

SUBCOMMITTEE NO. 3

Agenda

Senator Caroline Menjivar, Chair
Senator Susan Talamantes Eggman, Ph.D.
Senator Shannon Grove
Senator Richard D. Roth



Tuesday, May 23rd, 2023
9:00 am
1021 O Street – Room 1200

Consultants: Elizabeth Schmitt and Scott Ogus

<u>Item</u>	<u>Department</u>	<u>Page</u>
ISSUES FOR VOTE ONLY		6
0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY		6
Issue 1: Gender Affirming Care (SB 923)		6
4100 STATE COUNCIL ON DEVELOPMENTAL DISABILITIES		7
Issue 2: State Council on Developmental Disabilities – Reimbursement Authority Increase.....		7
Issue 3: State Council on Developmental Disabilities – Reappropriation of Federal Funds.....		7
4120 EMERGENCY MEDICAL SERVICES AUTHORITY		7
Issue 4: EMS Personnel Human Trafficking Training Implementation (AB 2130).....		7
0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY		8
4140 DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION		8
Issue 5: Transfer Administration for Affordable Drug Manufacturing Act (SB 852).....		8
4140 DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION		8
Issue 6: Skilled Nursing Facilities: Backup Power Source (AB 2511)		8
Issue 7: Hospitals: Seismic Safety (SB 1882).....		9
Issue 8: Abortion Practical Support Fund (SB 1142)		9

4150 DEPARTMENT OF MANAGED HEALTH CARE..... 10

Issue 9: Information Security Resources 10

Issue 10: Office of Legal Services – Department of Justice (DOJ) Legal Fees 10

Issue 11: Office of Financial Review Workload..... 11

Issue 12: Health Care Coverage: Abortion Services Cost Sharing (SB 245) 11

Issue 13: Health Care Coverage: Mental Health and Substance Use Disorders (AB 2581)..... 12

Issue 14: Health Care Coverage: Prescription Drugs (AB 2352) 12

Issue 15: Health Information (SB 1419)..... 13

Issue 16: Health Care Service Plans: Discipline: Civil Penalties (SB 858)..... 13

Issue 17: Add Position Authority for Workload Funded in the Governor’s Budget 13

Issue 18: Augment Behavioral Health Focused Investigations Workload 14

Issue 19: Technical Adjustment Position Display Error..... 14

Issue 20: Mandatory Use of Standardized Forms for Oversight..... 15

Issue 21: Withdrawal of Duplicate Enforcement Investigation and eDiscovery Software Application... 15

4170 CALIFORNIA DEPARTMENT OF AGING (CDA)..... 16

Issue 22: Health Insurance Counseling and Advocacy Program Modernization 16

Issue 23: Administrative Efficiencies for Area Agency on Aging Funding 16

Issue 24: CalFresh Healthy Living Program Expansion..... 16

Issue 25: Statewide No Wrong Door Assessment 16

4260 DEPARTMENT OF HEALTH CARE SERVICES..... 17

Issue 26: Health Care Coverage: Contraceptives (SB 523) 17

Issue 27: California Cancer Care Equity Act (SB 987) 17

Issue 28: Maternal and Pandemic-Related Mental Health Conditions (SB 1207)..... 18

Issue 29: Community Assistance, Recovery, and Empowerment (CARE) Act 18

Issue 30: Enhanced Lanterman-Petris-Short Act Data and Reporting (SB 929) 19

Issue 31: Care Coordination for Individuals Exiting Temporary Holds/Conservatorships (AB 2242).... 19

Issue 32: Medi-Cal Managed Care Plans – Mental Health Benefits (SB 1019)..... 20

Issue 33: Public Social Services – Hearings (AB 1355)..... 20

Issue 34: Behavioral Health Federal Funds Adjustment..... 21

4265 DEPARTMENT OF PUBLIC HEALTH..... 21

Issue 35: California Immunization Registry (AB 1797)..... 21

Issue 36: BabyBIG Infant Botulism Treatment and Prevention Program 22

Issue 37: Licensure of Clinical Lab Geneticists and Clinical Reproductive Biologists (SB 1267)..... 22

Issue 38: CA Integrated Vital Records System Upgrades for Death Certificate Content (AB 2436) 23

Issue 39: Extreme Heat – Statewide Extreme Heat Ranking System (AB 2238)..... 23

Issue 40: Childhood Drowning Data Collection Pilot Program (SB 855) 23

Issue 41: Restroom Access – Medical Conditions (AB 1632) 24

Issue 42: Reduction of Human Remains and the Disposition of Reduced Human Remains (AB 351) ... 24

Issue 43: Recreational Water Use – Regulation of Wave Basins (AB 2298)..... 25

Issue 44: Limited Podiatric Radiography Permit (AB 1704)..... 25

Issue 45: Facilitating Projects to Benefit Nursing Home Residents – Federal Penalties Account 26

Issue 46: SNFs Change of Ownership and Change of Management Application (AB 1502) 26

Issue 47: Hospice Facility Licensure and Oversight (AB 2673) 26

Issue 48: Gender Affirming Health Care (SB 107) 27

Issue 49: Industrial Hemp Licensing and Compliance Program Reappropriation 27

Issue 50: Protecting Children from the Damaging Effects of Lead Exposure..... 28

Issue 51: Skilled Nursing Facility Staffing Requirements Compliance (AB 81) Technical Adjustment. 28

4300 DEPARTMENT OF DEVELOPMENTAL SERVICES..... 28

Issue 52: Protective Proceedings (AB 1663) 28

Issue 53: Disparities within the Developmental Services System (AB 1957)..... 29

Issue 54: Reduced Caseload Ratio for Children Ages 0-5..... 29

Issue 55: Rate Adjustments for Mileage 29

Issue 56: Porterville Developmental Center Facility Support 29

Issue 57: DDS Headquarters Position Authority 30

Issue 58: State-Operated Facilities Enhanced Federal Funding 30

Issue 59: Regional Centers Provisional Eligibility for Ages 0-2 30

Issue 60: Regional Centers Caseload and Utilization Update 30

Issue 61: Regional Centers Enhanced Federal Funding 31

Issue 62: Regional Centers Minimum Wage Adjustments 31

Issue 63: General Fund Loan Authority..... 31

Issue 64: Regional Center Operations Policy Update 31

Issue 65: START Training..... 32

Issue 66: HCBS Final Rule Directive Authority Cross-Reference Correction..... 32

4560 MENTAL HEALTH SERVICES OVERSIGHT AND ACCOUNTABILITY COMMISSION..... 32

Issue 67: Information Technology and Security Unit..... 32

Issue 68: Reappropriations – Allcove, Early Psychosis Intervention, and Mental Health Wellness..... 33

4700 DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT 34

Issue 69: Reappropriation of Greenhouse Gas Reduction Funds for Low-Income Weatherization Program..... 34

5160 DEPARTMENT OF REHABILITATION..... 34

Issue 70: Disability Innovation Fund – California Subminimum Wage to CIE Project..... 34

Issue 71: Additional Federal Fund Authority for the Vocational Rehabilitation Program..... 35

5180 DEPARTMENT OF SOCIAL SERVICES 35

Issue 72: AB 2832 - Whole Child Community Equity 35

Issue 73: CalFresh Employment and Training Increased Engagement and Technical Assistance..... 35

Issue 74: CalWORKs Pregnancy and Homeless Assistance Implementation (SB 1083) 36

Issue 75: AB 2806 - Childcare and developmental services: preschool: expulsion and suspension..... 36

Issue 76: Veterans Foster Home Support (AB 2119) 36

Issue 77: Safe Use of Outdoor Play Spaces 36

Issue 78: The Foster Youth Bill of Rights Translation (AB 1735)..... 37

Issue 79: In-Home Supportive Services Wage Supplement 37

Issue 80: Children’s Crisis Continuum Pilot Program..... 37

Issue 81: Home Safe Program Technical Clean-Up 38

Issue 82: Housing and Disability Advocacy Program Technical Changes..... 38

Issue 83: Bringing Families Home Program Technical Changes 38

Issue 84: Grant option for Deaf Access Program 38

Issue 85: Extension of Flexibility in Allocation of Federal Refugee Resettlement Funds 39

Issue 86: Immigration Legal Services Clean-up..... 39

Issue 87: Home Visiting Program Pregnancy Eligibility Alignment..... 39

Issue 88: Reminder Notice of CalWORKs Redetermination 40

Issue 89: Child Care and Development: Inter-agency contract adjustments and Preschool alignment.... 40

Issue 90: Child Care Reimbursement Rate Categories and Documentation..... 40

Issue 91: Facility Management System Project Planning Resources 41

Issue 92: Promise Neighborhood State Operations Funding 41

Issue 93: Child and Adult Care Food Program Resources 41

Issue 94: Preschool Development Grant Reimbursement Authority 41

Issue 95: Department of Social Services – Caseload Updates..... 42

Issue 96: CalWORKs Family Reunification Automation and County Administration Funding..... 42

Issue 97: Federal Reimbursement of Food Benefit Theft..... 42

Issue 98: Work Number Contract 42

Issue 99: BenefitsCal Enhancements 43

Issue 100: Reappropriations of Unspent Funds 43

Issue 101: Special Fund Abolishment..... 44

Issue 102: Kin-GAP Program Alignment and Technical Clarifications..... 44

Issue 103: State Supplementary Payment 44

ISSUES FOR DISCUSSION 46

4260 DEPARTMENT OF HEALTH CARE SERVICES..... 46

Issue 1: Managed Care Organization Tax and Provider Rate Increases 46

APPENDIX A – VOTE ONLY ITEMS (TABLE DISPLAY)..... 53

PUBLIC COMMENT

Pursuant to the Americans with Disabilities Act, individuals who, because of a disability, need special assistance to attend or participate in a Senate Committee hearing, or in connection with other Senate services, may request assistance at the Senate Rules Committee, 1020 N Street, Suite 255 or by calling (916) 651-1505. Requests should be made one week in advance whenever possible.

ISSUES FOR VOTE ONLY

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY

Issue 1: Gender Affirming Care (SB 923)

Budget Change Proposal – Governor’s Budget. CalHHS, DMHC, and DHCS requests a total of 16 positions and expenditure authority of \$4.3 million (\$1.7 million General Fund, \$1.3 million federal funds, and \$1.2 million Managed Care Fund) in 2023-24, 18.5 positions and expenditure authority of \$5.3 million (\$1.8 million General Fund, \$1.8 million federal funds, and \$1.7 million Managed Care Fund) in 2024-25, 20.5 positions and expenditure authority of \$4.4 million (\$1 million General Fund, \$1 million federal funds, and \$2.3 million Managed Care Fund) in 2025-26, 20.5 positions and expenditure authority of \$3.8 million (\$788,000 General Fund, \$787,000 federal funds, and \$2.3 million Managed Care Fund) in 2026-27, and 20 positions and expenditure authority of 3.8 million (\$788,000 General Fund, \$787,000 federal funds, and \$2.2 million Managed Care Fund) annually thereafter. If approved, these positions and resources would allow CalHHS, DMHC and DHCS to implement reforms to improve cultural competence for health plan staff and access to care for transgender, gender diverse, or intersex (TGI) health care services, pursuant to the requirements of SB 923 (Wiener), Chapter 822, Statutes of 2022.

Gender Affirming Care Fund Technical Change – April Finance Letter. CalHHS requests a decrease of General Fund expenditure authority of \$350,000 to reflect a correct amount proposed in its January budget proposal for a consultant to plan, organize, and facilitate a transgender, gender diverse, or intersex working group, pursuant to the provisions of SB 923 (Wiener), Chapter 822, Statutes of 2022. According to CalHHS and the Department of Finance, an incorrect amount was posted in the system that did not align with the amount included in the budget change proposal.

Program Funding Request Summary (CalHHS)		
Fund Source	2023-24	2024-25
0001 – General Fund	\$400,000	\$-
Total Funding Request:	\$400,000	\$-
Total Requested Positions:	0.0	0.0

Program Funding Request Summary (DMHC)		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$1,196,000	\$1,732,000
Total Funding Request:	\$1,196,000	\$1,732,000
Total Requested Positions:	5.0	7.5

* Additional fiscal year resources requested: 2025-26: 7.5 positions and \$1,732,000; 2026-27: 9.5 positions and \$2,284,000; 2027-28: 9.5 positions and \$2,251,000; 2028-29 and ongoing: 9 positions and \$2,233,000.

Program Funding Request Summary (DHCS)		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$1,348,000	\$1,785,000
0890 – Federal Trust Fund	\$1,348,000	\$1,785,000

Total Funding Request:	\$2,696,000	\$3,570,000
Total Requested Positions:	11.0	11.0

* Additional fiscal year resources requested: 2025-26: \$1,035,000; 2026-27 and ongoing: \$1,575,000. Positions ongoing after 2024-25.

This issue was heard by the subcommittee during its hearing on March 2nd and May 4th, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

4100 STATE COUNCIL ON DEVELOPMENTAL DISABILITIES

Issue 2: State Council on Developmental Disabilities – Reimbursement Authority Increase

Reimbursement Authority Increase—May Revision. The State Council on Developmental Disabilities (SCDD) proposes to increase reimbursement authority by \$106,000 on a one-time basis to provide sufficient expenditure authority for a contract with the University of Southern California’s University Center for Excellence in Developmental Disabilities (USC UCEDD).

This proposal was heard at the Subcommittee’s May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 3: State Council on Developmental Disabilities – Reappropriation of Federal Funds

Reappropriation of Federal Funds and Reimbursements—May Revision. SCDD requests Item 4100-491 be added to reappropriate up to \$232,000 from Item 4100-001-0890, Budget Act of 2020, and up to \$365,000 from Item 4100-001-0001, Budget Act of 2022. This will allow the Council to fully expend the vaccine access grant provided by the federal Administration for Community Living and the Centers for Disease Control, as well as the wildfire relief grant funded by the California Community Foundation

This proposal was heard at the Subcommittee’s May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

4120 EMERGENCY MEDICAL SERVICES AUTHORITY

Issue 4: EMS Personnel Human Trafficking Training Implementation (AB 2130)

Budget Change Proposal – Governor’s Budget. EMSA requests General Fund expenditure authority of \$84,000 in 2023-24 through 2025-26. If approved, these resources would allow EMSA to coordinate and support implementation of emergency medical technician and paramedic training on human trafficking, pursuant to the requirements of AB 2130 (Cunningham), Chapter 256, Statutes of 2022.

