Senate Budget and Fiscal Review—Holly J. Mitchell, Chair

SUBCOMMITTEE NO. 3 Agenda

Senator Richard Pan, M.D., Chair
Senator William W. Monning
Senator Jeff Stone

Thursday, May 10, 2018
9:30 a.m. or upon adjournment of session
State Capitol - Room 4203

Consultants: Scott Ogus, Renita Polk, Theresa Pena

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VOTE ONLY

0530 CALIFORNIA HEALTH AND HUMAN SERVICES AGENCY

Issue 1: HIPAA Compliance and Technical Assistance

Budget Issue. CHHSA (CalOHII) requests one position and reimbursement expenditure authority of $128,000 annually. If approved, these resources would allow CalOHII to continue its oversight of statewide HIPAA compliance activities.

Program Funding Request Summary (CHHSA)		
Fund Source	**2018-19**	**2019-20***
0995 – Reimbursements	$128,000	$128,000
Total Funding Request:	**$128,000**	**$128,000**
Total Requested Positions:	**1.0**	**1.0**

*Positions and resources ongoing after 2019-20.

This issue was heard during the subcommittee's April 19th hearing.

Subcommittee Staff Comment and Recommendation—Approve. CalOHII provides statewide guidance, planning, and technical assistance to 62 state departments and agencies for compliance with HIPAA. The limited-term position approved during the most recent zero-base review of CalOHII is performing HIPAA compliance and leadership workload that has only grown larger. Approving permanent extension of this position will allow that workload to continue.

Issue 2: eWIC MIS Project Expenditure Increase

Spring Finance Letter. CHHSA (OSI) is requesting expenditure authority from the California Health and Human Services (CHHS) Automation Fund of $4.8 million in 2018-19, $9.1 million in 2019-20, and $6.2 million in 2020-21. If approved, these resources would allow OSI to continue implementation of the Electronic Women, Infants, and Children Management Information System (eWIC MIS), an electronic benefits transfer (EBT) system for the participants in California's WIC program.

Program Funding Request Summary		
Fund Source	**2018-19**	**2019-20***
9745 – CHHS Automation Fund**	$4,808,000	$9,133,000
Total Funding Request:	**$4,808,000**	**$9,133,000**

* Additional fiscal year resources requested: 2020-21: $6,219,000

** The CHHS Automation Fund receives transfers from the Federal Trust Fund for this project.

This issue was heard during the subcommittee's April 19th hearing.

Subcommittee Staff Comment and Recommendation—Approve. Federal law requires the state to migrate WIC paper-based food benefits to an EBT system by 2020. Approval of these resources, funded by federal fund transfers to OSI, will allow the project to achieve the EBT transition by the deadline.

4140 OFFICE OF STATEWIDE HEALTH PLANNING AND DEVELOPMENT

Issue 1: Prescription Drug Cost Transparency Implementation Plan (SB 17)

Budget Issue. OSHPD requests three positions and expenditure authority from the California Health Data and Planning Fund of $500,000 in 2018-19, $850,000 in 2019-20, and $800,000 in 2020-21 and annually thereafter. Beginning in 2019-20, OSHPD also requests an additional 2.5 positions for a total of 5.5 permanent positions. If approved, these positions and resources would allow OSHPD to implement prescription drug price transparency initiatives required by SB 17 (Hernandez), Chapter 603, Statutes of 2017. Pursuant to SB 17, the resources requested from the California Health Data and Planning Fund are funded by revenue transfers from the Managed Care Fund, administered by the Department of Managed Health Care, and the Insurance Fund, administered by the California Department of Insurance.

Program Funding Request Summary			
Fund Source	**2018-19**	**2019-20**	**2020-21***
0143 – CA Health Data and Planning Fund	$500,000	$850,000	800,000
Total Funding Request:	**$500,000**	**$850,000**	**$800,000**
Total Requested Positions:	**3.0**	**5.5**	**5.5**

* Positions and Resources ongoing after 2020-21.

Revenue Transfers to CA Health Data and Planning Fund (0143)			
Fund Source	**2018-19**	**2019-20**	**2020-21***
0217 – Insurance Fund	$35,000	$60,000	$56,000
0933 – Managed Care Fund	$465,000	$790,000	$744,000
Total Funding Request:	**$500,000**	**$850,000**	**$800,000**

* Revenue Transfers ongoing after 2020-21.

This issue was heard during the subcommittee's March 22nd hearing.

Subcommittee Staff Comment and Recommendation—Approve. SB 17 requires OSHPD to receive notifications from drug manufacturers regarding prescription drug price increases, or new drugs exceeding a certain threshold. In addition, OSHPD is required to quarterly report pricing transparency information received from drug manufacturers on its website. Approval of these positions and resources will allow OSHPD to implement these prescription drug price transparency initiatives.

4150 DEPARTMENT OF MANAGED HEALTH CARE

Issue 1: Federal Mental Health Parity Compliance Review Resources Extension

Budget Issue. DMHC requests permanent extension of expiring, limited-term expenditure authority from the Managed Care Fund of $529,000 in 2018-19 and annually thereafter. If approved, these resources will allow DMHC to continue to review health care service plan filings for compliance with

the mental health parity requirements of the federal Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA).

Program Funding Request Summary		
Fund Source	**2018-19**	**2019-20***
0933 – Managed Care Fund	$529,000	$529,000
Total Funding Request:	**$529,000**	**$529,000**
Total Requested Positions:	**0.0**	**0.0**

* Resources ongoing after 2019-20.

This issue was heard during the subcommittee's March 22nd hearing.

Subcommittee Staff Comment and Recommendation—Approve. DMHC is required to conduct reviews of health care service plans for compliance with the mental health and substance use parity requirements of MHPAEA. To complete these reviews, DMHC requires clinical expertise that cannot be provided by positions within the civil service classifications. Approval of these ongoing contract resources will provide DMHC with the clinical expertise necessary to make determinations regarding health plan compliance with mental health and substance use parity.

