Health and Human Services Policy Committee Meeting
CSAC 129th Annual Meeting
Thursday, November 16, 2023 10:30 AM – 12:00 PM
Oakland Marriott City Center, Grand Ballroom EFGH
1001 Broadway, Oakland, CA 94607

Supervisor Zach Friend, Santa Cruz County, Chair
Supervisor Doug Chaffee, Orange County, Vice Chair
Supervisor Belia Ramos, Napa County, Vice Chair

Note: This policy committee meeting is an in-person meeting only and is being held as part of the CSAC 2023 Annual Conference.

Agenda

10:30 a.m.  I. Welcome and Introductions
Supervisor Zach Friend, Santa Cruz County, Chair
Supervisor Doug Chaffee, Orange County, Vice Chair
Supervisor Belia Ramos, Napa County, Vice Chair

10:35 a.m.  II. HHAP Round 5 – Regional Planning to Address Homelessness
Meghan Marshall, Executive Officer, California Interagency Council on Homelessness
Kerry Abbott, Director of Homeless Care and Coordination, Alameda County Health Care Services Agency
Lee Kimball, Housing and Community Programs Manager, Calaveras County Health and Human Services Agency
Dr. Robert Ratner, Director of Housing for Health Division, Santa Cruz County Human Services Department

11:15 a.m.  III. CARE Act – Lessons and Experiences from Cohort One Counties
Supervisor Doug Chaffee, Orange County
Dr. Veronica Kelley, Chief of Mental Health and Recovery Services, Orange County Health Care Agency
Sara Nakada, Senior Assistant Public Defender, Orange County
Jody Hayes, Chief Executive Officer, Stanislaus County
Jennifer Jennison, Public Defender, Stanislaus County
Tami Mariscal, Behavioral Health Director, Tuolumne County
Corrin Buchanan, Deputy Secretary for Policy and Strategic Planning, California Health & Human Services Agency

11:55 a.m.  IV. 2024 HHS Priorities – ACTION ITEM
CSAC HHS Team

12:00 p.m.  V. Closing Comments and Adjournment

Informational Item: 2023 Legislative Year in Review
II. HHAP Round 5 – Regional Planning to Address Homelessness

Attachment One..................................CSAC Memo: HHAP Round 5 – Regional Planning to Address Homelessness

III. CARE Act – Lessons and Experiences from Cohort One Counties

Attachment Two .............................CSAC Memo: CARE Act – Lessons and Experiences from Cohort One Counties

IV. 2024 HHS Priorities – ACTION ITEM

Attachment Three .............................CSAC Memo: 2024 HHS Priorities

Informational Item. 2023 Legislative Year in Review

Attachment Four ..............................CSAC Memo: 2023 Legislative Year in Review
HHAP Round 5 – Regional Planning to Address Homelessness

Attachment One

CSAC Memo: HHAP Round 5 – Regional Planning to Address Homelessness
November 16, 2023

To: Health and Human Services Policy Committee

From: Justin Garrett, Senior Legislative Advocate, Human Services
     Jolie Onodera, Senior Legislative Advocate, Health and Behavioral Health
     Danielle Bradley, Legislative Analyst, Health, Human Services, and Homelessness

RE: HHAP Round 5 – Regional Planning to Address Homelessness

Introduction. Originally established through the 2019 Budget Act, the Homeless Housing, Assistance and Prevention (HHAP) grant program supports counties, Continuums of Care (CoCs), and large cities (populations over 300,000) with developing and expanding local capacity to address homelessness. The 2023 Budget Act provides $1 billion in funding for Round 5 of the HHAP program and contains new requirements related to regional collaboration and defining roles and responsibilities. These final provisions were the result of the Governor, Legislature, counties, and stakeholders prioritizing and working together on increased accountability provisions for homelessness funding.

Over the past year, CSAC worked with county leaders and staff to develop the AT HOME Plan (Accountability, Transparency, Housing, Outreach, Mitigation, and Economic Opportunity). CSAC’s primary advocacy focus in 2023 was the Accountability pillar policy recommendations. The housing and homelessness budget trailer bill (AB 129, Chapter 40, Statutes of 2023) contains significant changes to HHAP for Round 5 of funding. Many of these provisions are consistent with the Accountability pillar of the AT HOME plan and reflect the advocacy of CSAC, counties, and partner organizations. The required regional collaboration, comprehensive homelessness plan development, and the identification of specific roles and responsibilities for each jurisdiction will help further efforts toward the establishment of a comprehensive homelessness response system.

HHAP Round 5 Requirements. Below are key highlights of the new HHAP Round 5 requirements. Please review the CSAC summary of the AB 129 HHAP program language for a more exhaustive list of program provisions.

- Requires counties, large cities, CoCs, and participating small cities to collaborate on the development and submission of a regional plan with key elements including roles and responsibilities, list of actions toward accomplishing performance metrics, uses of available homelessness funding, and actions to address racial and gender equity.
- Requires counties, large cities, CoCs, and participating small cities to sign a memorandum of understanding (MOU) defining roles and responsibilities regarding outreach and site coordination, siting and use of available land, the development of shelter, interim, and permanent housing options, and the coordination and connection to the delivery of service.
- Reorganizes, expands eligible uses, and maintains local flexibility for uses of HHAP funding.
- Establishes an accountability framework that focuses on regional planning, defining roles and responsibilities, providing technical assistance to achieve compliance, and withholding funding, but not redistributing funding to other entities, until compliance is achieved.
Implementation. The California Interagency Council on Homelessness (Cal ICH) released a Notice of Funding Availability (NOFA) on September 29, 2023 for HHAP Round 5. Applications are due on March 27, 2024. During these six months, counties and other applicants will need to develop and sign a Regionally Coordinated Homelessness Action Plan, develop and sign a MOU that outlines roles and responsibilities, and provide a detailed funding plan as part of their application.

