand State Health Information Guidance (SHIG) framework to expand understanding of sharing data across departments.
- **Streamline Data Requests:** Improve the speed which research and inter-departmental data requests are approved based on a centralized process.
- **Streamline Research Requests and CPHS/IRB Process** (reduce time to access data).
- **Report Cards:** Continued data analysis and production of Health Plan Report Card and Medical Group Commercial and Medicare Report cards.
- **Health Care Complaint Data Reports:** An annual report of complaints from California consumers to DMHC, DHCS, CDI, and Covered California including information from state consumer assistance centers.
- **Committee for the Protection Subjects (CPHS):** Ensures that research involving human subjects is conducted ethically with minimal risk to participants.
- **Compliance & Policy:** CDII continues to provide policy development and guidance as well as HIPAA compliance reviews of impacted state departments.
- **CalHHS Open Data Portal (ODP):** Maintain the ODP for public access to non-confidential health and human services data. The goal is to spark innovation, promote

research and economic opportunities, engage public participation in government, increase transparency, and inform decision-making.

- CalHHS Data Playbook: Revised the Data Playbook upon Stanford University's recommendations, which serves as a hub for data-related resources available to all Departments who can leverage/customize components of the Playbook to their needs. The goal is to facilitate an organizational culture grounded on data and data-driven decision making.
- Equity Dashboard: The equity dashboard planning is underway to understand disparities among programs and services in CalHHS.
- All Hazards Dashboard (AHD) – The AHD increased automation of data collection and displays of near-real-time updates, brokered a collaboration between CDPH and HCAI to streamline updates, built a "Shelters App" in collaboration with CDSS Disaster Services Branch to streamline shelter data collection and reporting, established a common understanding of CalHHS facilities for users to reconcile impacted facility counts with geographic areas of impact, curated a dataset of all CalHHS facilities (Integrated Facilities Dataset) that feeds into the ADH and can support other dashboards and analytical efforts, such as the Equity Dashboard, and provided a tool to collaborate on decision making supported by data.
- Data Exchange Framework Governance – As a result of AB133, CDII is facilitating the development of a statewide Data Exchange Framework, Data Sharing Agreement, Policies and Procedures as well as a strategy for digital identifies.
- Improve recruitment, hiring and support for all data professionals and leadership in data projects to attract and retain data professionals.

While CDII undertakes the many initiatives described above, it also consults and collaborates with departments on data specific initiatives they have underway. However, CDII does not directly oversee or manage department's data projects. For example, we are working with CDSS on the following:

- Data pipelines for the AHD: CDSS is currently providing data on licensed facilities, CalFresh recipients, and in-home support services.
- AB 2083 engagement and data linkage support: DHCS, CDSS, DDS, and CDE are providing data. CDII is the facilitator of data sharing via Agency Data Hub.
- Children and Youth System of Care (CYSOC) State TA Team is leading the collaboration effort between departments in accordance with AB 2083.
- Early Childhood Integrated Data System (ECIDS) engagement and data science resource support: Intention to serve as the first use case of the Data Hub. Using the information gleaned from this engagement, and the collaborative environment agreed upon by CDSS, CDII will be able to document and share out a successful example of how beneficial the platform can be and what this means for CalHHS as a whole.
- Homeless Data Integration System (HDIS). CDII is in very early discussions toward CDII facilitating access to HDIS data for both CDSS and linkage with other CalHHS programs.

Current law requires written updates and legislative briefings by March 1, 2022 and annually thereafter on CDII's major endeavors. See subdivision (h) of Health and Safety Code Section

130203, pursuant to AB 172 (Chapter 696, Statutes of 2021. CDII notes that it is in the process of complying with this requirement.

Staff Recommendation: Hold open all budget items under this Issue, pending action at the May Revision hearings.

4700 DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT (CSD)**ISSUE 3: GOVERNOR'S BUDGET PROPOSALS AND OVERSIGHT OF IMPLEMENTATION FOR PROGRAMS ADMINISTERED BY THE DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT****PANELISTS AND QUESTIONS ASKED OF EACH PRESENTER**

Panelists have been asked to specifically answer the questions below as listed for each individual panelist in their five-minute maximum presentation to the Subcommittee.

1. David Scribner, Director, Department of Community Services and Development

- Please provide an overview of the proposed 2022-23 CSD budget and describe the significant funding augmentations in the Governor's budget, including federal funds.
- Please provide a brief update on the rollout and implementation of CAPP. Please highlight any significant successes or challenges the department has faced during implementation.
- Has the department coordinated program implementation with other sources of energy utility arrearage assistance? If so, please describe the details of this coordination.
- Please provide an update on the implementation of LIHWAP. Please highlight any significant successes or challenges the department has faced during program rollout.
- When does the department expect to release program guidelines for the program?