Issue 2: Prescription Drug Cost Transparency (SB 17)

Budget Issue. DMHC requests one position and expenditure authority from the Managed Care Fund of $307,000 in 2018-19 and $281,000 in 2019-20 and annually thereafter. If approved, these resources would allow DMHC to compile health plan information on prescription drug costs pursuant to SB 17 (Hernandez), Chapter 603, Statutes of 2017.

Program Funding Request Summary		
Fund Source	**2018-19**	**2019-20***
0933 – Managed Care Fund	$307,000	$281,000
Total Funding Request:	**$307,000**	**$281,000**
Total Requested Positions:	**1.0**	**1.0**

* Position and Resources ongoing after 2019-20.

This issue was heard during the subcommittee's March 22nd hearing.

Subcommittee Staff Comment and Recommendation—Approve. SB 17 requires DMHC to publish information received from health care service plans regarding expenditures on high cost prescription drugs and these expenditures' effects on plan premiums. Approval of this position and resources will allow DMHC to perform these required functions that will lead to additional transparency regarding expenditures on prescription drugs.

4265 DEPARTMENT OF PUBLIC HEALTH

Issue 1: Expanded Lead Testing for California Children (AB 1316)

Budget Issue. DPH requests two positions and expenditure authority from the Childhood Lead Poisoning Prevention Fund of $276,000 in 2018-19 and annually thereafter. If approved, these resources would allow DPH to develop regulations and perform additional blood lead testing and analysis under an expanded standard of care required by AB 1316 (Quirk), Chapter 507, Statutes of 2017.

Program Funding Request Summary		
Fund Source	**2018-19**	**2019-20***
0080 – Childhood Lead Poisoning Prevention Fund	$276,000	$276,000
Total Funding Request:	**$276,000**	**$276,000**
Total Requested Positions:	**2.0**	**2.0**

* Positions and Resources ongoing after 2019-20.

This issue was heard during the subcommittee's March 22nd hearing.

Subcommittee Staff Comment and Recommendation—Approve. AB 1316 requires the Childhood Lead Poisoning Prevention (CLPP) Program to adopt regulations by July 2019 establishing an expanded standard of care to determine if a child is at risk for lead poisoning. Approval of these positions and resources will allow CLPP to implement these expanded monitoring and testing requirements to protect additional children from the adverse effects of lead poisoning.

Issue 2: Infant and Early Childhood Home Visiting Program

Budget Issue. DPH requests permanent extension of 27 expiring, limited-term positions and federal fund expenditure authority of $903,000 in 2018-19 and $21.8 million in 2019-20. Of the 27 positions, 11 would be renewed in January 2019, and 16 would be renewed in July 2019. If approved, these resources would allow DPH to continue operation of the California Home Visiting Program (CHVP).

Program Funding Request Summary		
Fund Source	**2018-19**	**2019-20***
0890 – Federal Trust Fund		
State Operations	$903,000	$4,000,000
Local Assistance	$-	$17,800,000
Total Funding Request:	**$903,000**	**$21,800,000**
Total Requested Positions:	**11.0**	**27.0**

* Positions and Resources ongoing after 2019-20.

This issue was heard during the subcommittee's March 22nd hearing.

Subcommittee Staff Comment and Recommendation—Approve. The CHVP is a federally funded program that provides voluntary, evidence-based home visiting services to at-risk pregnant and newly

parenting families. Permanent extension of these expiring, limited-term positions and resources will allow DPH to continue administering this program.

Issue 3: New Genetic Disorders (SB 1095) and Second Tier Testing

Budget Issue. DPH requests 18 positions and expenditure authority from the Genetic Disease Testing Fund of $2.7 million. If approved, these resources would allow DPH to comply with expanded testing requirements pursuant to SB 1095 (Pan), Chapter 363, Statutes of 2016, including new screening for Mucopolysaccharidosis type I (MPS-I), Pompe disease, and any future additions to the Recommended Uniform Screening Panel (RUSP).

Program Funding Request Summary		
Fund Source	**2018-19**	**2019-20***
0203 – Genetic Disease Testing Fund		
State Operations:	$2,690,000	$2,690,000
Local Assistance**:	[($460,000)]	[($460,000)]
Total Funding Request:	**$2,690,000**	**$2,690,000**
Total Requested Positions:	**18.0**	**18.0**

* Positions and Resources ongoing after 2019-20.

** Local Assistance reductions are non-add and are reflected in the GDSP Local Assistance Estimate.

This issue was heard during the subcommittee's March 22nd hearing.

Subcommittee Staff Comment and Recommendation—Approve. SB 1095 requires the Genetic Disease Screening Program to expand testing requirements for newborns to include MPS-I, Pompe disease and any future additions to the federal RUSP. In addition, the use of second tier testing to confirm positive test results will help prevent false positives for genetic disorders. Approval of these positions and resources will allow the program to implement the required expansion of genetic testing and improve the accuracy of existing testing.

Issue 4: Birth Certificate Processing Increase for Real ID Compliance

Budget Issue and Budget Bill Language. DPH requests expenditure authority of $796,000 from the Health Statistics Special Fund in 2018-19, 2019-20, and 2020-21. If approved, these resources would allow DPH to meet the demand for an increased number of birth certificate requests due to requirements of the federal Real ID Act. DPH also requests budget bill language to authorize up to $1.59 million of additional expenditure authority from the Health Statistics Special Fund if necessary to support additional workload.

Program Funding Request Summary		
Fund Source	**2018-19**	**2019-20***
0099 – Health Statistics Special Fund	$796,000	$796,000
Total Funding Request:	**$796,000**	**$796,000**

* Additional fiscal year resources requested: 2020-21: $796,000

This issue was heard during the subcommittee's April 26th hearing.