Program Funding Request Summary

Fund Source	2023-24	2024-25*
0001 – General Fund	\$84,000	\$84,000
Total Funding Request:	\$84,000	\$84,000
Total Requested Positions:	0.0	0.0

* Additional fiscal year resources requested – 2025-26: \$84,000.

This issue was heard during the subcommittee’s March 16th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY
4140 DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION

Issue 5: Transfer Administration for Affordable Drug Manufacturing Act (SB 852)

Budget Change Proposal and Reappropriation – April Finance Letter. CalHHS and HCAI request reappropriation and transfer of one position and General Fund expenditure authority of \$1.2 million in 2023-24 and \$184,000 annually thereafter. If approved, this transfer of position and resources would transition administration for the Affordable Drug Manufacturing Act and CalRx from CalHHS to HCAI.

Program Funding Request Summary - CalHHS		
Fund Source	2023-24	2024-25*
0001 – General Fund	(\$1,184,000)	(\$184,000)
Total Funding Request:	(\$1,184,000)	(\$184,000)
Total Requested Positions:	(1.0)	(1.0)

* Position and resources ongoing after 2024-25.

Program Funding Request Summary - HCAI		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$1,184,000	\$184,000
Total Funding Request:	\$1,184,000	\$184,000
Total Requested Positions:	1.0	1.0

* Position and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s May 4th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

4140 DEPARTMENT OF HEALTH CARE ACCESS AND INFORMATION

Issue 6: Skilled Nursing Facilities: Backup Power Source (AB 2511)

Budget Change Proposal – Governor’s Budget. HCAI requests six positions and expenditure authority from the Hospital Building Fund of \$1.5 million annually. If approved, these positions and resources would oversee implementation of requirements that skilled nursing facilities maintain alternative power sources in the event of a power outage, pursuant to AB 2511 (Irwin), Chapter 788, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0121 – Hospital Building Fund	\$1,452,000	\$1,452,000
Total Funding Request:	\$1,452,000	\$1,452,000
Total Requested Positions:	6.0	6.0

* Positions and resources ongoing after 2024-25.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 7: Hospitals: Seismic Safety (SB 1882)

Budget Change Proposal – Governor’s Budget. HCAI requests one position and expenditure authority from the Hospital Building Fund of \$120,000 annually. If approved, this position and resources would allow HCAI to identify on its website hospital buildings that may not be repairable or functional following an earthquake, pursuant to the requirements of AB 1882 (Rivas), Chapter 584, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0121 – Hospital Building Fund	\$120,000	\$120,000
Total Funding Request:	\$120,000	\$120,000
Total Requested Positions:	1.0	1.0

* Position and resources ongoing after 2024-25.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 8: Abortion Practical Support Fund (SB 1142)

Budget Change Proposal – Governor’s Budget. HCAI requests General Fund expenditure authority of \$100,000 annually until 2027-28. If approved, these resources would allow HCAI to contract with an external organization to conduct annual evaluations of the Abortion Practical Support Fund, pursuant to the requirements of SB 1142 (Caballero), Chapter 566, Statutes of 2022.

Program Funding Request Summary
--

Fund Source	2023-24	2024-25*
0001 – General Fund	\$100,000	\$100,000
Total Funding Request:	\$100,000	\$100,000
Total Requested Positions:	0.0	0.0

* Resources ongoing until 2027-28.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

4150 DEPARTMENT OF MANAGED HEALTH CARE

Issue 9: Information Security Resources

Budget Change Proposal – Governor’s Budget. DMHC requests five positions and expenditure authority from the Managed Care Fund of \$3.5 million in 2023-24, \$3.4 million in 2024-25, \$3.5 million in 2025-26, \$3.5 million in 2026-27, and \$3.6 million annually thereafter. If approved, these positions and resources would allow DMHC address critical information technology (IT) gaps, develop a roadmap for implementing and maintaining required IT security, remediate recent audit findings, assist with security monitoring and enhancement, and achieve alignment with statewide security planning efforts.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$3,459,000	\$3,432,000
Total Funding Request:	\$3,459,000	\$3,432,000
Total Requested Positions:	5.0	5.0

* Additional fiscal year resources requested: 2025-26: \$3,467,000; 2026-27: \$3,482,000; 2027-28 and ongoing: \$3,608,000.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation— Approve as budgeted. No concerns have been raised with this proposal.

Issue 10: Office of Legal Services – Department of Justice (DOJ) Legal Fees

Budget Change Proposal – Governor’s Budget. DMHC requests expenditure authority from the Managed Care Fund of \$400,000 annually. If approved, these resources would support legal representation by the California Attorney General’s Office in litigation to which DMHC is a party or in which DMHC is called as a witness.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*

0933 – Managed Care Fund	\$400,000	\$400,000
Total Funding Request:	\$400,000	\$400,000
Total Requested Positions:	0.0	0.0

* Resources ongoing after 2024-25.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation— Approve as budgeted. No concerns have been raised with this proposal.

Issue 11: Office of Financial Review Workload

Budget Change Proposal – Governor’s Budget. DMHC requests 14.5 positions and expenditure authority from the Managed Care Fund of \$2.7 million in 2023-24 and \$2.6 million annually thereafter. If approved, these positions and resources would allow DMHC to conduct more frequent financial examinations of health plans and risk-bearing organizations and to address additional workload related to an increase in licensed health plans.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$2,676,000	\$2,553,000
Total Funding Request:	\$2,676,000	\$2,553,000
Total Requested Positions:	14.5	14.5

* Positions and resources ongoing after 2024-25.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 12: Health Care Coverage: Abortion Services Cost Sharing (SB 245)

Budget Change Proposal – Governor’s Budget. DMHC requests expenditure authority from the Managed Care Fund of \$499,000 in 2023-24 and \$483,000 in 2024-25 through 2027-28. If approved, these resources would allow DMHC to develop legal memoranda and regulations related to the prohibition on cost-sharing or utilization management for abortion and abortion-related services pursuant to SB 245 (Gonzalez), Chapter 11, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$499,000	\$483,000
Total Funding Request:	\$499,000	\$483,000
Total Requested Positions:	0.0	0.0

* Additional fiscal year resources requested – 2025-26 through 2027-28: \$483,000.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 13: Health Care Coverage: Mental Health and Substance Use Disorders (AB 2581)

Budget Change Proposal – Governor’s Budget. DMHC requests 0.5 position and expenditure authority from the Managed Care Fund of \$27,000 in 2023-24, \$186,000 in 2024-25, and \$177,000 annually thereafter. If approved, these positions and resources would allow DMHC to ensure health plan compliance with mental health and substance use disorder provider credentialing requirements, pursuant to AB 2581 (Salas), Chapter 533, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$27,000	\$186,000
Total Funding Request:	\$27,000	\$186,000
Total Requested Positions:	0.5	0.5

*Additional fiscal year resources requested – 2025-26 and ongoing: \$177,000.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 14: Health Care Coverage: Prescription Drugs (AB 2352)

Budget Change Proposal – Governor’s Budget. DMHC requests two positions and expenditure authority from the Managed Care Fund of \$343,000 in 2023-24, 323,000 in 2024-25, and \$333,000 annually thereafter. If approved, these positions and resources would allow DMHC to ensure health plan compliance with requirements to provide information to enrollees about prescription drug benefits, pursuant to AB 2352 (Nazarian), Chapter 590, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$343,000	\$323,000
Total Funding Request:	\$343,000	\$323,000
Total Requested Positions:	2.0	2.0

* Additional fiscal year resources requested – 2025-26 and ongoing: \$333,000.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 15: Health Information (SB 1419)

Budget Change Proposal – Governor’s Budget. DMHC requests three positions and expenditure authority from the Managed Care Fund of \$572,000 in 2023-24 and \$547,000 annually thereafter. If approved, these positions and resources would allow DMHC to ensure health plan compliance with health information application programming interface (API) requirements, pursuant to SB 1419 (Becker), Chapter 888, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$572,000	\$547,000
Total Funding Request:	\$572,000	\$547,000
Total Requested Positions:	3.0	3.0

* Positions and resources ongoing after 2024-25.

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 16: Health Care Service Plans: Discipline: Civil Penalties (SB 858)

Budget Change Proposal – Governor’s Budget. DMHC requests 40.5 positions and expenditure authority from the Managed Care Fund of \$12.6 million in 2023-24, \$9.5 million in 2024-25, \$9.6 million in 2026-27, \$9.7 million in 2027-28, and \$9.7 million annually thereafter. If approved, these positions and resources would allow DMHC to implement revision of administrative and civil penalty provisions of the Knox-Keene Act, pursuant to the provisions of SB 858 (Wiener), Chapter 985, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$12,570,000	\$9,510,000
Total Funding Request:	\$12,570,000	\$9,510,000
Total Requested Positions:	40.5	40.5

* Additional fiscal year resources requested – 2025-26: \$9,562,000; 2026-27: \$9,618,000; 2027-28: \$9,678,000; 2028-29 and ongoing: \$9,715,000

This issue was heard by the subcommittee during its hearing on March 2nd, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 17: Add Position Authority for Workload Funded in the Governor’s Budget

Budget Change Proposal – April Finance Letter. DMHC requests 18.5 positions, supported with resources requested in other January budget proposals. If approved, these positions would support closing

information technology gaps, and conducting investigations and more frequent financial examinations for risk bearing organizations.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$-	\$-
Total Funding Request:	\$-	\$-
Total Requested Positions:	18.5	18.5

* Positions ongoing after 2024-25.

This issue was heard by the subcommittee during its hearing on May 4th, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 18: Augment Behavioral Health Focused Investigations Workload

Budget Change Proposal – April Finance Letter. DMHC requests eight positions and expenditure authority from the Managed Care Fund of \$3 million in 2023-24 and \$2.9 million annually thereafter. If approved, these positions and resources would support continuation of focused behavioral health investigations and incorporation of long-range behavioral health focused assessments into the routine medical survey process for health care service plans.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$2,981,000	\$2,900,000
Total Funding Request:	\$2,981,000	\$2,900,000
Total Requested Positions:	8.0	8.0

* Positions and resources ongoing after 2024-25.

This issue was heard by the subcommittee during its hearing on May 4th, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 19: Technical Adjustment Position Display Error

Budget Change Proposal – April Finance Letter. DMHC requests reduction of 62.6 positions in 2023-24, with no change in expenditure authority, to correct a position display error in budget documents prepared by the Department of Finance.

Program Funding Request Summary		
Fund Source	2023-24	2024-25
0933 – Managed Care Fund	\$-	\$-

Total Funding Request:	\$-	\$-
Total Requested Positions:	(62.6)	0.0

This issue was heard by the subcommittee during its hearing on May 4th, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 20: Mandatory Use of Standardized Forms for Oversight

Budget Change Proposal and Trailer Bill Language – April Finance Letter. DMHC requests one position and expenditure authority from the Managed Care Fund of \$1.3 million in 2023-24, \$1.2 million in 2024-25, and \$258,000 annually thereafter. If approved, these positions and resources would support implementation of the mandatory use of standardized forms by health care service plans that describe the benefits of the enrollee’s health plan product. In addition, DMHC proposes trailer bill language to require development of standard templates for various documents and require health plans to use those templates.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	\$1,254,000	\$1,229,000
Total Funding Request:	\$1,254,000	\$1,229,00
Total Requested Positions:	1.0	1.0

* Additional fiscal year resources requested – 2025-26 and ongoing: \$258,000.

This issue was heard by the subcommittee during its hearing on May 4th, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted and adopt placeholder trailer bill consistent with the Administration’s proposal. No concerns have been raised with this proposal.

Issue 21: Withdrawal of Duplicate Enforcement Investigation and eDiscovery Software Application

Budget Change Proposal – April Finance Letter. DMHC requests reduction in expenditure authority from the Managed Care Fund of \$368,000 in 2023-24, \$367,000 in 2024-25, \$402,000 in 2025-26, \$422,000 in 2026-27, \$445,000 in 2027-28, and \$471,000 annually thereafter. If approved, this reduction in resources would reflect the withdrawal of a January budget proposal inadvertently duplicated in two requests.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0933 – Managed Care Fund	(\$368,000)	(\$367,000)
Total Funding Request:	(\$368,000)	(\$367,000)
Total Requested Positions:	0.0	0.0

* Additional fiscal year resources requested – 2025-26: \$402,000, 2026-27: \$422,000, 2027-28: \$445,000, 2028-29 and ongoing: \$471,000.

This issue was heard by the subcommittee during its hearing on May 4th, 2023.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with withdrawing this January budget proposal.

4170 CALIFORNIA DEPARTMENT OF AGING (CDA)

Issue 22: Health Insurance Counseling and Advocacy Program Modernization

Budget Change Proposal – Governor’s Budget. The California Department of Aging (CDA) requests a one-time authority increase of \$1.819 million from the Health Insurance Counseling and Advocacy Program (HICAP) Special Fund to continue to support HICAP modernization efforts, including increased funding for local HICAPs.

This proposal was heard at the Subcommittee’s March 9, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 23: Administrative Efficiencies for Area Agency on Aging Funding

Budget Change Proposal – April Finance Letter. CDA requests authority to provide annual Local Assistance funding, via direct allocations, to the department’s 33 Area Agencies on Aging (AAAs) partners that receive funds to support older adults, adults with disabilities, their family caregivers, and residents in long-term care facilities. Additionally, CDA requests provisional budget bill language to increase the maximum amount allowable for advanced payments to AAAs.

This proposal was heard at the Subcommittee’s May 4, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 24: CalFresh Healthy Living Program Expansion

Budget Change Proposal – April Finance Letter. CDA requests an increase of \$3.2 million in reimbursement authority to support five (5) permanent positions and increased Local Assistance funding in 2023-24 and ongoing to provide increased services, program site expansion, and enhanced curricula for the CalFresh Healthy Living (CFHL) - Supplemental Nutrition Assistance Program Nutrition Education Program (SNAP-Ed) activities for low-income adults aged 60 and older.