2. Angela Short, Senior Fiscal and Policy Analyst, Legislative Analyst's Office

- Please review the comments and questions from your analysis on the CSD budget and programs.
- Please provide any additional information on the items discussed under this Issue.

3. Jaleel Baker, Finance Budget Analyst, Department of Finance**4. Kia Cha, Principal Program Budget Analyst, Department of Finance**

- Please provide any additional information on the items discussed under this Issue.

BACKGROUND AND GOVERNOR'S BUDGET FOR CSD

The mission of the Department of Community Services and Development is to reduce poverty for Californians by partnering with private nonprofit and local government organizations dedicated to helping low-income families achieve and maintain economic security, meet their home energy needs, and reduce their utility costs through energy efficiency upgrades and access to clean renewable energy.

Department of Community Services and Development
Expenditures by Fund Source

* Dollars in thousands

Grand Total By Fund	Fiscal Year	
	2021-22	(Proposed Budget) 2022-23
General Fund	\$28,000	\$25,000
Federal Funds	\$609,754	\$288,072
Reimbursements	\$15,558	\$5,600
Greenhouse Gas Reduction Fund	\$15,000	--
Coronavirus Fiscal Recovery Fund of 2021	\$1,000,000	--
Total All Funds	\$1,668,312	\$318,672

The Governor's budget requests a shift of seven full-time positions from the temporary help blanket to the department's permanent position authority. There is no funding associated with this request as it is a shift of position authority within the department's existing budget.

To provide transparency and accurately reflect the way the department is utilizing their position authority, a review was completed to identify positions residing in the department's temporary help blanket that are more appropriately suited to be moved to authorized positions based on longevity, tenure, and workload. The positions in the temporary help blanket have been utilized and funded with existing resources on an annual basis to complete the necessary administrative functions of the department. Converting positions in the blanket to authorized positions will allow the department to fund employee compensation and retirement adjustment drills, which are not provided for positions in the temporary help blanket.

CSD Programs. Programs administered by the department include:

- **Community Services Block Grant (CSBG).** CSBG is an annual federal grant that provides or supports a variety of local services to alleviate the causes and conditions of poverty to help people achieve self-sufficiency. Examples of CSBG supported services and activities include local programs to address employment, education, asset building, housing and shelter, tax preparation, and nutrition and emergency services.
- **Low-Income Home Energy Assistance Program (LIHEAP).** LIHEAP is an annual federal grant that provides financial assistance to low-income households to manage and meet their energy costs and immediate home heating and/or cooling needs.
- **U.S. Department of Energy Weatherization Assistance Program (WAP).** WAP is an annual federal grant that provides weatherization services to eligible low-income individuals to improve the energy efficiency of low-income households.

- **Low-Income Weatherization Program (LIWP).** LIWP is funded by state cap-and-trade auction proceeds to provide energy efficiency and renewable energy services such as solar photovoltaic systems. These services are provided to low-income single-family and multi-family dwellings within disadvantaged communities to help reduce greenhouse gas emissions and save energy.
- **California Arrearage Payment Program (CAPP).** The newly established CAPP offers financial assistance for California energy utility customers to help reduce past due energy bill balances accrued during the COVID-19 pandemic. The CAPP was established in the 2021 Budget Act, which allocated \$1 billion in federal ARPA funding to address energy debts. This program will be discussed in more detail later in this agenda document.
- **Low-Income Household Water Assistance Program (LIHWAP).** The new federal Low Income Household Water Assistance Program (LIHWAP) will provide financial assistance to low-income Californians to help manage their residential water utility costs. Established by Congress in December 2020, this federally funded program will help low-income households pay down their outstanding water bills. The program was created as part of the Consolidated Appropriations Act of 2021, with additional funding received through the American Rescue Plan Act (ARPA). The state was allocated \$116 million for the program. This program will be discussed in more detail later in this agenda document.

OVERSIGHT OVER IMPLEMENTATION OF MAJOR PROGRAMS IN 2021-22

1. California Arrearage Payment Program (CAPP). As mentioned above in this document, the 2021 Budget Act established CAPP and allocated \$1 billion in federal ARPA funding for the program. Of the allocated \$1 billion, \$298.5 million is allocated for public utilities and electric cooperatives, and approximately \$695 million is allocated for investor-owned utilities and community choice aggregators.

Background. CAPP offers financial assistance to energy utility customers to reduce past due energy bill balances accrued during the COVID-19 pandemic. Utility customers do not need to apply to receive assistance under the CAPP program. If a customer account is eligible, a credit will be automatically applied to the customer's bill. Energy utilities apply for CAPP assistance on behalf of customers who incurred a past due balance of 60 days or more on their energy bill during the COVID-19 pandemic relief period covering March 4, 2020, through June 15, 2021. CAPP benefits will be credited to customer accounts on a rolling basis as energy utilities apply and are approved for CAPP funding.