Subcommittee Staff Comment and Recommendation—Approve. The Real ID Act prohibits federal agencies from accepting identification that does not comply with enhanced security requirements for air travel and other official purposes as of October 2020. Real ID-compliant identification requires documentation of legal presence in the United States, primarily in the form of a birth certificate. Approval of these limited-term resources and budget bill authority will allow DPH to manage the expected increase in requests for birth certificates as a result of these new identification requirements.

Issue 5: AIDS Drug Assistance Program: Eligiblity and Enrollment

Budget Issue. DPH requests expenditure authority of $250,000 from the ADAP Rebate Fund in 2017-18 and 15 positions and expenditure authority of $2.7 million from the ADAP Rebate Fund annually thereafter. If approved, these resources would allow DPH to manage the workload of transitioning ADAP eligibility and enrollment services to the Office of AIDS.

Program Funding Request Summary		
Fund Source	**2017-18***	**2018-19****
3080 – ADAP Rebate Fund	$250,000	$2,700,000
Total Funding Request:	**$250,000**	**$2,700,000**
Total Positions Requested:	**0.0**	**15.0**

* Resources in 2017-18 fund two administratively established positions.
** Positions and resources ongoing after 2018-19.

This issue was heard during the subcommittee's April 26th hearing.

Subcommittee Staff Comment and Recommendation—Approve. After ADAP terminated its enrollment benefits manager contract due to breach of contract and serious security and confidentiality issues, DPH began the process of implementing an in-house solution to enrolling and renewing ADAP clients. Approval of these positions and resources will allow DPH to complete the process of implementing the new ADAP enrollment and renewal system and programmatic infrastructure.

Issue 6: Baby BIG Infant Botulism Treatment and Prevention

Spring Finance Letter. DPH requests provisional language to allow flexibility to meet manufacturing costs if the timeline for the next production cycle of Human Botulism Immune Globulin (BabyBIG) shifts into the 2018-19 fiscal year.

Provisional Language. DPH requests the following provisional language:

Item 4265-001-0272

1. In the event the production schedule for BabyBIG® Lot 7 is accelerated and begins in the 2018-19 fiscal year, the Department of Finance may augment this item in the amount necessary to support these production costs. Any augmentation shall be authorized no sooner than 30 days after notification in writing to the Chairperson of the Joint Legislative Budget Committee, or no

sooner than whatever lesser time the Chairperson of the Joint Legislative Budget Committee, or his or her designee, may determine.

This issue was heard during the subcommittee's April 26th hearing.

Subcommittee Staff Comment and Recommendation—Approve. DPH is the only producer of BabyBIG in the world and this treatment for infant botulism is difficult to schedule. Approval of the provisional language in this spring finance letter will provide DPH with the financial flexibility to fund early delivery of the next lot of BabyBIG.

Issue 7: Emergency Response: Public Health Crisis Response Grant

Spring Finance Letter. DPH requests provisional language to allow augmentation of appropriation authority for federal funds to quickly accept public health emergency funding pursuant to a new Centers for Disease Control and Prevention (CDC) Public Health Crisis Response Grant.

Provisional Language. DPH requests the following provisional language:

Item 4265-001-0890

3. Notwithstanding any other provision of law, the Department of Finance may augment this item in excess of the amount appropriated upon notice by Public Health of available funds by the Centers for Disease Control and Prevention's Cooperative Agreement for Emergency Response: Public Health Crisis Response Grant. Within 10 working days of authorizing such an augmentation, the Department of Finance shall provide written notification of the augmentation to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

Item 4265-111-0890

3. Notwithstanding any other provision of law, the Department of Finance may augment this item in excess of the amount appropriated upon notice by Public Health of available funds by the Centers for Disease Control and Prevention's Cooperative Agreement for Emergency Response: Public Health Crisis Response Grant. Within 10 working days of authorizing such an augmentation, the Department of Finance shall provide written notification of the augmentation to the chairpersons of the fiscal committees in each house of the Legislature and the Chairperson of the Joint Legislative Budget Committee.

This issue was heard during the subcommittee's April 26th hearing.

Subcommittee Staff Comment and Recommendation—Approve. DPH has received approval from CDC to be placed on an "Approved-But-Unfunded" list of grantees for public health emergency funding. This list stipulates recipients have certified they can submit an amended budget to CDC within 14 days and complete hiring and execute contracts within 30 days. Approval of the provisional language in this spring finance letter will provide DPH with the financial flexibility to augment its federal fund expenditure authority if CDC makes funds available for a public health emergency.

ISSUES FOR DISCUSSION

4265 DEPARTMENT OF PUBLIC HEALTH

Issue 1: Oversight – Black Infant Health Program

Background. The Black Infant Health Program, administered by the California Department of Public Health (CDPH), provides empowerment-focused group support services and case management to improve the health and social conditions for African-American women and their families. Created in 1989 to address a disproportionately high infant mortality rate for black infants, the program seeks to address the complex factors related to infant mortality and preterm births for the population at greatest risk. Black Infant Health providers offer participants health education, social support, individualized case management, home visitation and referrals to other services.

Black Infant Health Model. Originally, the Black Infant Health Program focused primarily on prenatal care and one-on-one case management to address infant mortality. However, a 2006 assessment by the Center on Social Disparities in Health at the University of California, San Francisco, indicated this approach was insufficient, prompting the state and the Center to work towards a new, evidence-based model. The new model, while still providing prenatal care and case management services, emphasizes social support, stress management, and empowerment. In particular, research demonstrated that women who participate in group sessions, rather than the previously standard one-on-one care settings, experience significantly reduced risk of pre-term births, better psychosocial outcomes, more prenatal care knowledge, and feel more prepared for labor and delivery.[1] Local Black Infant Health Programs provide 10 pre-natal and 10 post-partum group sessions exploring the following topics: 1) Cultural Heritage as a Source of Pride; 2) Healthy Pregnancy, Labor & Delivery; 3) Nurturing Ourselves & Our Babies; 4) Prenatal, Postnatal & Newborn Care; 5) Stress Management; 6) Healthy Relationships; and 7) Celebrating Our Families. Case management services link participants with needed community and health-related services, such as health insurance application assistance and family planning counseling.