This proposal was heard at the Subcommittee’s May 4, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 25: Statewide No Wrong Door Assessment

Budget Change Proposal – April Finance Letter. CDA requests federal authority of \$411,000 to support 1.0 position in 2023-24 and 2024-25. CDA was awarded funding by the Federal Health and Human Services, Administration for Community Living (ACL) for the purpose of assessing individual and family caregiver access to the statewide No Wrong Door System for Long-Term Services and Supports to further the implementation of the Recognize, Assist, Include, Support, and Engage Family Caregivers Act of 2017 that directs the development of a National Family Caregiver Strategy.

This proposal was heard at the Subcommittee’s May 4, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

4260 DEPARTMENT OF HEALTH CARE SERVICES

Issue 26: Health Care Coverage: Contraceptives (SB 523)

Budget Change Proposal – Governor’s Budget. DHCS requests three positions and expenditure authority of \$455,000 (\$228,000 General Fund and \$227,000 federal funds) in 2023-24 and \$428,000 (\$214,000 General Fund and \$214,000 federal funds) annually thereafter. If approved, these positions and resources would allow DHCS to identify contraceptive-related services that must be carved out of managed care and into a fee-for-service, state-only program, due to unavailability of federal matching funds, consistent with the requirements of the Contraceptive Equity Act of 2022, SB 523 (Leyva), Chapter 630, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$228,000	\$214,000
0890 – Federal Trust Fund	\$227,000	\$214,000
Total Funding Request:	\$455,000	\$428,000
Total Requested Positions:	3.0	3.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s March 16th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 27: California Cancer Care Equity Act (SB 987)

Budget Change Proposal – Governor’s Budget. DHCS requests three positions and expenditure authority of \$1.1 million (\$458,000 General Fund and \$604,000 federal funds) in 2023-24, \$726,000 (\$292,000 General Fund and \$434,000 federal funds) in 2024-25 through 2026-27, and \$581,000 (\$219,000 General Fund and \$362,000 federal funds) annually thereafter. If approved, these positions and resources would allow DHCS to ensure Medi-Cal managed care plans make good faith efforts to

contract with cancer centers or related programs, pursuant to the requirements of SB 987 (Portantino), Chapter 608, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$458,000	\$292,000
0890 – Federal Trust Fund	\$604,000	\$434,000
Total Funding Request:	\$1,062,000	\$726,000
Total Requested Positions:	3.0	3.0

* Additional fiscal year resources requested – 2025-26 and 2026-27: \$726,000; 2027-28 and ongoing: \$581,000.

This issue was heard during the subcommittee’s March 16th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal

Issue 28: Maternal and Pandemic-Related Mental Health Conditions (SB 1207)

Budget Change Proposal – Governor’s Budget. DHCS requests two positions and expenditure authority of \$310,000 (\$155,000 General Fund and \$155,000 federal funds) in 2023-24 and \$292,000 (\$146,000 General Fund and \$146,000 federal funds) annually thereafter. If approved, these positions and resources would allow DHCS to expand requirements for Medi-Cal managed care plans to develop a maternal mental health program, pursuant to SB 1207 (Portantino), Chapter 618, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$155,000	\$146,000
0890 – Federal Trust Fund	\$155,000	\$146,000
Total Funding Request:	\$310,000	\$292,000
Total Requested Positions:	2.0	2.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s March 16th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 29: Community Assistance, Recovery, and Empowerment (CARE) Act

Budget Change Proposal – Governor’s Budget. DHCS requests two positions and General Fund expenditure authority of \$5 million annually. If approved, these positions and resources would support implementation of the Community Assistance, Recovery, and Empowerment (CARE) Court Supporter Programs, pursuant to SB 1338 (Umberg and Eggman), Chapter 319, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*

0001 – General Fund	\$5,000,000	\$5,000,000
Total Funding Request:	\$5,000,000	\$5,000,000
Total Requested Positions:	2.0	2.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s April 20th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 30: Enhanced Lanterman-Petris-Short Act Data and Reporting (SB 929)

Budget Change Proposal and Trailer Bill Language – Governor’s Budget. DHCS requests ten positions and expenditure authority of \$2.4 million (\$1.2 million General Fund and \$1.2 million federal funds) in 2023-24 and \$1.6 million (\$780,000 General Fund and \$780,000 federal funds) annually thereafter. If approved, these positions and resources would support expansion of data collection and reporting requirements for involuntary detentions under the Lanterman-Petris-Short (LPS) Act, pursuant to the requirements of SB 929 (Eggman), Chapter 539, Statutes of 2022.

DHCS also proposes trailer bill language to require treatment facilities to report expanded LPS data to counties, instead of directly to DHCS, and impose civil money penalties for non-compliance with data reporting requirements.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$1,200,000	\$780,000
0890 – Federal Trust Fund	\$1,200,000	\$780,000
Total Funding Request:	\$2,400,000	\$1,560,000
Total Requested Positions:	10.0	10.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s April 20th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted and adopt placeholder trailer bill language consistent with the Administration’s proposal.

Issue 31: Care Coordination for Individuals Exiting Temporary Holds/Conservatorships (AB 2242)

Budget Change Proposal – Governor’s Budget. DHCS requests two positions and expenditure authority of \$304,000 (\$152,000 General Fund and \$152,000 federal funds) in 2023-24 and \$286,000 (\$143,000 General Fund and \$143,000 federal funds) annually thereafter. If approved, these positions and resources would support a statewide model care coordination plan for implementation by all facilities designated by counties and approved by DHCS for involuntary detainment, evaluation, and treatment of adults and minors, pursuant to the requirements of AB 2242 (Santiago), Chapter 867, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$152,000	\$143,000
0890 – Federal Trust Fund	\$152,000	\$143,000
Total Funding Request:	\$304,000	\$286,000
Total Requested Positions:	2.0	2.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s April 20th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 32: Medi-Cal Managed Care Plans – Mental Health Benefits (SB 1019)

Budget Change Proposal – Governor’s Budget. DHCS requests five positions and expenditure authority of \$1.4 million (\$722,000 General Fund and \$721,000 federal funds) in 2023-24 and \$2.1 million (\$1 million General Fund and \$1 million federal funds) annually thereafter. If approved, these positions and resources would support annual mental health benefits outreach and education requirements by Medi-Cal managed care plans, pursuant to SB 1019 (Gonzalez), Chapter 879, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$722,000	\$1,049,000
0890 – Federal Trust Fund	\$721,000	\$1,049,000
Total Funding Request:	\$1,443,000	\$2,098,000
Total Requested Positions:	5.0	5.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s April 20th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 33: Public Social Services – Hearings (AB 1355)

Budget Change Proposal – Governor’s Budget. DHCS requests two positions and expenditure authority of \$523,000 (\$193,000 General Fund and \$330,000 federal funds) in 2023-24 and \$505,000 (\$187,000 General Fund and \$318,000 federal funds) annually thereafter. If approved, these positions and resources would provide clinical and legal expertise in reviewing proposed State Fair Hearing decisions, and assist the director in drafting alternative decisions, as required by AB 1355 (Levine), Chapter 944, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*

0001 – General Fund	\$193,000	\$187,000
0890 – Federal Trust Fund	\$330,000	\$318,000
Total Funding Request:	\$523,000	\$505,000
Total Requested Positions:	2.0	2.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s April 20th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 34: Behavioral Health Federal Funds Adjustment

Technical Adjustment – May Revision. DHCS requests federal fund expenditure authority of \$21.1 million in 2023-24. If approved, these resources would allow DHCS to administer the following grants:

- Item 4260-115-0890 - \$15,209,000 to support an increase in the federal Community Mental Health Services Block Grant awarded in 2022-23.
- Item 4260-116-0890 - \$5,848,000 to support an increase in the federal Substance Abuse Prevention and Treatment Block Grant awarded in 2022-23.

This issue was heard during the subcommittee’s May 17th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

4265 DEPARTMENT OF PUBLIC HEALTH

Issue 35: California Immunization Registry (AB 1797)

Budget Change Proposal – Governor’s Budget. CDPH requests three positions and General Fund expenditure authority of \$915,000 in 2023-24 and \$453,000 annually thereafter. If approved, these positions and resources would allow CDPH to ensure health care providers and agencies provide required information to, and certain education and human services entities have access to, the California Immunization Registry (CAIR), pursuant to AB 1797 (Weber), Chapter 582, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$915,000	\$453,000
Total Funding Request:	\$915,000	\$453,000

Total Requested Positions:	3.0	3.0
-----------------------------------	------------	------------

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s March 16th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 36: BabyBIG Infant Botulism Treatment and Prevention Program

Budget Change Proposal – Governor’s Budget. CDPH requests expenditure authority from the Infant Botulism Treatment and Prevention Fund of \$7.4 million in 2023-24, \$11.6 million in 2024-25, \$7 million in 2025-26, \$4.9 million in 2026-27, and \$3.9 million annually thereafter. If approved, these resources would allow CDPH to meet manufacturing costs associated with the production of the most recent lot of its licensed orphan drug, BabyBIG (Human Botulism Immune Globulin), the only treatment for infant botulism.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0272 – Infant Botulism Treatment and Prevention Fund	\$7,400,000	\$11,600,000
Total Funding Request:	\$7,400,000	\$11,600,000
Total Requested Positions:	0.0	0.0

* Additional fiscal year resources requested – 2025-26: \$7,000,000; 2026-27: \$4,900,000; 2027-28 and ongoing: \$3,900,000.

This issue was heard during the subcommittee’s March 16th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 37: Licensure of Clinical Lab Geneticists and Clinical Reproductive Biologists (SB 1267)

Budget Change Proposal – Governor’s Budget. CDPH requests one position and expenditure authority from the Clinical Laboratory Improvement Fund of \$210,000 in 2023-24 and \$176,000 annually thereafter. If approved, this position and resources would allow CDPH to implement the licensure of clinical laboratory geneticists and clinical reproductive biologists, pursuant to SB 1267 (Pan), Chapter 473, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0098 – Clinical Laboratory Improvement Fund	\$210,000	\$176,000
Total Funding Request:	\$210,000	\$176,000
Total Requested Positions:	1.0	1.0

* Position and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s March 16th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 38: CA Integrated Vital Records System Upgrades for Death Certificate Content (AB 2436)

Budget Change Proposal – Governor’s Budget. CDPH requests General Fund expenditure authority of \$563,000 in 2023-24. If approved, these resources would allow CDPH to make changes to information on death certificates, pursuant to AB 2436 (Bauer-Kahan), Chapter 966, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25
0001 – General Fund	\$563,000	\$-
Total Funding Request:	\$563,000	\$-
Total Requested Positions:	0.0	0.0

This issue was heard during the subcommittee’s March 16th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 39: Extreme Heat – Statewide Extreme Heat Ranking System (AB 2238)

Budget Change Proposal – Governor’s Budget. CDPH requests two positions and General Fund expenditure authority of \$369,000 annually. If approved, these positions and resources would support creation of a statewide extreme heat ranking system, including a public communication plan, statewide guidance for preparing and planning for extreme heat events, and recommendations on local heat adaptation, preparedness and resilience measures, pursuant to the requirements of AB 2238 (Luz Rivas), Chapter 264, Statues of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$369,000	\$369,000
Total Funding Request:	\$369,000	\$369,000
Total Requested Positions:	2.0	2.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 40: Childhood Drowning Data Collection Pilot Program (SB 855)

Budget Change Proposal – Governor’s Budget. CDPH requests General Fund expenditure authority of \$260,000 in 2023-24, \$632,000 in 2024-25 and 2025-26, and \$316,000 in 2026-27. If approved, these

resources would allow CDPH to establish and administer a three-year Childhood Drowning Data Collection Pilot Program pursuant to SB 855 (Newman), Chapter 817, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$260,000	\$632,000
Total Funding Request:	\$260,000	\$632,000
Total Requested Positions:	0.0	0.0

* Additional fiscal year resources requested – 2025-26: \$632,000, 2026-27: \$316,000.

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 41: Restroom Access – Medical Conditions (AB 1632)

Budget Change Proposal – Governor’s Budget. CDPH requests nine positions and General Fund expenditure authority of \$1.4 million annually. If approved, these positions and resources would support creation of a new program to implement and oversee appropriate access to restrooms in places of business for certain medical conditions, pursuant to the requirements of AB 1632 (Weber), Chapter 893, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$1,426,000	\$1,426,000
Total Funding Request:	\$1,426,000	\$1,426,000
Total Requested Positions:	9.0	9.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 42: Reduction of Human Remains and the Disposition of Reduced Human Remains (AB 351)

Budget Change Proposal – Governor’s Budget. CDPH requests one position and General Fund expenditure authority of \$357,000 in 2023-24, \$403,000 in 2024-25, \$335,000 in 2025-26, and \$193,000 annually thereafter. If approved, these position and resources would support adoption of rules and regulations prescribing standards for human reduction chambers, pursuant to the provisions of AB 351 (Cristina Garcia), Chapter 399, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*

0001 – General Fund	\$357,000	\$403,000
Total Funding Request:	\$357,000	\$403,000
Total Requested Positions:	1.0	1.0

* Additional fiscal year resources requested – 2025-26: \$335,000, 2026-27 and ongoing: \$193,000.

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 43: Recreational Water Use – Regulation of Wave Basins (AB 2298)

Budget Change Proposal – Governor’s Budget. CDPH requests one position and General Fund expenditure authority of \$193,000 in 2023-24, \$290,000 in 2024-25 and 2025-26, \$380,000 in 2026-27, and \$193,000 annually thereafter. If approved, these position and resources would support adoption of regulations on the sanitation and safety of wave basins, pursuant to the provisions of AB 2298 (Mayes), Chapter 461, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0001 – General Fund	\$193,000	\$290,000
Total Funding Request:	\$193,000	\$290,000
Total Requested Positions:	1.0	1.0

* Additional fiscal year resources requested – 2025-26: \$290,000, 2026-27: \$380,000, 2027-28 and ongoing: \$193,000.