Energy utilities will prioritize CAPP assistance to eligible customer accounts as follows:

1. Active residential customers with past due balances and at risk of disconnection due to nonpayment.
2. Active residential customers with past due balances.
3. Inactive residential customers with past due balances.
4. Commercial customers with past due balances.

CSD surveyed utilities to calculate total arrearages and allocations for individual utilities. CSD released the survey on August 2, 2021, and completed surveys were due back to CSD by September 16, 2021. Sixty-seven utility companies participated in the survey and expressed intent to apply for assistance. There are around eighty utility companies throughout the state. Based on the survey, over 3 million customers statewide accrued almost \$2 billion in energy utility debt during the CAPP pandemic relief period of March 4, 2020, through June 15, 2021. CAPP funds will offset nearly 50 percent of qualifying statewide energy bill arrearages reported in the survey.

Applications were distributed on November 8, 2021. Utilities were given sixty days to complete applications, with a deadline to submit by January 8, 2022. The department has disbursed all CAPP funding and benefits are currently being distributed to over 1.5 million customer accounts. Utilities must deliver benefits to customer accounts within 60 days of receiving CAPP funds. Utilities have been applying benefits to accounts on a rolling basis since December 2021 and the department expects benefits to be distributed to all eligible customer accounts by early April.

As part of the application process utilities were required to submit data to allow CSD to verify customer arrearage information. Companies must also report on the total funds distributed, the number of customers served, and the average benefit. The department must prepare a report to the Legislature within sixty days of receiving final reporting from utilities. Utilities cannot disconnect CAPP recipients for ninety days after applying the assistance funds. If an account has a remaining balance after the benefit is applied utilities must notify the customer of the option to enter into an extended payment plan with late fees and penalties waived.

The department has published a CAPP data dashboard on its website. The dashboard displays data from energy utilities and can be found at <https://csd.ca.gov/Pages/CAPP-Dashboard.aspx>.

LAO Comments. The LAO notes that energy utility customers may receive relief through various other programs, including state- and locally administered federal emergency rental assistance funding, which helps eligible households fully cover rental and utility arrears, among other assistance. (As of January 2022, the state program had awarded \$1.8 billion of emergency rental assistance to about 155,000 households.) In addition, utility companies may have received federal assistance for businesses impacted by the pandemic and could use such assistance to forgive customer debt. The LAO suggests that the Legislature inquire as to how or whether CSD has been coordinating CAPP implementation with other sources of energy utility arrearage assistance.

2. Low-Income Household Water Assistance Program (LIHWAP). The federal Consolidated Appropriations Act of 2021 established LIHWAP. The state received a total of \$116 million for the program. The 2021 Budget Act included trailer bill language providing authority for the department to develop and administer the program.

Background. LIHWAP provides financial assistance to low-income Californians to help manage their residential water utility costs. The department held stakeholder sessions to

receive input and recommendations on the program in July 2021. The department shared a public summary of stakeholder comments as well as their responses to those comments. That summary can be found on the department's website https://csd.ca.gov/Shared%20Documents/07-29-2021-LIHWAP-Written-and-Verbal-Comments_ADA.pdf.

The department drafted a state plan for the program and submitted that plan to the federal government in August 2021. The federal government approved the plan in November 2021. The department's plan for implementing LIHWAP is similar to that of its LIHEAP program which executes contracts with local providers. Providers then work with individual households to determine eligibility and provide assistance. Federal rules require assistance payments to be provided directly to water utilities on behalf of customers. The department is currently working with a third-party vendor to manage and establish those direct payments. LIHWAP service delivery is scheduled to commence in May 2022.

After issuing contracts to local providers, the department is required to report total allocations and allocations by service category to the Legislature. CSD must also report total program expenditures, the number of households served, and other metrics six months after contracts are executed. CSD and its local LIHEAP service providers have not administered water benefits in the past, and as a result, do not have established relationships with the approximately 3,000 water and wastewater systems that operate statewide. As a result, CSD is investing significant time up-front to develop program guidelines and engage with water providers to ensure effective program administration and service delivery for customers.

As part of the 2021-22 budget, the State Water Resources Control Board (SWRCB) received \$1 billion federal ARPA funds to provide debt relief for water and wastewater customers who have accrued arrearages during the pandemic. LIHWAP is distinguished from the SWRCB's program by its focus on low-income households, and that it is not date limited to the pandemic bill relief period of March 4, 2020, to June 15, 2021. CSD has been in regular consultation and coordination with the SWRCB throughout the development and implementation of the Board's program. As the State Water Resources Control Board has implemented its arrearage program, and throughout the LIHWAP program development process, the Board has provided critical insights and expertise as CSD prepares for the LIHWAP launch.