Black Infant Health Program Budget History. Since its inception, the Black Infant Health Program has been funded by a combination of state General Fund and federal Title V Maternal and Child Health Service Block Grant funding. The Title V block grant, administered by the Health Resources and Services Administration, provides states with funds for programs to improve the health of mothers and children based on a statewide needs assessment. The state General Fund is appropriated by the Legislature through the state budget process.

In response to a significant General Fund deficit resulting from the 2007 recession, the 2009 Budget Act eliminated the $3.9 million General Fund appropriation for the Black Infant Health Program. Local programs still received funds allocated from the federal Title V block grant, but overall funding for these programs was reduced significantly. The 2014 Budget Act authorized the addition of $4 million of ongoing General Fund for the program, restoring the recession-era reductions.

[1] Ickovics J. Group prenatal care and perinatal outcomes. Obstetrics & Gynecology 2007;110(2 Pt 1): 330-339.

The Black Infant Health Program's grant allocations for 2017-18 were as follows:

2017-18 Allocations for Black Infant Health Program		
County/City	**General Fund**	**Federal Fund (Title V)**
Alameda	$295,797	$308,786
City of Long Beach	$248,467	$259,379
Contra Costa	$248,467	$259,379
Fresno	$248,467	$259,379
Kern	$248,467	$259,379
Los Angeles	$462,983	$483,316
Riverside	$295,794	$308,785
Sacramento	$373,645	$390,054
San Bernardino	$373,645	$390,054
San Diego	$295,794	$308,785
San Francisco	$205,770	$214,807
San Joaquin	$248,467	$259,379
Santa Clara	$205,770	$214,807
Solano	$248,467	$259,379
TOTAL	**$4,000,000**	**$4,175,668**

Trends in African American Infant Mortality in California. According to data from the Centers for Disease Control (CDC), the infant mortality rate per 1,000 live births for African Americans in California declined from 13.29 to 8.87 between 1995 and 2015. While the state has made progress since 1995, this rate was still more than twice the rate in 2015 for white (4.24), Hispanic (4.40), and Asian/Pacific Islander (3.50)[2] Californians. In addition, there is some evidence that progress in reducing African American infant mortality has stalled in recent years.[3]

According to the CDC, the leading causes of black infant mortality include complications related to pre-term birth, low birth weight, congenital birth defects, Sudden Infant Death Syndrome (SIDS), and accidents. Complications related to pre-term birth and low birth weight are the most significant causes of black infant mortality, accounting for 60 to 75 percent of all deaths. In addition to being a significant cause of infant mortality, pre-term birth can lead to significant long-term intellectual and developmental

[2] United States Department of Health and Human Services (US DHHS), Centers of Disease Control and Prevention (CDC), National Center for Health Statistics (NCHS), Division of Vital Statistics (DVS). Linked Birth / Infant Death Records 2007-2015, as compiled from data provided by the 57 vital statistics jurisdictions through the Vital Statistics Cooperative Program, on CDC WONDER On-line Database. Accessed at http://wonder.cdc.gov/lbd-current.html on Mar 2, 2018.

[3] Corinne A. Riddell, PhD; Sam Harper, PhD., Jay S. Kaufman, PhD. Trends in Differences in US Mortality Rates Between Black and White Infants. JAMA Pediatr. 2017;171(9):911-913

disabilities including autism and behavioral problems, as well as chronic medical problems, such as asthma, diabetes, and cancer. Interventions that reduce pre-term birth rates would be likely to lead to reduced infant mortality, as well as significant reductions in neonatal intensive care stays and utilization of medical and mental health services for the treatment of developmental disabilities and other prematurity-associated chronic medical conditions.

Interventions to Reduce Risk Factors for Black Infant Mortality. While the social support, stress management, and empowerment model of the Black Infant Health Program is an evidence-based intervention that reduces black infant mortality, the rate of black infant mortality has remained twice that of any other group. Other interventions that have shown promise generally include a team-based approach to care that couples social interventions with medical interventions. The Centering Pregnancy model is a group-based intervention that follows the recommended schedule of 10 prenatal visits, with each visit 90 minutes to two hours long. According to Centering Healthcare, which developed the model, pregnant women engage in their own care by taking their own weight and blood pressure and recording their own health data with private time with their provider for belly check. DPH indicates that the group-based intervention in the Black Infant Health Program is partially derived from the Centering Pregnancy model.

In addition to these models, a pilot program in Sacramento County demonstrated significant reductions in pre-term birth and low birth weight among its participants compared to rates of these conditions in the county and nationally. The program, affiliated with a federally qualified health center, provided a team-based approach that included an extensive evaluation of each African American pregnant woman, personalized case management, an educational program, and wraparound care provided by home visitors and various medical personnel. The program identified 56 risk factors for pre-term birth and each patient was evaluated by a physician for these social and medical factors. Between June 2014 and April 2016, 454 African American women participated in the program. The combined medical plan and home visiting approach reduced the pre-term birth rate from 16.8 percent for African Americans in Sacramento County to 2.9 percent for participants in the program. The rate of low birth rates was similarly reduced from 13.8 percent in Sacramento County to 4.3 percent for program participants.