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 44: Limited Podiatric Radiography Permit (AB 1704)

Budget Change Proposal – Governor’s Budget. CDPH requests General Fund expenditure authority of \$425,000 in 2023-24. If approved, these resources would support implementation of a new limited podiatric radiography permit, pursuant to the requirements of AB 1704 (Chen), Chapter 580, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25
0001 – General Fund	\$425,000	\$-
Total Funding Request:	\$425,000	\$-
Total Requested Positions:	0.0	0.0

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 45: Facilitating Projects to Benefit Nursing Home Residents – Federal Penalties Account

Budget Change Proposal and Trailer Bill Language – Governor’s Budget. CDPH requests expenditure authority from the Federal Health Facilities Citation Penalties Account of \$5 million in 2023-24, \$5 million in 2024-25, and \$3 million in 2025-26. If approved, these resources would support projects benefitting nursing home residents. CDPH also requests provisional budget bill language allowing for encumbrance and expenditure through June 30, 2027, and trailer bill language to eliminate the cap on funding for projects from the Federal Health Facilities Citation Penalties Account.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0942 – Federal Health Facilities Citation Penalties Acct.	\$5,000,000	\$5,000,000
Total Funding Request:	\$5,000,000	\$5,000,000
Total Requested Positions:	0.0	0.0

* Additional fiscal year resource requested – 2025-26: \$3,000,000.

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted and adopt placeholder trailer bill language. No concerns have been raised with this proposal.

Issue 46: SNFs Change of Ownership and Change of Management Application (AB 1502)

Budget Change Proposal – Governor’s Budget. CDPH requests expenditure authority from the Licensing and Certification Fund of \$286,000 annually for three years. If approved, these resources would support implementation of new licensing requirements following changes in ownership or management of skilled nursing facilities, pursuant to AB 1502 (Muratsuchi), Chapter 578, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
3098 – Licensing and Certification Fund	\$286,000	\$286,000
Total Funding Request:	\$286,000	\$286,000
Total Requested Positions:	0.0	0.0

* Additional fiscal year resources requested – 2025-26: \$286,000.

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 47: Hospice Facility Licensure and Oversight (AB 2673)

Budget Change Proposal – Governor’s Budget. CDPH requests three positions and expenditure authority from the Licensing and Certification Fund of \$926,000 in 2023-24, \$759,000 in 2024-25, \$698,000 in 2025-26, and \$615,000 annually thereafter. If approved, these positions and resources would support implementation of hospice facilities licensing requirements, pursuant to AB 2673 (Irwin), Chapter 797, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
3098 – Licensing and Certification Fund	\$926,000	\$759,000
Total Funding Request:	\$926,000	\$759,000
Total Requested Positions:	3.0	3.0

* Additional fiscal year resources requested – 2025-26: \$698,000, 2026-27 and ongoing: \$615,000.

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 48: Gender Affirming Health Care (SB 107)

Budget Change Proposal – Governor’s Budget. CDPH requests expenditure authority from the Licensing and Certification Fund of \$321,000 annually for three years. If approved, these resources would expand protections for a child receiving gender-affirming health care under the Confidentiality of Medical Information Act (CMIA), pursuant to SB 107 (Wiener), Chapter 810, Statutes of 2022.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
3098 – Licensing and Certification Fund	\$321,000	\$321,000
Total Funding Request:	\$321,000	\$321,000
Total Requested Positions:	0.0	0.0

* Additional fiscal year resources requested – 2025-26: \$321,000.

This issue was heard during the subcommittee’s March 30th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 49: Industrial Hemp Licensing and Compliance Program Reappropriation

Reappropriation – April Finance Letter. CDPH requests reappropriation of General Fund expenditure authority of \$1.2 million, previously approved in the 2022 Budget Act, to implement the regulation of industrial hemp products pursuant to AB 45 (Aguiar-Curry), Chapter 572, Statutes of 2021.

This issue was heard during the subcommittee’s May 4th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 50: Protecting Children from the Damaging Effects of Lead Exposure

Budget Change Proposal – April Finance Letter. CDPH requests two positions and expenditure authority from the Childhood Lead Poisoning Prevention Fund of \$9.7 million in 2023-24, 2024-25, and 2025-26, and \$6.1 million annually thereafter. If approved, these positions and resources would support expansion of services to children with blood lead levels that meet or exceed new federal standards and new lead poisoning prevention activities.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0080 – Childhood Lead Poisoning Prevention Fund	\$9,718,000	\$9,718,000
Total Funding Request:	\$9,718,000	\$9,718,000
Total Requested Positions:	2.0	2.0

* Additional fiscal year resources requested – 2025-26: \$9,718,000, 2026-27 and ongoing: \$6,114,000.

This issue was heard during the subcommittee’s May 4th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted.

Issue 51: Skilled Nursing Facility Staffing Requirements Compliance (AB 81) Technical Adjustment

Budget Change Proposal – April Finance Letter. CDPH requests a shift of six positions and expenditure authority of \$939,000 from the Licensing and Certification Fund to General Fund reimbursements to align budget authority with the correct funding source.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
0995 - Reimbursements	\$939,000	\$939,000
3098 – Licensing and Certification Fund	(\$939,000)	(\$939,000)
Total Funding Request:	\$-	\$-
Total Requested Positions:	0.0	0.0

* Shift of positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee’s May 4th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

4300 DEPARTMENT OF DEVELOPMENTAL SERVICES

Issue 52: Protective Proceedings (AB 1663)

Budget Change Proposal- Governor’s Budget. DDS requests \$1.5 million (\$1.2 million General Fund) in 2023-24 and 2024-25 and six (6.0) permanent positions, and \$1.2 million (\$1.0 million General Fund) beginning in 2025-26 and ongoing, to address the requirements of Chapter 894, Statutes of 2022 (AB 1663), which revises various procedures in the conservatorship process.

This proposal was heard at the Subcommittee’s March 23, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 53: Disparities within the Developmental Services System (AB 1957)

Budget Change Proposal – Governor’s Budget. DDS requests \$2.7 million (\$1.8 million General Fund) annually through fiscal year 2025-26 and three permanent positions and \$450,000 (\$360,000 General Fund) ongoing to address the requirements of Chapter 314, Statutes of 2022 (AB 1957). The statutory changes require specified public reporting on Individual Program Plans and purchase of services (POS) for individuals with intellectual and developmental disabilities.

This proposal was heard at the Subcommittee’s March 23, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 54: Reduced Caseload Ratio for Children Ages 0-5

Governor’s Budget. DDS proposes \$102.1 million (\$68.5 million General Fund) to reflect updated caseload estimates and a revised methodology to support reduced caseload ratios of 1:40 for children ages 0-5. This adjustment is driven by an updated coordinator cost assumption and an increase of approximately 15,000 children. DDS estimates the 0-5 caseload reaching approximately 106,000 children in 2023-24.

This proposal was heard at the Subcommittee’s March 23, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 55: Rate Adjustments for Mileage

Governor’s Budget. DDS proposes a \$10.1 million (\$6 million General Fund) increase of ongoing funding to adjust service provider rates for mileage based on updates to the federal Internal Revenue Service mileage rate.

This proposal was heard at the Subcommittee’s March 23, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 56: Porterville Developmental Center Facility Support

Budget Change Proposal – April Finance Letter. DDS requests \$201,000 (\$161,000 General Fund) and one permanent Associate Construction Analyst position ongoing to support project and facility maintenance activities at the Porterville Developmental Center.

This proposal was heard at the Subcommittee’s May 4, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 57: DDS Headquarters Position Authority

Budget Change Proposal – April Finance Letter. DDS requests position authority for 71 positions to support existing initiatives and operational needs. These positions will be funded with existing resources.

This proposal was heard at the Subcommittee’s May 4, 2023 hearing. Note that the request is only for position authority. The department has identified existing funding for these positions.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 58: State-Operated Facilities Enhanced Federal Funding

State-Operated Facilities Enhanced Federal Funding - May Revision. DDS requests that Item 4300-001-0001 be decreased by \$681,000 and reimbursements be increased by \$681,000 one-time to reflect the estimated receipt of additional federal funds associated with the final extension of the federal public health emergency related to the COVID-19 Pandemic.

This proposal was heard at the Subcommittee’s May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 59: Regional Centers Provisional Eligibility for Ages 0-2

Regional Centers Provisional Eligibility for Ages 0-2 – May Revision. DDS requests that Item 4300-101-0001 be decreased by \$13 million and reimbursements be increased by \$13 million to reflect General Fund savings due to the anticipated approval of a federal waiver for services provided to children ages zero to four who are determined provisionally eligible for full services provided through the Lanterman Developmental Disabilities Services Act. This proposal includes trailer bill language.

This proposal was heard at the Subcommittee’s May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 60: Regional Centers Caseload and Utilization Update

Regional Centers–Caseload and Utilization: May Revision. DDS requests that Item 4300-101-0001 be decreased by \$5,375,000 and reimbursements be decreased by \$197,027,000 ongoing. These adjustments reflect updated expenditure estimates in operations and purchase of services driven by caseload and

utilization. The majority of the decrease in reimbursements is attributed to one-time technical cleanup shifting estimated General Fund reimbursements related to Service Provider Rate Reform to estimated Home and Community-Based Services American Rescue Plan Fund reimbursements. It is also requested that Item 4300-101-0890 be increased by \$3,412,000 ongoing. This adjustment reflects receipt of increased federal grant funding to support the Early Start program.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 61: Regional Centers Enhanced Federal Funding

Regional Centers Enhanced Federal Funding - May Revision. DDS requests that Item 4300-101-0001 be decreased by \$71,950,000 and reimbursements be increased by \$71,950,000 one-time to reflect the estimated receipt of additional federal funds associated with the final extension of the federal public health emergency related to the COVID-19 Pandemic.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 62: Regional Centers Minimum Wage Adjustments

Regional Centers Minimum Wage Adjustments – May Revision. DDS requests that Item 4300-101-0001 be decreased by \$657,000 and reimbursements be decreased by \$358,000 ongoing to reflect updated expenditure estimates associated with the projected increase in the statewide minimum wage on January 1, 2024.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 63: General Fund Loan Authority

General Fund Loan Authority – May Revision. DDS requests that Provision 2 of Item 4300-101-0001 be amended to change General Fund loan authority from \$1,233,464,000 to \$1,239,880,000 to reflect revised estimates regarding federal reimbursements.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 64: Regional Center Operations Policy Update

Regional Center Operations Policy Update- May Revision. DDS proposes \$11.6 million (\$8.4 million General Fund) to update service coordinators’ and supervisors’ salaries to the state equivalent salary level in Enhanced Service Coordination, Performance Incentives, and Early Start Eligibility.

This proposal was heard at the Subcommittee’s May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 65: START Training

START Training – May Revision. DDS requests \$330,000 (\$231,000 General Fund) for service provider network fees supporting the certified Systemic, Therapeutic, Assessment, Resources and Treatment (START) teams.

This proposal was heard at the Subcommittee’s May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 66: HCBS Final Rule Directive Authority Cross-Reference Correction

Trailer Bill Language – May Revision. This trailer bill language makes a technical change to update the department’s ability to adopt regulations to implement and comply with the Home and Community-Based Services (HCBS) Final Rule.

This proposal was heard at the Subcommittee’s May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

4560 MENTAL HEALTH SERVICES OVERSIGHT AND ACCOUNTABILITY COMMISSION

Issue 67: Information Technology and Security Unit

Budget Change Proposal – Governor’s Budget. MHSOAC requests two positions and expenditure authority from the Mental Health Services Fund of \$435,000 annually. If approved, these positions and resources would support creation of an Information Technology (IT) and Security unit to address increased IT and security workload.

Program Funding Request Summary		
Fund Source	2023-24	2024-25*
3085 – Mental Health Services Fund	\$435,000	\$435,000
Total Funding Request:	\$435,000	\$435,000
Total Requested Positions:	2.0	2.0

* Positions and resources ongoing after 2024-25.

This issue was heard during the subcommittee's April 20th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with this proposal.

Issue 68: Reappropriations – Allcove, Early Psychosis Intervention, and Mental Health Wellness

Reappropriation – Governor's Budget and April Finance Letter. MHSOAC requests reappropriation of the following previously authorized expenditures:

Allcove Youth Drop-In Centers Program – MHSOAC requests reappropriation of up to \$2 million of expenditure authority from the Mental Health Services Fund, previously authorized in the 2019 Budget Act, to support the Allcove Youth Drop-In Centers Program.

The 2019 Budget Act included expenditure authority from the Mental Health Services Fund of \$15 million, available for four years, for a grant program to establish youth drop-in centers that provide integrated mental health services for individuals between 12 and 25 years of age and their families, with a focus on vulnerable and marginalized youth and disparity populations including, but not limited to, LGBTQ, homeless, and indigenous youth. According to MHSOAC, the program experienced delays related to transfer of the trademark for “Allcove” from the Center for Youth and Mental Health and Wellbeing at Stanford University, which developed the Allcove model as an integrated mental health youth drop-in center designed by youth and for youth. Due to these delays, MHSOAC requests reappropriation of up to \$2 million of the original 2019 Budget Act appropriation.

Early Psychosis Intervention Plus Program – MHSOAC requests reappropriation of \$1.7 million of expenditure authority from the Mental Health Services Fund, previously authorized in the 2019 Budget Act, to support the Early Psychosis Intervention Plus Program.

The 2019 Budget Act included expenditure authority from the Mental Health Services Fund of \$20 million in 2019-20 to support the Early Psychosis Intervention (EPI) Plus program, established by AB 1315 (Mullin), Chapter 414, Statutes of 2017, but never previously funded. The EPI Plus program administers competitive grants for counties to expand access to evidence-based early psychosis and mood disorder detection and intervention services for transition-aged youth and young adults at high risk for, or experiencing, psychotic symptoms. According to MHSOAC, program grantee implementation was delayed due to the impact of the COVID-19 public health emergency. As a result, MHSOAC requests reappropriation of up to \$1.7 million from the original 2019 Budget Act appropriation.

Mental Health Wellness Program – MHSOAC requests reappropriation of a total of \$16.5 million of expenditure authority from the Mental Health Services Fund, previously authorized in the 2017 Budget Act, 2019 Budget Act, and 2020 Budget Act, to support the Mental Health Wellness Program.