Staff Recommendation: Hold open all CSD issues, pending action at the May Revision hearings.

NON-DISCUSSION AGENDA

5180 DEPARTMENT OF SOCIAL SERVICES (DSS)

ISSUE 4: ADDITIONAL BUDGET CHANGE PROPOSALS FROM DSS

1. Hearings Workload and Legal Infrastructure Support BCP.

Governor's Proposal. The Governor's budget includes \$6.4 million (\$3.2 million General Fund) in 2022-23 and \$6.2 million (\$3.1 million General Fund) ongoing for 32.5 permanent positions to support new workload associated with fair hearing processes for the Department of Rehabilitation (DOR) and to manage current workload in the State Hearings Division (SHD) and Legal Division.

CDSS provides administrative oversight to numerous social service programs which provide critical services to millions of needy and vulnerable individuals. Over the last few year CDSS has experienced significant increases in the number and complexity of programs it operates. Historically, CDSS has used temporary help, limited-term vacancy redirections, and overtime to meet the workload demand.

The department received twenty-eight additional Administrative Law Judge (ALJ) resources in the 2020-21 Budget. However, the department did not receive resources for support staff at that time. The ALJs and support staff have distinct duties; and budgeted support staff have not been approved since 2014. This has resulted in an increased number of inquiries/challenges from the ALJ Union, alleging ALJs are being tasked with support staff/clerical duties. Additionally, data for the last three fiscal years show with the impending termination of the Executive Order flexibilities which kept benefits in place during the pandemic, SHD's workload will increase by 8.6 percent to pre-pandemic levels. Beginning January 2022, SHD will conduct hearings in cases for disabled Californians pursuant to a new interagency agreement with DOR. The DOR cases require new and different scheduling and hearing elements from existing SHD workload, including formal mediation which requires the training and certification of SHD staff in the Mediation/Alternative Dispute Resolution process.

The department requests sixteen positions be approved to place the existing staff (eighteen student assistants [equivalent to nine full time positions], five temporary SSA/AGPA; and six retired annuitants [equivalent to three full time positions]) into funded positions, rather than continuing to carry them in the temporary blanket. Additionally, two positions are requested exclusively for the DOR caseload.

The Legal Division provides professional and ethical legal advice, representation, and consultation services to enable the department to develop, implement, operate, and enforce CDSS' mission, goals, and program policies. This includes, but is not limited to, policy development, implementation instructions and training to the counties, legislation, trailer bill language to effectuate changes in statute, and administrative hearings. Historically, department budget change proposals are processed specific to individual program needs.

This does not allow for a holistic account of resources necessary to provide comprehensive legal support. Over the years, this has led to deficits in the Division's organizational structure, managerial support, and hearing-related funding, administrative services, and overall staffing needs.

Requested resources for the Legal Division include eleven and one-half (11.5) positions, position authority for three Supervising Attorneys, and \$602,000 for contracts to address increased workload in legal areas. Funding for contracts includes \$400,000 for the Office and Administrative Hearings costs, \$2,000 for interpreter services costs, and \$200,000 for Department of Justice service costs.

Each year, the Division must redirect funds or request other Department funding to cover the overages related to hearings, interpreter, and Department of Justice services. The shortages in these areas are steadily increasing and these increased costs have put a strain on current resources.

2. Administrative Division Infrastructure Support BCP.

Governor's Proposal. CDSS requests 38.0 permanent positions and associated expenditure authority to address the growing workload and resource shortages in the human services and fiscal areas. The requested resources total \$6.14 million total funds, of which \$3 million is General Fund. Additional detail on the requested positions can be found at https://esd.dof.ca.gov/Documents/bcp/2223/FY2223_ORG5180_BCP5405.pdf.

CDSS states that due to programmatic expansions, increases in control activities, and administrative practice requirements, CDSS requests these resources to properly support the administrative areas of these vital programs. In the short-term, the Department has managed with the inadequate staffing through continuous redirections, overtime costs, and blanket hires that do not provide adequate attention to quality, nor does it supply a long-term solution to build a sustainable workforce.

PUBLIC COMMENT (PUBLIC COMMENT WILL BE TAKEN ON ALL ITEMS)

This agenda and other publications are available on the Assembly Budget Committee's website at: <https://abgt.assembly.ca.gov/sub1hearingagendas>. You may contact the Committee at (916) 319-2099. This agenda was prepared by Nicole Vazquez.