Stakeholder Panel. In addition to DPH, the subcommittee has invited the following panelists to discuss potential improvements to state and local efforts to reduce risk factors of black infant mortality:

- **Deborah Allen, ScD --** Deputy Director Health Promotion, L.A. Co. Dept. of Public Health
- **Mashariki K. Kudumu, MPH** – Maternal/Child Health Dir, March of Dimes, Greater LA
- **Philippa Barron** – Alameda Co. Reg. Mgr of Medical Operations, La Clínica de La Raza
- **Chet P. Hewitt –** CEO/President, The Center at Sierra Health Foundation
- **Marie Young** – Taylor-Young African American Infant Death Prev. Program, Sacramento
- **Jo Taylor, MD** – Taylor-Young African American Infant Death Prev. Program, Sacramento

Stakeholder Proposal - California Perinatal Equity Initiative. The Los Angeles County Department of Public Health requests General Fund expenditure authority of $15 million for DPH to fund three interventions that have demonstrated potential to reduce California's black-white gap in infant mortality and improve maternal and infant health generally. The three interventions expand on but do not duplicate existing state and federally funded home visiting programs and the community-based Black Infant Health program. Each would fill a critical gap in programming to avert adverse birth outcomes in

California. Each also offers the opportunity to enhance resources in high risk communities. The three interventions are as follows:

1. Centering Pregnancy - Centering Pregnancy is the only structural approach to pregnancy care shown to reduce the rate of preterm birth, the leading correlate of infant death, among black women in the U.S. Centering is a group model of care that integrates woman-to-woman support with health education and clinical pregnancy care at ninety-minute to two hours sessions for 10-12 women together. It has been implemented in over 500 practices in 46 states across the U.S., among women in all demographic groups and at varying levels of pregnancy risk. Three factors thought to contribute to the effectiveness of Centering are: 1) addressing social isolation and disempowerment of consumers by bringing women together during prenatal care; 2) improving women's understanding of factors that affect infant health by providing time for participants to raise questions that don't get addressed in a 10 or 15 minute prenatal visit; 3) improving quality of care by letting providers get to know patients and identify and address risk factors that might otherwise be missed.
2. One Key Question (OKQ) - One Key Question (OKQ) promotes healthy pregnancy among women who wish to become pregnant, while averting unintended pregnancy among women who wish to avoid or delay childbearing. It calls on physicians to screen women for pregnancy intent by asking, "Do you want to become pregnant in the next year?" at every well-woman or chronic disease management visit. Public health researchers compare OKQ to screening for chronic disease, noting that unintended pregnancy, affecting approximately 50% of U.S. women during their reproductive years, can be seen as the most common adverse health outcome facing U.S. women.
3. Fatherhood Initiatives - Research indicates that "father involvement is related to positive child health outcomes in infants, such as improved weight gain in preterm infants and improved breastfeeding rates." These findings may reflect the value of a second nurturer for the developing child and the indirect benefit the child derives from reduced maternal stress when there is a second caregiver present. Unfortunately, while there is a patchwork of fatherhood programs across California there is no coordinated statewide effort to promote and support engagement of dads in pregnancy and childbearing. The proposal calls for a program operating at the state and local levels aimed at expanding and coordinating the opportunities for father engagement.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding this item open to allow continued discussions in advance of the May Revision.

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

1. DPH: Please provide a brief overview of the Black Infant Health Program.

2. DPH: Please describe the social support model adopted in 2006 for the program.

3. DPH: Please describe the extent to which local Black Infant Health Programs coordinate social interventions with prenatal care and other medical interventions.

4. Panelists: Please describe your and/or your organization's current interactions with the Black Infant Health Program

5. Panelists: In what other types of interventions have you and/or your organizations participated or observed that attempt to reduce black infant mortality?

6. Panelists: What improvements could the state make to its approach to reducing black infant mortality, particularly in reducing the leading causes of infant mortality, such as pre-term birth or low birth weight?

Issue 2: Oversight – Statewide Infectious Disease Response

Background. The Division of Communicable Disease Control (DCDC) within DPH works to promptly identify, prevent and control infectious diseases that pose a threat to public health, including emerging and re-emerging infectious diseases, vaccine-preventable agents, bacterial toxins, bioterrorism, and pandemics. DCDC coordinates with local health departments, health care providers, and local public laboratories to perform these functions. The division's Infectious Disease Branch provides consultation and assistance to local public health, environmental health, and vector control agencies in the control and prevention of communicable diseases and outbreaks; collection, coordination, and analyses of surveillance data of over 50 infectious diseases; investigations of local, regional, statewide, or multistate outbreaks; information on infectious diseases to the DPH, local health jurisdictions, the medical community, and the public through emails, press releases, postings of pamphlets and fact sheets on the department's website, and publications in medical journals; and recommendations, guidelines, policies, and regulations on communicable disease prevention and control. DPH also oversees and coordinates with local, state, and federal public health laboratories. State public health laboratories confirm the presence of disease, respond to emergencies, detect outbreaks, and provide situational awareness.

DPH also maintains the California Reportable Disease Information Exchange (CalREDIE), a secure system for electronic disease reporting and surveillance. Specified diseases and conditions are mandated by state law and regulation to be reported by healthcare providers and laboratories to the public health authorities. CalREDIE improves the efficiency of surveillance activities and the early detection of public health events through the collection of complete and timely surveillance information on a state wide basis. Local health departments and DPH have access to disease and laboratory reports in near real-time for disease surveillance, public health investigation, and case management activities. The CalREDIE system is widely utilized by local health departments and healthcare providers in California and over 350 laboratories electronically submit reportable lab results through the CalREDIE Electronic Laboratory Reporting (ELR).

Recent Outbreak of Hepatitis A. In November 2016, an outbreak of Hepatitis A began in San Diego County and subsequently spread to Santa Cruz, Los Angeles, and Monterey counties. According to DPH, the majority of people infected with hepatitis A virus in this outbreak were people experiencing homelessness and/or using illicit drugs in settings of limited sanitation. During the outbreak, DPH helped to support the local health department response in the following ways: 1) coordinating and supporting hepatitis A outbreak response efforts across California; 2) monitoring the outbreak and providing epidemiologic support to the response by enhancing monitoring of cases, testing specimens to identify the outbreak strain, and providing staff and technical expertise, including developing and disseminating disease control, clinical, and vaccine prioritization guidance; 3) buying, distributing, and monitoring about 123,000 hepatitis A vaccine doses to local health departments during this outbreak; and 4) communicating accurate information about the outbreak, control measures, and level of risk of hepatitis A infection for different populations with partners, the media, and the public.