The Investment in Mental Health Wellness Act of 2013 authorized Mental Health Service Fund expenditure authority of \$32 million annually to add 600 triage personnel in select rural, urban, and suburban regions. The 2016 Budget Act included an additional \$3 million to provide a complete continuum of crisis intervention services and supports for children age 21 and under and their families

and caregivers. Triage personnel provide intensive case management and linkage to services for individuals with mental health disorders at various points of access. Targeted case management services may be provided face to face, by telephone, or by telehealth with the individual in need of assistance or his or her significant support person, and may be provided anywhere in the community. These service activities may include, but are not limited to: 1) communication, coordination, and referral; 2) monitoring service delivery to ensure the individual accesses and receives services; 3) monitoring the individual's progress; 4) providing placement service assistance and service plan development. The 2018 Budget Act reduced the annual triage program allocation to \$20 million annually.

According to MHSOAC, the triage program, now referred to as the Mental Health Wellness Program, received additional program flexibility in SB 184 (Committee on Budget and Fiscal Review), Chapter 47, Statutes of 2022, due to delays related to the COVID-19 pandemic. MHSOAC requests reappropriation of ongoing funding authorized in the 2017, 2019, and 2020 Budget Acts to expand hospital emergency psychiatric assessment, treatment, and healing units which reduce unnecessary emergency department utilization and hospitalizations.

This issue was heard during the subcommittee's April 20th hearing.

Subcommittee Staff Comment and Recommendation—Approve as budgeted. No concerns have been raised with these proposals.

4700 DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

Issue 69: Reappropriation of Greenhouse Gas Reduction Funds for Low-Income Weatherization Program

Reappropriation of Greenhouse Gas Reduction Funds for Low-Income Weatherization Program—May Revision. Department of Community Services and Development (CSD) requests that Item 4700-492 be added to extend the liquidation period for encumbrances from Item 4700-101-3228, Budget Act of 2019, by an additional year to June 30, 2024. This will allow the Department to complete existing projects in the Low-Income Weatherization Program funded by this appropriation.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

5160 DEPARTMENT OF REHABILITATION

Issue 70: Disability Innovation Fund – California Subminimum Wage to CIE Project

Budget Change Proposal – April Finance Letter. The Department of Rehabilitation (DOR) requests \$11.2 million in federal fund authority over four years (approximately \$2.8 million each year through 2026-27) to perform project activities and provide program oversight for the California Subminimum

Wage to Competitive Integrated Employment Project (CSP). The CSP will provide a comprehensive set of interventions and supports to increase competitive integrated employment outcomes, economic self-sufficiency, independence, and inclusion for individuals with the most significant disabilities currently in, or contemplating entering into, subminimum wage employment. This federal grant from the Disability Innovation Fund does not require a state match. In addition, the Department is requesting provisional language to make the grant funds available for encumbrance or expenditure through September 30, 2027.

This proposal was heard at the Subcommittee's May 4, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 71: Additional Federal Fund Authority for the Vocational Rehabilitation Program

Budget Change Proposal – May Revision. The Department of Rehabilitation requests an increase of \$180 million in federal fund authority over the next three fiscal years (\$60 million each year beginning in 2023-24 through 2025-26) to provide additional Vocational Rehabilitation (VR) services to individuals with disabilities to achieve competitive integrated employment, independent living, and equality. This request does not require additional General Fund.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

5180 DEPARTMENT OF SOCIAL SERVICES

Issue 72: AB 2832 - Whole Child Community Equity

Budget Change Proposal – Governor's Budget. California Department of Social Services (CDSS) requests \$549,000 General Fund in 2022-23 and \$535,000 General Fund ongoing for one (1.0) Associate Governmental Program Analyst, one (1.0) Staff Services Manager I (Specialist), and one (1.0) Research Data Specialist II to support the development of the Whole Child Equity Framework and Whole Child Community Equity Screening Tool, mandated by Chapter 699, Statutes of 2022 (AB 2832). The framework and screening tool will utilize community-level data to target efforts toward the communities with the highest needs.

This proposal was heard at the Subcommittee's April 13, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 73: CalFresh Employment and Training Increased Engagement and Technical Assistance

Budget Change Proposal – Governor's Budget. CDSS requests eight federally funded positions totaling \$1.4 million to sustain the department's oversight of the CalFresh Employment and Training (CalFresh E&T) program and expand program access in compliance with federal law.

This proposal was heard at the Subcommittee's April 27, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 74: CalWORKs Pregnancy and Homeless Assistance Implementation (SB 1083)

Budget Change Proposal – Governor's Budget. CDSS requests \$524,000 general fund in 2023-24 and \$510,000 ongoing for two Associate Governmental Program Analysts (AGPAs) and one (1.0) Staff Services Manager I (SSM I) to implement the policy changes associated with SB 1083 (Chapter 715, Statutes of 2022), and to provide ongoing county technical assistance and oversight of the new requirements within the Homeless Assistance (HA) program.

This proposal was heard at the Subcommittee's March 9, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 75: AB 2806 - Childcare and developmental services: preschool: expulsion and suspension

Budget Change Proposal – Governor's Budget. AB 2806 (McCarty, 2022) made statutory changes to requirements related to child care expulsion, suspension, and mental health consultation. CDSS requests \$1.1 million ongoing for two (2.0) Associate Governmental Program Analysts, three (3.0) Staff Services Manager I (Specialists), and one (1.0) Research Data Specialist III, to support workload associated with this legislation.

This proposal was heard at the Subcommittee's April 13, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 76: Veterans Foster Home Support (AB 2119)

Budget Change Proposal – Governor's Budget. CDSS requests \$1.3 million in ongoing funding and eight permanent positions to implement the requirements of AB 2119, which requires medical foster homes authorized by the United States Department of Veterans Affairs (USDVA) to be licensed as medical foster homes for veterans by the Community Care Licensing Division (CCLD). CCLD requests 3.0 Licensing Program Analysts (LPA), 1.0 Associate Governmental Program Analyst (AGPA), 1.0 Nurse Evaluator II (NE II), and 1.0 Research Data Analyst II (RDA II); Legal Division requests 1.0 Attorney III in the CCL Legal Policy Branch; Information Services Division (ISD) requests 1.0 Information Technology Specialist II.

This proposal was heard at the Subcommittee's March 9, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 77: Safe Use of Outdoor Play Spaces

Budget Change Proposal – Governor’s Budget. CDSS requests 1.0 permanent Associate Governmental Program Analyst (AGPA) to revise child care regulations to allow children with exceptional needs to use outdoor play spaces simultaneously with nondisabled children without obtaining a waiver. The AGPA would also assist with the implementation of the regulations through written directives on or before January 1, 2024, as mandated by AB 2827. CDSS requests \$162,000 in 2023-34 and \$149,000 ongoing for this proposal.

This proposal was heard at the Subcommittee’s March 9, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 78: The Foster Youth Bill of Rights Translation (AB 1735)

Budget Change Proposal – Governor’s Budget. The CDSS Office of the Foster Care Ombudsperson (OFCO) requests one-time \$500,000 General Fund, with \$300,000 made available in 2023-24, and the remaining \$200,000 budgeted in 2024-25 to translate, design, publish, and disseminate the Foster Youth Bill of Rights to counties and licensed children’s residential facilities statewide as mandated by existing statute and AB 1735. The requested funding schedule will allow the OFCO to meet its obligations to engage with counties, advocates, and foster youth in the design of the materials.

This proposal was heard at the Subcommittee’s April 13, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 79: In-Home Supportive Services Wage Supplement

Trailer Bill Language – Governor’s Budget. This trailer bill language would clarify the application of wage supplements created as a part of In-Home Supportive Services (IHSS) Memorandum of Understandings (MOUs) between counties and IHSS provider unions.

This proposal was heard at the Subcommittee’s March 9, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 80: Children’s Crisis Continuum Pilot Program

Trailer Bill Language – Governor’s Budget. This proposed trailer bill language would extend the timeframe for the implementation of the Children’s Crisis Continuum Pilot Program for five years from the date grant recipients are selected.

This proposal was heard at the Subcommittee’s April 13, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 81: Home Safe Program Technical Clean-Up

Trailer Bill Language – Governor’s Budget. This trailer bill language makes the following technical statutory clean-up to Home Safe program statute: (1) Clarifies tribal eligibility language in tribal Home Safe programs; (2) Clarifies the definitions of “elder” and “dependent adult” to align the terms “elder” with the definition used in the Adult Protective Services (APS) program and any definition used in a tribal program for similar programs for adults experiencing abuse or neglect; and (3) Extends the sunset date for the grantee-match exemption for one-time funds from June 30, 2024 to June 30, 2025.

This proposal was heard at the Subcommittee’s March 9, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 82: Housing and Disability Advocacy Program Technical Changes

Trailer Bill Language – Governor’s Budget. This trailer bill language makes technical statutory changes to the Housing and Disability Advocacy Program (HDAP) related statute to (1) extend the sunset date for the grantee-match exemption and the waiver of the requirement to collect Interim Assistance Reimbursement (IAR) to align with the expenditure timeline of the one-time funds appropriated in 2022-23 and (2) clarify CDSS’s obligation to develop regulations corresponding to the entirety of the HDAP statute.

This proposal was heard at the Subcommittee’s March 9, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 83: Bringing Families Home Program Technical Changes

Trailer Bill Language – Governor’s Budget. This trailer bill language makes technical changes to Bringing Families Home (BFH) related statute to provide equity, tribal engagement, and maximize impact of state investments towards ending homelessness. The proposed changes also align BFH statute with housing best practices, enabling CDSS to provide guidance on housing best practices that do not conflict with statute.

This proposal was heard at the Subcommittee’s March 9, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 84: Grant option for Deaf Access Program

Trailer Bill Language – Governor’s Budget. CDSS proposes trailer bill language to allow grants as an option (in addition to contracts) for awarded Deaf Access Program funds to public agencies or private nonprofits.

This proposal was heard at the Subcommittee’s April 27, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 85: Extension of Flexibility in Allocation of Federal Refugee Resettlement Funds

Trailer Bill Language – Governor’s Budget. CDSS requests trailer bill language to extend the flexibility provided in 2022 to allocate federal funds for refugee social services to private for-profit organizations. This proposal additionally requires CDSS to track report to the Legislature the funding provided to each type of service provider, and to prioritize funding qualified nonprofit organizations and counties over for-profit organizations, when practicable.

This proposal was heard at the Subcommittee’s April 27, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 86: Immigration Legal Services Clean-up

Trailer Bill Language- Governor’s Budget. CDSS requests trailer bill language to make the following technical changes to immigration legal services programs: (1) Expand the types of reimbursements CDSS may fund a qualified nonprofit legal services organization for immigration related legal services; (2) Clarify the definition of “immigration benefits” related to legal services grants under the program; (3) Make non-substantive technical changes to strike out outdated language from statute.

This proposal was heard at the Subcommittee’s April 27, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 87: Home Visiting Program Pregnancy Eligibility Alignment

Trailer Bill Language – Governor’s Budget. CDSS proposes clean-up trailer bill language to remove unnecessary eligibility criteria for the CalWORKs Home Visiting Program, as a result of changes enacted in 2022 that streamline CalWORKs eligibility for pregnant applicants.

This proposal was heard at the Subcommittee’s April 27, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 88: Reminder Notice of CalWORKs Redetermination

Trailer Bill Language – Governor’s Budget. CDSS proposes trailer bill language to require a county provide an additional reminder notice to a CalWORKs recipient to complete their annual redetermination certificate for CalWORKs eligibility.

This proposal was heard at the Subcommittee’s April 27, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 89: Child Care and Development: Inter-agency contract adjustments and Preschool alignment

Trailer Bill Language – Governor’s Budget. This trailer bill language would provide technical clean-up to align California State Preschool Programs (CSPP) requirements with child care and development program requirements by amending Welfare and Institutions Code 10300.5 to include authority parallel to what already exists in the Education Code for “inter-agency adjustments between different contractors with the same type of contract.” This authority promotes utilization of child care and development funding and allows for matching of available unused funds with identified service needs.

This proposal was heard at the Subcommittee’s April 13, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 90: Child Care Reimbursement Rate Categories and Documentation

Trailer Bill Language – Governor’s Budget. This trailer bill language would amend Welfare and Institutions Code 10228 to provide clarification regarding Alternative Payment Program (APP) provider rate sheets and reimbursement rate categories. The language would specify that a license-exempt provider is not required to submit a copy of their rate sheet along with a statement confirming that the rates charged for the care of a child receiving a subsidy are equal to or less than the rates charged for a child who is not receiving a subsidy. In addition, this language would clarify how to calculate a licensed provider’s reimbursement when the reimbursement category could be considered either full-time weekly or full-time monthly in accordance with regulations. This language would make clear that reimbursement for licensed providers would be based on the category that matches what the provider charges private-pay families as indicated on their rate sheet, and that reimbursement for license-exempt providers shall be based on the category that results in higher reimbursement. This language also provides other technical amendments, including to clarify a cross-reference in statute.

This proposal was heard at the Subcommittee’s April 13, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration’s proposal.

Issue 91: Facility Management System Project Planning Resources

Budget Change Proposal – April Finance Letter. CDSS requests to augment funding for project resources and vendor costs to align the budgetary authority with the updated Facility Management System (FMS) project budget. CDSS also requests funding for one additional position to support the FMS project and the extension of 16 limited-term positions to ensure CDSS completes stages 3 and 4 of the Project Approval Lifecycle (PAL). This request includes the re-appropriation of \$21.1 million in unspent funds from the Facility Management System Budget Change Proposal (BCP) approved in 2020-21 and the Migrating Data from Legacy Systems BCP from 2022-23 and one Information Technology Manager II.

This proposal was heard at the Subcommittee’s May 4, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 92: Promise Neighborhood State Operations Funding

Budget Change Proposal – April Finance Letter. The California Department of Social Services (CDSS) requests to shift \$500,000 unexpended state operations funding for Promise Neighborhood included in 2022 Budget Act (as amended by Chapter 249, Statutes of 2022) to 2023-24.