According to DPH, after review of the availability of Hepatitis A vaccine, the Governor issued a declaration of a state of emergency to secure and purchase additional vaccine. The Administration provided an augmentation from emergency appropriation authority provided in the state budget to account for the purchase of the additional vaccine. Following intensive efforts by local health departments and their clinical and community partners, including vaccination campaigns targeting the

at-risk population, education, obtaining and managing vaccine, and many other interventions, the number of reported outbreak-associated cases has substantially decreased in California.

Infectious Disease Response Panel. In addition to DPH, the subcommittee has requested the following panelists to discuss the state's response to emerging infectious diseases at the state and local level:

- **Arnold Leff, MD, REHS –** Health Officer, Santa Cruz County
- **Joel Buettner** – General Manager, Placer Mosquito and Vector Control District

Stakeholder Proposal – Mosquito Surveillance. The Mosquito and Vector Control Association of California requests General Fund expenditure authority of $2 million in 2018-19 for the California Vector-borne Disease Surveillance (CalSurv) system, as well as grants for vector research specific to California's unique ecosystems. According to the Association, mosquito surveillance is crucial for tracking, eliminating, and preventing the spread of mosquitos and the diseases they carry. Due to effective mosquito surveillance, efforts to limit the spread of West Nile were successful. However, mosquitos adapt quickly by becoming resistant to pesticides, alter their feeding and biting patterns, and infest geographic regions they have never before been detected.

Through competitive academic research grants, some federal assistance, and an agreement between the University of California (UC), Davis, mosquito abatement agencies, and DPH, UC Davis has been able to keep CalSurv functioning. However, the research grants and federal funding through the DPH have not been consistent and are not guaranteed. There is also concern that federal funding will no longer be available, given the current federal Administration. Additionally, this funding tends to have a more international focus leaving a gap for research that could benefit California's unique and diverse climate.

Stakeholder Proposal – Valley Fever Research. The Valley Fever Institute at Kern Medical requests General Fund expenditure authority of $3 million in 2018-19 for a research grant to fund Valley Fever treatment research and outreach. According to the Valley Fever Institute, there is no cure or vaccine for Valley Fever and studies show that early intervention ensures the best management of the disease. The most severe cases of Valley Fever stem from delayed diagnosis. The Centers for Disease Control and Prevention report Valley Fever infection rates rose twelve-fold nationwide between 1995 and 2009, and researchers estimate the fungus infects 150,000 people each year who either escape detection of the disease or suffer serious ailments without knowing the cause of their illness. The Valley Fever Institute at Kern Medical is ideally suited to be the premiere center for laboratory research, as it has the largest population of patients with Valley Fever, receives patients from around the world, has infectious disease experts dedicated to the study of Valley Fever, and is the site of clinical research trials on the effectiveness of early treatment with medication.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding this item open to allow continued discussions in advance of the May Revision.

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

1. DPH: Please provide a brief overview of the state's monitoring, planning, and response to outbreaks of infectious disease.

2. DPH/Panelists: How do DPH and local health departments coordinate to monitor infectious disease outbreaks, and implement appropriate responses?

3. DPH/Panelists: What were the various roles of the state and local health departments in responding to the recent Hepatitis A outbreak? What type of planning for specific disease outbreaks occurs before the outbreak and how do DPH and local health departments adapt these plans in real-time in response to the details of an outbreak?

4. DPH/Panelists: How do the state and local health departments prepare for flu season? What planning occurs beforehand for a particularly virulent or widespread flu outbreak and how do the state and local health departments deploy resources to respond?

5. Panelists: How do DPH and the state generally support your organization in its mission to protect the public from infectious disease? Are there any areas for improvement of this support?

6. DPH/ (Vector Control) Panelist: How does DPH engage with local vector control districts to monitor the incidence of vector-borne disease such as West Nile and Zika?

7. DPH/Panelists: How does DPH respond to detection of cases of West Nile or Zika? What is the local vector control or local health department's responsibility?

4300 DEPARTMENT OF DEVELOPMENTAL SERVICES

Issue 1: Proposals for Investment

The subcommittee has received the following proposals for investment:

Issue 1A. Restoration of Social Recreation and Camp Services

Budget Issue. The Association of Regional Center Agencies (ARCA), Disability Rights California (DRC), Disability Voices United (DVU), and the ARC/United Cerebral Palsy (UCP) California Collaboration all request that social recreation and camp services be restored.

Background. In 2009, budget trailer bill language was enacted to address a $42 billion budget deficit and restore California's fiscal balance. Part of that solution was the temporary suspension of social recreation activities and camping services. These reductions were intended to be temporary pending the development and implementation of the Individual Choice Model (ICM). The ICM was to be an alternative service delivery model that provided an individual budget, and choice and flexibility for clients. Ultimately, that model was never implemented. However, the department is on track to begin implementation of the Self Determination Program in the near future, which seems to be similar to the ICM.

ARCA emphasizes that, "…these services had the added benefit of offering families a break while respecting cultural preferences for home-based family care, a particularly positive impact on diverse communities."

According to the ARC/UCP California Collaboration, "Social recreation and camping services increase community integration, improve socialization skills and have been of particular benefit to ethnically diverse communities."

Disability Rights California states, "The most important steps we can take is to ensure that consumers from ethnic and language distinct communities have access to culturally and linguistically competent services that they need." Restoring these services can help advance that goal.

Disability Voices United, "These services have been used at higher rates by underserved Latino, African-American, and Asian families in the past, and restoring funding would help reduce racial disparities."

DDS estimates the cost to restore social recreation and camping services for 2018-19, effective July 1, 2018, to be $22.2 million ($14 million General Fund) in 2018-19. This is based on the estimated full-year impact of $39.4 million, adjusted for ramp up of services. Ramp up will occur as regional centers review and update Individual Program Plans (IPPs) to identify the need for and authorize social recreation services, and to identify and develop providers to offer these services. The 2019-20 estimated costs are $35.4 million ($22.3 million General Fund). This amount is also based on the estimated full-year impact of $39.4 million, adjusted for continuing ramp up.

During the 2017-18 budget process the Assembly voted to restore these services, while the Senate voted to lift the cap on respite services. In the final budget negotiations, the Legislature approved the elimination of a cap on respite services.

Staff Recommendation. Hold open.

Issue 1B. Bridge Funding for Service Providers

Budget Issue. ARCA and the ARC/UCP California Collaboration have submitted written comments supporting a legislative proposal requesting $25 million (General Fund) be provided to service providers to help meet increasing labor and other operations costs.

Background. Supporters state, "These funds will help address cost pressures arising from extraordinary cost-of-living increases in California's major population centers." Due to rate freezes dating back to 2003, service providers cannot negotiate, nor can regional centers offer, a rate that reflects the actual operating costs.

There are two ways the department may increase an existing service provider's rate –a health and safety waiver or an unanticipated rate adjustment. State law authorizes the department to approve exemptions to rate freezes when necessary to protect the health and safety of a specific consumer.[4] A provider seeking this waiver must first apply to the regional center, who then may submit the request to the department, along with pertinent information including capacity, proposed rate and supporting justification, an explanation of the health and safety basis of the request and ramifications of a denial, and a signed statement from the regional center executive director that he/she concurs with the information and request being submitted. Unanticipated Rate Adjustments are guided by Title 17 regulations and apply only to community-based day programs and in-home respite providers. These adjustments can be applied for by eligible providers directly to the department and are not required to first submit through the regional center. Adjustments can be requested for mandated service adjustments due to changes in, or additions to, existing statutes, laws, regulations or court decisions.

Rate adjustments drawing from requested funds would be implemented by building on existing rate adjustment mechanisms. Existing mechanisms could be used and expanded to include funding for increased mandated labor costs as well as increased transportation and lease expenses.

In 2017, the department received $3 million General Fund to contract for a service provider rate study and to provide recommendations for a new rate setting methodology. The study and accompanying recommendations are due to the Legislature by March 1, 2019. The requested funds are intended as bridge funding, pending the finalization of the rate study.

Staff Recommendation. Hold open.

[4] Welfare and Institutions Code sections 4648.4(b), 4681.6, 4684.55, 4689.8, 4691.9 and 4691.9.

Issue 1C. Integrated Community Living Fund

Budget Issue. The Lanterman Coalition requests the creation of the Integrated Community Living (ICL) Fund within DDS, which would award available funds to finance capital costs for the development of new housing units for regional center clients.

Background. According to the Lanterman Coalition, average rent in sixteen counties exceeds the SSI/SSP grant of $911 (effective January 1, 2018). Approximately 86% of regional center clients rely solely on SSI/SSP for their income. This proposal requests that revenue from certain closing developmental centers be used to fund housing costs for regional center clients. Proponents state that, "This is an opportunity to use one-time General Fund dollars to jumpstart housing developments, and ongoing revenues from the disposition of developmental center properties to sustainably fund affordable housing development in the future."

By 2021, DDS must close all of its remaining developmental centers, and transition remaining residents into the community. The ICL Fund would serve as a repository if/when revenue is generated from new uses of the General Treatment Area at Porterville and Fairview DC. The Lanterman Coalition proposes that the ICL Fund be administered through an interagency agreement between DDS and the California Department of Housing and Community Development, and would award available funds to finance capital costs for the development of new housing units for regional center clients. Funds would be awarded using minimum criteria and would be distributed to maximize access to low-income housing tax credit projects for the target population, as well as to incentivize the development of creative permanent supportive housing projects to meet the needs of persons living with intellectual and developmental disabilities.

Earlier this year the LAO released a report entitled, "Sequestering Savings from the Closure of Developmental Centers." This report discussed potential savings in terms of net operational savings and increased revenues from the sale or repurposing of DC properties. In the report, the LAO details that the unique characteristics of each property could affect market value, and sale and/or leasing potential. Currently, the value of the properties is unknown and local preferences could affect property value and interest among private entities to purchase the properties. The report also states that earmarking revenue for the closure of developmental centers limits flexibility of future Legislatures.

Staff Recommendation. Hold open.

Issue 1D. Best Buddies

Budget Issue. The Best Buddies organization requests $1.6 million to support and expand delivery of its social inclusion, integrated employment, and leadership development services to people with intellectual and developmental disabilities (IDD).

Background. Best Buddies states that it is "the only organization using peer-to-peer relationships between people with and without IDD to break down the barriers that inhibit opportunities for meaningful interactions between the populations." Best Buddies received $1.6 million General Fund in the 2017-18 budget to provide these services.

According to Best Buddies, the $1.6 million in current year funding is helping them support nearly 6,200 participants through 137 school-based chapters statewide, exceeding the project's output goal of 120 total schools served. 27 of these chapters launched in Fall 2017 and Spring 2018. This funding serves 110 adults with IDD already placed in competitive, integrated employment, and it will facilitate 34 new job placements in California. These funds will also provide public speaking training to 30 unduplicated participants with IDD through the Best Buddies Ambassador Program.

If $1.6 million were provided in the 2018-19 budget Best Buddies would be able to serve a minimum of 8,000 students with and without IDD through 137 existing school-based chapters, launch a minimum of 20 new chapters in elementary, middle, high school, and college chapters; recruit and train a minimum of 780 student leaders with and without IDD; provide opportunities for the development of critical social skills in at least 3,000 individuals with IDD through frequent contact with typical peers; execute 624 inclusive social and recreational group activities that engage school-based participants; provide a minimum of 122 individuals with IDD continued support and access to competitive, integrated employment; expand employment services to include a class of nine new interns at the Fresno Project SEARCH site, 12 new job placements in Northern California, 10 new job placements in Los Angeles, five new job placements in Long Beach, and intake a class of eight new interns in the Harbor City Project SEARCH 2018-2019 class.