This proposal was heard at the Subcommittee’s May 4, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 93: Child and Adult Care Food Program Resources

Budget Change Proposal – April Finance Letter. CDSS requests position authority for 16 positions ongoing to support program administration and oversight functions of the Child and Adult Care Food Program (CACFP), which provides cash reimbursements for nutritious meals that are served to infants, children, and adults in care settings.

This proposal was heard at the Subcommittee’s May 4, 2023 hearing. Note that the request is only for position authority. The department has identified existing funding for these positions.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 94: Preschool Development Grant Reimbursement Authority

Preschool Development Grant Reimbursement Authority- May Revision. The May Revision requests increased reimbursement authority of \$892,000 one-time for CDSS to assist the California Health and Human Services Agency with the administration of the federal Preschool Development Grant.

This proposal was heard at the Subcommittee's May 17, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 95: Department of Social Services – Caseload Updates

May Revision Caseload Adjustments. The May Revision proposes a net increase of \$1,931,478,000 ongoing (\$528,783,000 General Fund and \$1,472,243,000 reimbursements), partially offset by a net decrease of \$69,548,000 (\$69,458,000 federal funds and \$90,000 special funds), primarily resulting from updated caseload estimates since the Governor's Budget.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 96: CalWORKs Family Reunification Automation and County Administration Funding

CalWORKs Family Reunification Automation and County Administration Funding – May Revision. CDSS requests that Item 5180-101-0001 be increased by \$1,877,000 ongoing for county administration needed to provide CalWORKs payments to families who have had children removed from the home and are in court-ordered family reunification. CDSS also requests that Item 5180-141-0001 be increased by \$1,937,000 one-time for automation costs necessary to implement this program.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 97: Federal Reimbursement of Food Benefit Theft

Federal Reimbursement of Food Benefit Theft – May Revision. CDSS requests that Item 5180-101-0890 be increased by \$30,954,000 one-time and Item 5180-141-0890 be increased by \$11,946,000 one-time to reflect new federal financial participation for food benefit theft and necessary automation changes. The federal Consolidated Appropriations Act of 2023 mandates federal reimbursement of stolen federal Supplemental Nutrition Assistance Program benefits.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 98: Work Number Contract

Work Number Contract – May Revision. CDSS requests that Item 5180-101-0890 be increased by \$3.3 million ongoing, Item 5180-141-0001 be increased by \$3,849,000 ongoing, and Item 5180-141-0890 be increased by \$3,849,000 ongoing to provide funding for counties for updated contract costs associated

with the third-party employment phone verification services used to assist county welfare departments with eligibility determinations.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 99: BenefitsCal Enhancements

BenefitsCal Enhancements – May Revision. CDSS requests that Item 5180-141-0001 be increased by \$1.5 million in 2023-24 and that Item 5180-141-0890 be increased by \$1.5 million in 2023-24 and \$1,750,000 in 2024-25 to migrate features of GetCalFresh.org to BenefitsCal.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 100: Reappropriations of Unspent Funds

Reappropriation of Unspent Funds – May Revision. The May Revision proposes reappropriations of unspent funds for the following programs:

- **Afghan Integration and Resettlement Support Project Reappropriation.** CDSS requests that Item 5180-494 be added to reappropriate \$7.6 million from Item 5180-151-0001 of the 2021 Budget Act to continue the Afghan Integration and Resettlement Support Project.
- **Enhanced Services Programs for Asylees Reappropriation.** CDSS requests that Item 5180-494 be added to reappropriate \$6 million from Item 5180-151-0001 of the 2021 Budget Act to continue the Enhanced Services Programs for Asylees program.
- **Tribal Dependency Representation Reappropriation.** CDSS requests that Item 5180-494 be added to reappropriate \$4,145,000 from Item 5180-151-0001 of the 2022 Budget Act to extend the availability of resources for the Tribal Dependency Representation Program.
- **Tribally Approved Homes Compensation Reappropriation.** CDSS requests that Item 5180-494 be added to reappropriate \$4,777,000 from Item 5180-151-0001 of the 2022 Budget Act to extend the availability of resources for the Tribal Approved Homes Compensation Program.
- **Tribal Technical Assistance Reappropriation.** CDSS requests that Item 5180-494 be added to reappropriate \$100,000 from Item 5180-151-0001 of the 2022 Budget Act to extend the availability of resources for Tribal Technical Assistance.
- **California Newcomer Education and Well-Being Reappropriation.** CDSS requests that Item 5180-494 be added to reappropriate \$901,000 from Item 5180-161-0001 of the 2021 Budget Act to continue the California Newcomer Education and Well-Being program.

- **CalWORKs County Staff Training Racial Equity and Implicit Bias Reappropriation.** CDSS requests that Item 5180-494 be added to reappropriate \$10 million from Item 5180-101-0001 of the 2022 Budget Act to continue the development of county staff training on racial equity and implicit bias.
- **Child Welfare Training Reappropriation.** CDSS requests that Item 5180-494 be added to reappropriate \$7 million from Item 5180-151-0001 of the 2022 Budget Act to extend the availability of resources for the Child Welfare Training Program.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 101: Special Fund Abolishment

Special Fund Abolishment – May Revision. CDSS requests that Fund 8065 (Safely Surrendered Baby Fund) and Fund 8106 (Special Olympics Fund) be abolished due to voluntary tax contributions coming in below the required minimum contribution as determined by the Franchise Tax Board. It is also requested that Item 5180-001-8065 be eliminated to conform to this action.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve as budgeted.

Issue 102: Kin-GAP Program Alignment and Technical Clarifications

Trailer bill language: Kin-GAP Program Alignment and Technical Clarifications. This trailer bill language would update Welfare and Institutions Code sections to (1) ensure Kin-GAP eligibility is in alignment with recent law and policy changes, including court authorized placement changes made pursuant to SB 354 (Skinner, Chapter 687, Statutes of 2021), and (2) make technical and clarifying amendments to remove outdated and unnecessary language.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration's proposal.

Issue 103: State Supplementary Payment

Trailer Bill Language—May Revision. The administration's May Revision continues to include \$186 million General Fund in 2023-24 (\$292 million ongoing) for an increase in State Supplementary Payment (SSP) grants. Currently, the administration estimates that this funding could support an 8.6 percent increase in SSP grants. The May Revision includes trailer bill language to codify this increase.

This proposal was heard at the Subcommittee's May 16, 2023 hearing.

Subcommittee Staff Comment and Recommendation – Approve placeholder trailer bill language consistent with the Administration's proposal.

ISSUES FOR DISCUSSION

4260 DEPARTMENT OF HEALTH CARE SERVICES

Issue 1: Managed Care Organization Tax and Provider Rate Increases

Local Assistance and Trailer Bill Language – May Revision. DHCS proposes trailer bill language to implement a multi-year tax on managed care organizations (MCO) beginning April 1, 2023, through December 31, 2026. If approved, the tax would provide net General Fund benefit of \$4.4 billion in 2023-24, \$5.1 billion in 2024-25, \$5.3 billion in 2025-26, and \$4.6 billion in 2026-27 to: 1) support the General Fund shortfall and achieve a balanced budget, 2) support Medi-Cal investments to ensure access, quality and equity over an eight to ten year period.

In addition, DHCS requests expenditure authority of \$214.7 million (\$89.6 million General Fund and \$125.1 million federal funds) and proposes trailer bill language to increase provider rates to 87.5 percent of the rate paid by the Medicare program, beginning January 1, 2024, for the following provider types: 1) primary care services and nonphysician professional services, 2) obstetric care services, and 3) outpatient, non-specialty mental health services.

MCO Tax Renewal – Cash Basis by Fiscal Year					
<i>(dollars in thousands)</i>	2023-24	2024-25	2025-26	2026-27	Total
Total Revenue¹	\$8,269,212	\$8,526,680	\$8,761,784	\$6,703,584	\$32,261,260
Medi-Cal Capitation Rates²	\$3,859,656	\$3,414,943	\$3,507,447	\$2,077,488	\$12,859,534
State’s Net Benefit³	\$4,409,556	\$5,111,737	\$5,254,337	\$4,626,096	\$19,401,726
General Fund Backfill⁴	\$3,388,600	\$1,857,914	\$2,019,341	\$1,050,027	\$8,315,882
Proposed Rate Increases⁵	\$98,232	\$240,140	\$240,639	\$240,639	\$819,650
Medi-Cal Provider Payment Reserve Fund⁶	\$922,724	\$3,013,683	\$2,994,357	\$3,335,430	\$10,266,194

1 – Total Revenue is the total amount of revenue received by the state from the tax on managed care organizations.
 2 – Medi-Cal Capitation Rates is the amount paid to Medi-Cal managed care plans in their capitation rates to account for the amount of tax paid to the state. Federal regulations require capitation payments to be actuarial sound and include the cost of taxes.
 3 – State’s Net Benefit is the amount of revenue received by the state, net of capitation payments paid to managed care plans.
 4 – General Fund Backfill is the amount that addresses the General Fund shortfall in 2023-24 and subsequent years.
 5 – Proposed Rate Increases include the increase to 87.5 percent of Medicare for primary care, obstetrics and non-specialty mental health
 6 – Medi-Cal Provider Payment Reserve Fund would receive deposits of the remaining MCO tax revenue for future allocation to provider payments, according to the Administration’s proposal.

Background. Federal Medicaid regulations allow states to impose certain provider-related taxes on health care service providers as long as certain conditions are met. The revenue from these taxes may serve as the non-federal share of spending for health care services in a state’s Medicaid program, which allows the state to draw down additional federal funding for those services. California imposes three provider-related taxes: a fee on certain general acute-care hospitals (Hospital Quality Assurance Fee or HQAF), a fee on free-standing skilled nursing facilities (AB 1629 Quality Assurance Fee), and a tax on enrollment in health care service plans in the state of California (Managed Care Organization or MCO Tax).

Quality Improvement Fee (AB 1762 - 2003)

AB 1762 (Committee on Budget), Chapter 230, Statutes of 2003, authorized the state's first provider fee on Medi-Cal managed care organizations. The fee was implemented in July 2005 as a quality improvement fee of 5.5 percent of a plan's revenue. The 2005 Governor's Budget assumed net General Fund savings of \$37.7 million as a result of the fee. The fee was allowed to expire in October 2009, as the federal government disallowed the fee because it was not sufficiently broad-based and, therefore, in violation of the relevant Medicaid regulations (see section below on "Federal Medicaid Requirements")

Gross Premiums Tax (AB 1422 - 2009)

AB 1422 (Bass), Chapter 157, Statutes of 2009, replaced the previous quality improvement fee with an extension of the state's existing gross premiums tax of 2.35 percent to Medi-Cal managed care plans. The tax had previously only been levied on insurance products, but taxation of Medi-Cal managed care plans under this existing tax regime was sufficient to comply with federal Medicaid regulations that the tax be broadbased. AB 1422 provided that revenue from the tax would serve as the non-federal share for expenditures in both the Medi-Cal program and the state's program for the federal Children's Health Insurance Program, known as the Healthy Families Program. The 2010 Budget Act assumed the gross premiums tax would provide \$99.8 million to Medi-Cal and \$82 million to Healthy Families in the 2009-10 fiscal year. The gross premiums tax was extended by Chapter 717, Statutes of 2010 (SB 853), and again by Chapter 11, Statutes of 2011 (ABX1 21), until June 30, 2012.

Managed Care Organization Tax (SB 78 - 2013)

SB 78 (Committee on Budget and Fiscal Review), Chapter 33, Statutes of 2013 (SB 78), extended the gross premiums tax at its previous rate of 2.35 percent until June 30, 2013. SB 78 then authorized a tax of 3.9375 percent, equal to the state's portion of the sales and use tax, on the operating revenue of Medi-Cal managed care organizations, known as the MCO tax. The tax was authorized for three years, until June 30, 2016. The 2013 Budget Act assumed a General Fund savings of \$304.6 million for the Medi-Cal program from the MCO tax. Over subsequent years, additional populations began to enroll in Medi-Cal managed care, particularly related to the Optional Expansion of Medi-Cal pursuant to the federal Affordable Care Act. As a result, General Fund savings from the MCO tax grew significantly because the tax was a percentage of overall expenditures on Medi-Cal managed care. The 2016 Budget Act assumed \$971.2 million of annual General Fund savings in the 2015-16 fiscal year, the last year of operation of this version of the MCO tax.

Managed Care Enrollment Tax (SBX2 2 - 2016)

In 2014, the federal government released guidance indicating that the structure of the state's MCO tax did not comply with federal Medicaid regulations. The state was instructed to make any necessary statutory changes to bring the tax into compliance by the end of the next scheduled legislative session, or the end of 2016. SBX2 2 (Hernandez), Chapter 2, Statutes of 2016, 2nd Extraordinary Session, authorized a tax on enrollment of managed care plans statewide, along with certain tax reform provisions. SBX2 2 created a tiered tax on the enrollment of health care service plans based on their enrollment as reported to the Department of Managed Health Care for the 12 month period of October 1, 2014 through September 30, 2015, known as the "base year". There were three sets of tiers: 1) Medi-Cal enrollees, 2) Alternate Health Care Service Plan enrollees (such as Kaiser), and 3) all other enrollees. Each tier, based on the number of member months, had a different tax rate per enrollee. The 2017 Governor's Budget assumed General Fund savings of \$1.07 billion in 2016-17 and \$1.63 billion in 2017-18 from the new MCO enrollment tax. SBX2

2 also contained tax reform components that exempted payers of the MCO tax from liability for the state's gross premiums tax and from the corporation tax. The 2017 Governor's Budget assumed a total annual General Fund revenue reduction of \$370 million (\$280 million gross premiums tax and \$90 million corporation tax) for each of the three years of the tax.