Staff Recommendation. Hold open.

5180 DEPARTMENT OF SOCIAL SERVICES

Issue 1: Proposal for Investment – State Appropriation for Holocaust Survivors

Budget Issue. This proposal requests $3.6 million General Fund one-time to the Department of Social Services for a Holocaust Survivor's Assistance Program that would establish a grant program to help these individuals avoid institutionalization by providing services such as home care, culturally appropriate case management, home-delivered meals, transportation, and emergency financial assistance.

Staff Comment and Recommendation. Hold open.

0000 VARIOUS DEPARTMENTS

Issue 1: Additional Proposals for Investment

California Sickle Cell Action Plan Proposal. A coalition of organizations, including the Sickle Cell Disease Foundation (SCDF), the Center for Inherited Blood Disorders (CIBD), and the Pacific Sickle Cell Regional Collaborative (PSCRC) request General Fund expenditure authority of $15 million over five years to support infrastructure to expand an existing model of advance practice medical homes for adults with sickle cell disease (SCD) into five California locales with the largest numbers of affected adults. The goals of this expansion would be: 1) improve access to quality, coordinated, and comprehensive health care services for adults with SCD by developing five new sickle cell outpatient advance practice specialty medical homes, using a hub and spoke model; 2) enhance whole person care services for individuals and families with SCD by developing five new sickle cell Community Based Organization (CBO) spoke agencies. Spoke CBOs will collaborate with the local SCD medical homes providing case management, follow-up and educational services that address the social and behavioral health needs of the target population; 3) enhance stakeholder relationships within the sickle cell and broader blood disorders communities and population health systems by building partnerships with hospitals and health systems to sustain the model, chiefly with Managed Medi-Cal Health Plans; 4) design sustainability by building the hematology workforce via tele-mentoring opportunities statewide.

Lead Certification Application Processing. The California State Council of Laborers requests expenditure authority of $75,000 to fund staff in the Childhood Lead Poisoning Prevention Program to accelerate processing of applications for certification for providing lead construction services. The Laborers are requesting an increase in their certification fee of between $10 and $12 to fund this request. According to the Laborers, the current application processing timeline is 120 days. With additional staff funded by this request, the processing time would be reduced to no more than 60 days.

Hospital Detoxification Services in Drug Medi-Cal Organized Delivery System (DMC-ODS). The California Association of Alcohol and Drug Program Executives (CAADPE) requests General Fund expenditure authority of $25 million to expand funding for hospital detoxification services benefits under the Drug Medi-Cal Organized Delivery System (DMC-ODS) Waiver for free standing acute psychiatric and chemical dependency hospitals, as outlined in the 1115 waiver terms and conditions. According to CAADPE, the state's 1115 waiver terms and conditions waived the IMD exclusion for residential and hospital detoxification services as an allowable and reimbursable benefit. For detoxification it permits the use of Free Standing Acute Psychiatric and Chemical Dependency Hospitals. The Department of Health Care Services (DHCS) has issued a bulletin clarifying only state general acute hospitals or psychiatric hospitals within general acute hospitals can claim reimbursement directly through the Medi-Cal fee for service system. All other detox services, free standing acute psychiatric and chemical dependency facilities are to seek funding for detoxification services through their county DMC-ODS. However, counties and stakeholders assert that the DMC-ODS waiver did not fund hospital detoxification services through DMC-ODS as the state did for the expansion of residential service. Since these free-standing facilities are not eligible for state reimbursement, this badly needed hospital level of care is essentially nonexistent creating a true barrier to care.

Extension and Clarification of Medical Interpreters Pilot. The American Federation of State, County, and Municipal Employees (AFSCME) requests budget bill language and trailer bill language to

extend the timeline of the project and clarify the intent of the Legislature in the implementation of the pilot projects approved by AB 635 (Atkins), Chapter 600, Statutes of 2016.

Medical Outliers Proposal. Children's Hospital Los Angeles (CHLA) requests General Fund expenditure authority of $17 million to account for significant financial losses related to a change in Medi-Cal reimbursement for medical outliers. A medical outlier is a patient that requires additional care outside of what is covered by the diagnosis related group (DRG) reimbursement model due to the complexity of their condition. Last year, DHCS reduced reimbursement rates for patients with complex conditions, who achieve outlier patient status.

Suicide Hotlines. Didi Hirsch Mental Health Services requests expenditure authority of $4.8 million from the Mental Health Services Fund to fund California's 11 suicide prevention lifeline (Lifeline) network members and transfer oversight for the program to the Mental Health Services Oversight and Accountability Commission. According to Didi Hirsch, the National Suicide Prevention Lifeline is a network of 165 suicide crisis lines in the U.S. that must be accredited and adhere to specific standards and best practices. The federal government supports Lifeline's infrastructure, which includes a telecommunications system that links callers to the closest line and rolls calls over to a back-up line if the closest line is busy or has lost power. However, states are expected to fund direct services. The federal government provides individual lines with nominal stipends up to $1,500 per year. The Lifeline network also is able to link callers to services provided by larger crisis lines that would be far too costly for every Lifeline member to provide, such as 24/7 bilingual Spanish counselors and a Disaster Distress Helpline. Similarly, California's network of Lifeline members ensure 24/7 coverage for counties without a Lifeline crisis center. Many take calls outside their home counties, and the largest of the State's Lifeline centers answers calls from all 58 counties.

Subcommittee Staff Comment and Recommendation—Hold Open. Subcommittee staff recommends holding these items open to allow continued discussions in advance of the May Revision.

Questions. The subcommittee has requested advocates to present these proposals for investment.