Reauthorized MCO Enrollment Tax (AB 112 – 2019)

AB 112 (Committee on Budget), Chapter 348, Statutes of 2019, reauthorized a tax on managed care organizations operating in California, based on enrollment, beginning July 1, 2019, and ending January 1, 2023. The "base year" for enrollment was the cumulative enrollment for each plan between January 1, 2018, and December 31, 2018. The tiered tax rates were set as follows:

	Medi-Cal Tier 1	Medi-Cal Tier 2	Medi-Cal Tier 3	Other Tier 1	Other Tier 2	Other Tier 3
<i>Enrollment:</i>	<i>Less than 4,000,001</i>	<i>4,000,001-8,000,000</i>	<i>More than 8,000,000</i>	<i>Less than 4,000,001</i>	<i>4,000,001-8,000,000</i>	<i>More than 8,000,000</i>
2019-20	\$40.00	\$0.00	\$0.00	\$0.00	\$1.00	\$0.00
2020-21	\$45.00	\$0.00	\$0.00	\$0.00	\$1.00	\$0.00
2021-22	\$50.00	\$0.00	\$0.00	\$0.00	\$1.50	\$0.00
2022-23	\$55.00	\$0.00	\$0.00	\$0.00	\$1.50	\$0.00

The 2019 Budget Act assumed net revenue of \$1.7 billion in 2019-20, \$1.9 billion in 2020-21, \$2.1 billion in 2021-22, and \$2.4 billion in 2022-23. The tax authorized by AB 112 was allowed to expire at the end of 2023.

Federal Requirements for Health Care Related Taxes. Section 433.68 of Title 42 of the Code of Federal Regulations (42 CFR 433.68) authorizes state Medicaid programs to receive federal financial participation (FFP) for expenditures using health care-related taxes, as long as certain conditions are met. The MCO Enrollment tax qualifies as a health care-related tax. Taxes must be:

- 1) Broad-based – For a health care related tax to be considered broad based, it must be imposed on all non-federal (e.g. Medicare) and non-public providers in the state or jurisdiction imposing the tax (e.g. local government).
- 2) Uniformly imposed – For a health care related tax to be considered uniform, it must be applied at the same rate for all affected providers
- 3) No hold-harmless provisions – A taxpayer cannot be held harmless for the amount of the tax. A taxpayer is considered to be held harmless if there is a correlation between their Medicaid payments and the tax amount, all or any portion of the Medicaid payment varies based only on the tax amount, or the state or other taxing jurisdiction provides for any direct or indirect payment or other offset for all or any portion of the tax amount.

States may apply for waivers to both the broad-based and uniform requirements. For a waiver of the broad-based requirements, a state must demonstrate that the tax is “generally redistributive” by calculating the proportion of tax revenue applicable to Medicaid under a broad-based tax (P1) and comparing it to the same proportion under the proposed tax (P2). A waiver may be approved if the ratio of P1/P2 is at least 0.95, and the excluded providers are in a list of providers defined in the regulation. For a waiver of the uniform requirements, a state must measure the ratio of the slope of a linear regression equation of a broad-based and uniform tax (B1) compared to the proposed tax (B2). The ratio of B1/B2 must be at least 0.95, and the excluded providers are in a list of providers defined in the regulation. The most recent MCO enrollment tax received a waiver of the uniform requirement, and was designed to comply with the required B1/B2 ratio.

Proposed 2023 MCO Enrollment Tax Renewal. DHCS proposes trailer bill language to implement a multi-year tax on managed care organizations (MCO) beginning April 1, 2023, through December 31, 2026. If approved, the tax would provide net General Fund benefit of \$4.4 billion in 2023-24, \$5.1 billion in 2024-25, \$5.3 billion in 2025-26, and \$4.6 billion in 2026-27 to: 1) support the General Fund shortfall and achieve a balanced budget, 2) support Medi-Cal investments to ensure access, quality and equity over an eight to ten year period.

In addition, DHCS requests expenditure authority of \$214.7 million (\$89.6 million General Fund and \$125.1 million federal funds) and proposes trailer bill language to increase provider rates to 87.5 percent of the rate paid by the Medicare program, beginning January 1, 2024, for the following provider types: 1) primary care services and nonphysician professional services, 2) obstetric care services, and 3) outpatient, non-specialty mental health services.

According to DHCS, the proposed tax would establish three tiers of enrollment. Tier 1 would include enrollment up to 1,250,000. Tier 2 would include enrollment between 1,250,001 and 4,000,000. Tier 3 would include enrollment over 4,000,001. The tax would only apply to enrollment in Tier 2 and would be \$182.50 per enrollee for Medi-Cal managed care plans and \$1.75 per enrollee for non-Medi-Cal plans in 2023-24 and 2024-25. In 2025-26, the tax would rise to \$187.50 per enrollee for Medi-Cal managed care plans and \$2.00 per enrollee for non-Medi-Cal plans. In 2026-27, the tax would rise again to \$192.50 per enrollee for Medi-Cal managed care plans and \$2.25 per enrollee for non-Medi-Cal plans.

	Medi-Cal Tier 1	Medi-Cal Tier 2	Medi-Cal Tier 3	Other Tier 1	Other Tier 2	Other Tier 3
<i>Enrollment:</i>	<i>Less than 1,250,000</i>	<i>1,250,001-4,000,000</i>	<i>More than 4,000,001</i>	<i>Less than 1,250,000</i>	<i>1,250,001-4,000,000</i>	<i>More than 4,000,001</i>
2023-24	\$0.00	\$182.50	\$0.00	\$0.00	\$1.75	\$0.00
2024-25	\$0.00	\$182.50	\$0.00	\$0.00	\$1.75	\$0.00
2025-26	\$0.00	\$187.50	\$0.00	\$0.00	\$2.00	\$0.00
2026-27	\$0.00	\$192.50	\$0.00	\$0.00	\$2.25	\$0.00

According to DHCS, the total impact of the tax on non-Medi-Cal plans would be \$20.2 million in calendar year 2023, \$26.9 million in 2024, \$30.7 million in 2025, and \$34.6 million in 2026. For reference, the impact of non-Medi-Cal plans of the previous MCO enrollment tax in calendar year 2022 was \$33.8 million.

Federal Approval of the Tax and Use for Provider Rate Increases. DHCS indicates, during its discussions with the federal Centers for Medicare and Medicaid Services (CMS), the design of the proposed tax utilizes ambiguities in current federal Medicaid regulations regarding the relative amounts of taxation between Medicaid and non-Medicaid plans to maximize federal funds and General Fund benefits. CMS has indicated to DHCS it intends to promulgate regulations to eliminate the ambiguity that allows this differential taxation to occur. However, CMS indicates it is willing to approve this version of the tax, including a significant allocation to support the General Fund shortfall, as long as the remaining General Fund savings are utilized to improve access, quality, and equity in the Medi-Cal program.

As a result of these discussions with CMS, DHCS is proposing to utilize tax revenue as follows:

- 1) General Fund Backfill - \$3.4 billion in 2023-24, \$1.9 billion in 2024-25, \$2 billion in 2025-26, and \$1.1 billion in 2026-27 would be used to support the General Fund.
- 2) Rate Increases - \$98.2 million in 2023-24, \$240.1 million in 2024-25, \$240.7 million in 2025-26, and \$240.7 million in 2026-27 would support an increase in reimbursement rates for primary care, obstetric care, and non-specialty mental health care to 87.5 percent of the rate paid by the Medicare program, beginning January 1, 2024.
- 3) Medi-Cal Provider Payment Reserve Fund - \$922.7 million in 2023-24, \$3 billion in 2024-25, \$3 billion in 2025-26, and \$3.3 billion in 2026-27 would be deposited in a reserve fund to support additional rate increases or other investments, to be included in the Governor's January budget for 2024-25.

Panel Discussion. The subcommittee has requested representatives from the following organizations to serve as panelists to discuss the Administration's proposed MCO tax and provider rate increases:

- **Local Health Plans of California**
- **California Primary Care Association**
- **California Medical Association**
- **Service Employees International Union**
- **California Hospital Association**
- **California Association of Health Plans**
- **Planned Parenthood Affiliates of California**

Subcommittee Staff Comment and Recommendation—Hold Open.

Questions. The subcommittee has requested DHCS and panelists to respond to the following:

DHCS

1. Please provide an overview of the proposed reauthorization of the MCO tax, including the changes to the tax model and expected revenue by fiscal year.

2. Please describe the Administration's proposed provider rate increases for primary care, obstetrics, and non-specialty mental health care, including the current rates paid to these providers as a percentage of Medicare payments.
3. The Administration's proposed provider rate increases for these specific providers also eliminates the 10 percent rate reductions imposed pursuant to AB 97 (Committee on Budget), Chapter 3, Statutes of 2011. Please provide a list of the remaining providers still subject to AB 97, including the expected annual savings from these remaining reductions.
4. How would the department ensure the proposed provider rate increases impact providers that are part of Medi-Cal managed care plan networks? Would providers benefit that are part of plans that already pay more than the 87.5 percent of Medicare rate?
5. What is the Administration's rationale for spreading the provider payments over eight to ten years, rather than providing a higher reimbursement during the nearly four years of the tax period?
6. What types of additional investments is the Administration considering using the remaining net revenue from the MCO tax?

Local Health Plans of California

1. Please describe how local health plans set reimbursement rates for Medi-Cal providers. How close to Medicare rates do local health plans currently pay for primary care, obstetrics, and non-specialty mental health? How close to Medicare rates do local health plans pay for specialty care?
2. How would increased reimbursement rates available from a reauthorized MCO tax help local health plans maintain adequate provider networks?
3. How would plans ensure providers in their networks are benefitting from provider rate reimbursements available from the MCO tax?

California Primary Care Association

1. How would community clinics benefit from a reauthorized MCO tax? What types of clinic providers would be impacted and how does this interact with community clinic reimbursement structures?
2. What types of investments or payment reforms might the state make from the tax to improve access, quality, and equity in community clinics?

California Medical Association

1. Please describe any barriers to participation in the Medi-Cal program experienced by physicians due to challenging reimbursement rates.
2. How could revenue from the MCO tax support reimbursement rate increases that would improve physician participation in Medi-Cal and access to care for beneficiaries? In particular, what level of

rate increase is needed in both primary care and specialty care to ensure adequate access to necessary medical care?

3. What other investments might the state make with MCO tax revenue that would improve access, quality, and equity in the Medi-Cal program?

Service Employees International Union (SEIU)

1. How are SEIU members impacted by reimbursement rates in the Medi-Cal program, either through direct reimbursement, or as employees of a reimbursable provider entity?
2. What type of investments from a reauthorized MCO tax would help ensure access, quality, and equity in the Medi-Cal program? How would these investments achieve those goals?

California Hospital Association

1. Please describe how Medi-Cal reimbursement rates and policies contribute to the financial distress experienced by many hospitals in California.
2. What reforms or changes to Medi-Cal reimbursement are necessary to ensure the financial stability of hospitals and maintain access to care for Medi-Cal beneficiaries?

California Association of Health Plans

1. Please describe how Medi-Cal managed care plans set reimbursement rates for Medi-Cal providers. How close to Medicare rates do plans currently pay for primary care, obstetrics, and non-specialty mental health? How close to Medicare rates do plans pay for specialty care?
2. How would increased reimbursement rates available from a reauthorized MCO tax help plans maintain adequate provider networks?
3. How would plans ensure providers in their networks are benefitting from provider rate reimbursements available from the MCO tax?

Planned Parenthood Affiliates of California

1. How would Planned Parenthood clinics benefit from reimbursement rate increases available from a reauthorized MCO tax?
2. What other investments might the state make that would preserve access to reproductive health care services, particularly abortion services?

APPENDIX A – VOTE ONLY ITEMS (TABLE DISPLAY)

KEY TO ACRONYMS:

GB: Governor’s Budget
 MR: May Revision
 SFL: Spring Finance Letter
 BBL: Budget Bill Language
 TBL: Trailer Bill Language
 SRL: Supplemental Report Language
 AAB: Approve as budgeted

Issue	Org Code	Department	Title of Proposal	Staff Comment/ Recommendation
0530 California Health and Human Services Agency (CalHHS)				
1	0530	CalHHS	Gender Affirming Care (SB 923)	This issue was heard by the subcommittee during its hearings on March 2nd and May 4th, 2023. AAB
4100 State Council on Developmental Disabilities (SCDD)				
2	4100	SCDD	Reimbursement Authority Increase (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB
3	4100	SCDD	Reappropriation of federal funds and reimbursements (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB
4120 Emergency Medical Services Authority				
4	4120	EMSA	EMS Personnel Human Trafficking Training Implementation (AB 2130)	This issue was heard by the subcommittee during its hearing on March 16, 2023. AAB
0530 California Health and Human Services Agency (CalHHS) 4140 Department of Health Care Access and Information (HCAI)				
5	0530 4140	CalHHS HCAI	Transfer Administration for Affordable Drug Manufacturing Act (SB 852)	This issue was heard during the subcommittee's May 4th hearing. AAB
4140 Department of Health Care Access and Information (HCAI)				
6	4140	HCAI	Skilled Nursing Facilities: Backup Power Source (AB 2511)	This issue was heard during the subcommittee's March 2nd hearing. AAB
7	4140	HCAI	Hospital Seismic Safety (SB 1882)	This issue was heard during the subcommittee's March 2nd hearing.

				AAB
8	4140	HCAI	Abortion Practical Support Fnd (SB 1142)	This issue was heard during the subcommittee's March 2nd hearing.
				AAB
4150 Department of Managed Health Care (DMHC)				
9	4150	DMHC	Information Security Resources	This issue was heard during the subcommittee's March 2nd hearing.
				AAB
10	4150	DMHC	Office of Legal Services - Department of Justice (DOJ) Legal Fees	This issue was heard during the subcommittee's March 2nd hearing.
				AAB
11	4150	DMHC	Office of Financial Review Workload	This issue was heard during the subcommittee's March 2nd hearing.
				AAB
12	4150	DMHC	Health Care Coverage: Abortion Services Cost Sharing (SB 245)	This issue was heard during the subcommittee's March 2nd hearing.
				AAB
13	4150	DMHC	Health Care Coverage: Mental Health and Substance Use Disorders (AB 2581)	This issue was heard during the subcommittee's March 2nd hearing.
				AAB
14	4150	DMHC	Health Care Coverage: Prescription Drugs (AB 2352)	This issue was heard during the subcommittee's March 2nd hearing.
				AAB
15	4150	DMHC	Health Information (SB 1419)	This issue was heard during the subcommittee's March 2nd hearing.
				AAB
16	4150	DMHC	Health Care Service Plans: Discipline: Civil Penalties (SB 858)	This issue was heard during the subcommittee's March 2nd hearing.
				AAB
17	4150	DMHC	Add Position Authority for Workload Funded in the Governor's Budget	This issue was heard during the subcommittee's May 4th hearing.
				AAB
18	4150	DMHC	Augment Behavioral Health Focused Investigations Workload	This issue was heard during the subcommittee's May 4th hearing.
				AAB
19	4150	DMHC	Technical Adjustment Position Display Error	This issue was heard during the subcommittee's May 4th hearing.
				AAB

20	4150	DMHC	Mandatory Use of Standardized Forms for Oversight	This issue was heard during the subcommittee's May 4th hearing. AAB and Adopt Placeholder TBL consistent with Administration proposal
21	4150	DMHC	Withdrawal of Duplicate Enforcement Investigation and eDiscovery Software Application	This issue was heard during the subcommittee's May 4th hearing. AAB
4170 California Department of Aging (CDA)				
22	4170	CDA	Health Insurance Counseling and Advocacy Program Modernization (GB)	This proposal was heard at the Subcommittee's March 9, 2023 hearing. AAB
23	4170	CDA	Administrative Efficiencies for local Area Agencies on Aging funding (SFL)	This proposal was heard at the Subcommittee's May 4, 2023 hearing. AAB
24	4170	CDA	CalFresh Healthy Living Program (SFL)	This proposal was heard at the Subcommittee's May 4, 2023 hearing. AAB
25	4170	CDA	Statewide No Wrong Door Assessment (SFL)	This proposal was heard at the Subcommittee's May 4, 2023 hearing. AAB
4260 Department of Health Care Services (DHCS)				
26	4260	DHCS	Health Care Coverage: Contraceptives (SB 523)	This issue was heard during the subcommittee's March 16th hearing. AAB
27	4260	DHCS	California Cancer Care Equity Act (SB 987)	This issue was heard during the subcommittee's March 16th hearing. AAB
28	4260	DHCS	Maternal and Pandemic-Related Mental Health Conditions (SB 1207)	This issue was heard during the subcommittee's March 16th hearing. AAB
29	4260	DHCS	Community Assistance, Recovery, and Empowerment (CARE) Act	This issue was heard during the subcommittee's April 20th hearing. AAB
30	4260	DHCS	Enhanced Lanterman-Petris-Short Act Data and Reporting (SB 929)	This issue was heard during the subcommittee's April 20th hearing.

				AAB and Adopt Placeholder TBL consistent with Administration proposal
31	4260	DHCS	Care Coordination for Individuals Exiting Temporary Holds/Conservatorships (AB 2242)	This issue was heard during the subcommittee's April 20th hearing.
				AAB
32	4260	DHCS	Medi-Cal Managed Care Plans - Mental Health Benefits (SB 1019)	This issue was heard during the subcommittee's April 20th hearing.
				AAB
33	4260	DHCS	Public Social Services - Hearings (AB 1355)	This issue was heard during the subcommittee's April 20th hearing.
				AAB
34	4260	DHCS	Behavioral Health Federal Funds Adjustment	This issue was heard during the subcommittee's May 17th hearing.
				AAB
4265 Department of Public Health (CDPH)				
35	4265	CDPH	California Immunization Registry (AB 1797)	This issue was heard during the subcommittee's March 16th hearing.
				AAB
36	4265	CDPH	BabyBIG Infant Botulism Treatment and Prevention Program	This issue was heard during the subcommittee's March 16th hearing.
				AAB
37	4265	CDPH	Licensure of Clinical Lab Geneticists and Clinical Reproductive Biologists (SB 1267)	This issue was heard during the subcommittee's March 16th hearing.
				AAB
38	4265	CDPH	CA Integrated Vital Records System Upgrades for Death Certificate Content (AB 2436)	This issue was heard during the subcommittee's March 16th hearing.
				AAB
39	4265	CDPH	Extreme Heat - Statewide Extreme Heat Ranking System (AB 2238)	This issue was heard during the subcommittee's March 30th hearing.
				AAB
40	4265	CDPH	Childhood Drowning Data Collection Pilot Program (SB 855)	This issue was heard during the subcommittee's March 30th hearing.
				AAB
41	4265	CDPH	Restroom Access - Medical Conditions (AB 1632)	This issue was heard during the subcommittee's March 30th hearing.
				AAB

42	4265	CDPH	Reduction of Human Remains and Disposition of Human Remains (AB 351)	This issue was heard during the subcommittee's March 30th hearing. AAB
43	4265	CDPH	Recreational Water Use - Regulation of Wave Basins (AB 2298)	This issue was heard during the subcommittee's March 30th hearing. AAB
44	4265	CDPH	Limited Podiatric Radiography Permit (AB 1704)	This issue was heard during the subcommittee's March 30th hearing. AAB
45	4265	CDPH	Facilitating Projects to Benefit Nursing Home Residents - Federal Penalties Account	This issue was heard during the subcommittee's March 30th hearing. AAB and Adopt Placeholder TBL consistent with Administration proposal
46	4265	CDPH	SNFs Change of Ownership and Change of Management Application (AB 1502)	This issue was heard during the subcommittee's March 30th hearing. AAB
47	4265	CDPH	Hospice Facility Licensure and Oversight (AB 2673)	This issue was heard during the subcommittee's March 30th hearing. AAB
48	4265	CDPH	Gender Affirming Health Care (SB 107)	This issue was heard during the subcommittee's March 30th hearing. AAB
49	4265	CDPH	Industrial Hemp Licensing and Compliance Program Reappropriation	This issue was heard during the subcommittee's May 4th hearing. AAB
50	4265	CDPH	Protecting Children from the Damaging Effects of Lead Exposure	This issue was heard during the subcommittee's May 4th hearing. AAB
51	4265	CDPH	Skilled Nursing Facility Staffing Requirements Compliance (AB 81) Technical Adjustment	This issue was heard during the subcommittee's May 4th hearing. AAB
4300 Department of Developmental Services (DDS)				
52	4300	DDS	Protective Proceedings (AB 1663) (GB)	This proposal was heard at the Subcommittee's March 23, 2023, hearing. AAB

53	4300	DDS	Disparities within the Developmental Services System (AB 1957) (GB)	This proposal was heard at the Subcommittee's March 23, 2022, hearing.
				AAB
54	4300	DDS	Reduced Caseload Ratio for Children Ages 0-5 (GB)	This proposal was heard at the Subcommittee's March 23, 2023 hearing.
				AAB.
55	4300	DDS	Rate Model Assumptions for mileage (GB)	This proposal was heard at the Subcommittee's March 23, 2023 hearing.
				AAB
56	4300	DDS	Porterville Developmental Center Facility Support (SFL)	This proposal was heard at the Subcommittee's May 4, 2023, hearing.
				AAB
57	4300	DDS	Headquarters Position Authority (SFL)	This proposal was heard at the Subcommittee's May 4, 2023 hearing. Note that the request is only for position authority. The department has identified existing funding for these positions.
				AAB
58	4300	DDS	State-Operated Facilities-Enhanced Federal Funding (MR)	This proposal was heard at the Subcommittee's May 16, 2023, hearing.
				AAB
59	4300	DDS	Regional Centers-Provisional Eligibility for Ages 0-2 (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing.
				AAB
60	4300	DDS	Caseload and Utilization Update (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing.
				AAB
61	4300	DDS	Regional Centers - Enhanced Federal Funding (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing.

				AAB
62	4300	DDS	Regional Centers - Minimum Wage Adjustments January 2024 (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB
63	4300	DDS	General Fund Loan Authority (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB.
64	4300	DDS	Regional Center Operations Policy Update (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB.
65	4300	DDS	START Training (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB
66	4300	DDS	TBL: Cleanup - HCBS Final Rule Directive Authority Cross-Reference Correction (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. Adopt placeholder TBL consistent with the Administration's proposal.
4560 Mental Health Services Oversight and Accountability Commission				
67	4560	MHSOAC	Information Technology and Security Unit	This issue was heard during the subcommittee's April 20th hearing. AAB
68	4560	MHSOAC	Reappropriations - Allcove, Early Psychosis Intervention, and Mental Health Wellness	This issue was heard during the subcommittee's April 20th hearing. AAB
4700 Department of Community Services and Development				
69	4700	CSD	Reappropriation of Greenhouse Gas Reduction Funds for Low-Income Weatherization Program (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB.
5160 Department of Rehabilitation				
70	5160	DOR	Disability Innovation Fund - California Subminimum Wage to Competitive Integrated Employment Project (SFL)	This proposal was heard at the Subcommittee's May 4, 2023, hearing. AAB

71	5160	DOR	Additional Federal Fund Authority for Vocational Rehabilitation Program (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB
5180 California Department of Social Services (CDSS)				
72	5180	CDSS	While Child Community Equity (AB 2832) (GB)	This proposal was heard at the Subcommittee's April 13, 2023 hearing. AAB
73	5180	CDSS	CalFresh Employment and Training Increased Engagement and Technical Assistance (GB)	This proposal was heard at the Subcommittee's April 27, 2023, hearing. AAB
74	5180	CDSS	CalWORKs: Pregnancy and Homeless Assistance (SB 1083) (GB)	This proposal was heard at the Subcommittee's March 9, 2023, hearing. AAB
75	5180	CDSS	Child care and developmental services: preschool expulsion and suspension (GB)	This proposal was heard at the Subcommittee's April 13, 2023 hearing. AAB
76	5180	CDSS	Veterans Medical Foster Homes (AB 2119) (GB)	This proposal was heard at the Subcommittee's March 9, 2023, hearing. AAB
77	5180	CDSS	Safe Use of Outdoor Play Spaces (AB 2827) (GB)	This proposal was heard at the Subcommittee's March 9, 2023, hearing. AAB
78	5180	CDSS	The Foster Youth Bill of Rights Translation (AB 1735) (GB)	This proposal was heard at the Subcommittee's April 13, 2023 hearing. AAB.
79	5180	CDSS	TBL: Adults: IHSS Wage Supplement (GB)	This proposal was heard at the Subcommittee's March 9, 2023 hearing. Adopt placeholder TBL consistent with the Administration's proposal.
80	5180	CDSS	TBL: Children's Crisis Continuum Program (GB)	This proposal was heard at the Subcommittee's April 13, 2023 hearing.

				Adopt placeholder TBL consistent with the Administration's proposal.
81	5180	CDSS	TBL: Home Safe Program Technical Clean-up (GB)	This proposal was heard at the Subcommittee's March 9, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.
82	5180	CDSS	TBL: Housing and Disability Advocacy Technical Changes (GB)	This proposal was heard at the Subcommittee's March 9, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.
83	5180	CDSS	TBL: Bringing Families Home Program Technical Changes (GB)	This proposal was heard at the Subcommittee's March 9, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.
84	5180	CDSS	TBL: Grant Option for Deaf Access Program (GB)	This proposal was heard at the Subcommittee's April 27, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.
85	5180	CDSS	TBL: Extension of Flexibility in Allocation and Award of Federal Refugee Resettlement Funds (GB)	This proposal was heard at the Subcommittee's April 27, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.
86	5180	CDSS	TBL: Immigration Legal Services Clean-up (GB)	This proposal was heard at the Subcommittee's April 27, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.
87	5180	CDSS	TBL: Home Visiting Program (HVP) Pregnancy Eligibility Alignment (GB)	This proposal was heard at the Subcommittee's April 27, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.
88	5180	CDSS	TBL: Reminder Notice of CalWORKs Redetermination (GB)	This proposal was heard at the Subcommittee's April 27, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.

89	5180	CDSS	TBL: Child care and development - Interagency contract adjustments and California State Preschool Program Alignment (GB)	This proposal was heard at the Subcommittee's April 13, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.
90	5180	CDSS	TBL: Child care and development - alternative payment programs reimbursement categories and documentation (GB)	This proposal was heard at the Subcommittee's April 13, 2023 hearing.
				Adopt placeholder TBL consistent with the Administration's proposal.
91	5180	CDSS	Facility Management System (FMS) Project Planning Resources - Reappropriation (SFL)	This proposal was heard at the Subcommittee's May 4, 2023 hearing.
				AAB
92	5180	CDSS	Promise Neighborhoods State Operations Funding (SFL)	This proposal was heard at the Subcommittee's May 4, 2023 hearing.
				AAB
93	5180	CDSS	Child and Adult Food Program Position Authority (SFL)	This proposal was heard at the Subcommittee's May 4, 2023 hearing. Note that the request is only for position authority. The department has identified existing funding for these positions.
				AAB
94	5180	CDSS	Preschool Development Grant Reimbursement Authority (MR)	This proposal was heard at the Subcommittee's May 17, 2023 hearing.
				AAB
95	5180	CDSS	May Revision Caseload Adjustments (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing.
				AAB
96	5180	CDSS	CalWORKs Family Reunification Automation and County Administration Funding (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing.
				AAB
97	5180	CDSS	Federal Reimbursement for Food Benefit Theft (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing.
				AAB
98	5180	CDSS	Work Number Contract: funding for counties for	This proposal was heard at the Subcommittee's May 16, 2023 hearing.

			updated contract costs associated with third-party employment phone verification (MR)	AAB
99	5180	CDSS	BenefitsCal Enhancements to migrate features of GetCalFresh.org to BenefitsCal. (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB.
100	5180	CDSS	Various Reappropriations of unspent funds for the following programs: CalWORKs County Staff Training Racial Equity and Implicit Bias; Rapid Response program; Afghan Integration and Resettlement Support Project; Enhanced Services Program for Asylees; Child Welfare Training Program; Tribal Dependency Program; Tribally Approved Homes Compensation Program; Tribal Technical Assistance Reappropriation, California Newcomer Education and Well-Being (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB
101	5180	CDSS	Special Fund Abolishment (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. AAB
102	5180	CDSS	TBL: Kin-GAP Program Alignment and Technical Clarifications (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. Adopt placeholder TBL consistent with the Administration's proposal.
103	5180	CDSS	TBL: State Supplementary Payment (SSP) 2024 Grant Increase (MR)	This proposal was heard at the Subcommittee's May 16, 2023 hearing. Adopt placeholder TBL consistent with the Administration's proposal.