Speakers. We have invited the following speakers to provide an update on implementation of HHAP Round 5. Our speakers will cover an overview of Cal ICH’s efforts and three county perspectives:

- Meghan Marshall, Executive Officer, California Interagency Council on Homelessness
- Kerry Abbott, Director of Homeless Care and Coordination, Alameda County Health Care Services Agency
- Lee Kimball, Housing and Community Programs Manager, Calaveras County Health and Human Services Agency
- Dr. Robert Ratner, Director of Housing for Health Division, Human Services Department, Santa Cruz County Human Services Department

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CARE Act – Lessons and Experiences from Cohort One Counties

Attachment Two

CSAC Memo: CARE Act – Lessons and Experiences from Cohort One Counties
November 16, 2023

To: Health and Human Services Policy Committee

From: Jolie Onodera, CSAC Senior Legislative Advocate
       Justin Garrett, CSAC Senior Legislative Advocate
       Danielle Bradley, CSAC Legislative Analyst

RE: CARE Act – Lessons and Experiences from Cohort One Counties

Background. The Community Assistance, Recovery, and Empowerment (CARE) Act (SB 1338, Chapter 319, Statutes of 2022), creates a new civil court process in all counties which seeks to serve individuals experiencing the most serious mental illnesses and reduce the number of people cycling in and out of crisis treatment and jails. The CARE Act provides for a petitioning and referral process, various assessment and reporting requirements for courts and county behavioral health agencies, and the development of a CARE plan for eligible individuals who the court may order prioritization for an appropriate range of services and supports consisting of behavioral health care, stabilization medications, housing, and other supportive services.

Implementation Timelines/Funding. The CARE Act specifies a phased-in approach for implementation statewide. The first cohort of seven counties (Glenn, Orange, Riverside, San Diego, San Francisco, Stanislaus, and Tuolumne) began implementation of the CARE Act on October 2, 2023. Los Angeles County is scheduled to implement the CARE Act by December 1, 2023, as announced by the Governor earlier this year, and the remaining 50 counties are required to implement by December 1, 2024.

As specified in AB 179, the Budget Act of 2022 included $57 million in one-time state funding for counties to address CARE Act planning costs. This included $26 million for the initial cohort of seven counties and $31 million for all counties to prepare for implementation. Counties received their start-up funding allocations in November 2022, and the Department of Health Care Services (DHCS) issued guidance on the allowable uses of the funding, which includes but is not limited to hiring, training, development of policies and procedures, and to support information technology infrastructure costs.

The 2023 Budget Act allocates additional funding of $67.3 million for county behavioral health department activities, which includes $15 million General Fund one-time for Los Angeles County’s planning activities to implement on an accelerated schedule as noted above. In total, the 2023 Budget Act includes General Fund support for state and county activities to support implementation of the CARE Act of $128.9 million in 2023-24, $234 million in 2024-25, $290.6 million in 2025-26, and nearly $291 million in 2026-27 and annually thereafter.

CSAC and our county partners continue to work with the Administration to refine the ongoing program cost estimate, including discussions regarding adequate support for county counsel activities and finalizing development of the billing and sanction processes.
Planning Activities. To prepare for implementation in October 2023, the seven Cohort 1 counties and Los Angeles County engaged in various planning activities in collaboration with relevant local agencies, departments, and stakeholders. The Administration convened several all-day sessions for Cohort 1 counties and Los Angeles County, their planning teams, and representatives from the California Health and Human Services Agency (CalHHS), DHCS, and the Judicial Council of California.

CalHHS and DHCS have also been continuously engaged in various planning and technical assistance activities. As required by the CARE Act, CalHHS has convened a 30-member working group which meets quarterly until December 31, 2026, to provide ongoing engagement with relevant state and local partners and stakeholders. The working group includes numerous county representatives, including but not limited to CSAC HHS Policy Committee Chair, Santa Cruz County Supervisor Zach Friend and one of the Cohort 1 county panelists today, Dr. Veronica Kelley of Orange County. The CARE Act also requires DHCS to provide training and technical assistance to county behavioral health agencies and to counsel, as specified, and requires the Judicial Council, in consultation with DHCS and others, to provide training to judges regarding the CARE process.

Implementation for Cohort 1 counties has been under way a little more than six weeks now. A panel of representatives from three of the seven Cohort 1 counties will share information on their experiences to date, including best practices and both expected and unforeseen challenges. The CARE Act provides an opportunity to serve some of the most difficult-to-reach individuals through collaborative efforts, and we look forward to hearing how these counties are planning to meet some of the anticipated challenges to successful implementation, such as the severe lack of available housing options in the state and the acute healthcare workforce shortages that have been exacerbated even further by the pandemic.

Recent Legislative Efforts. This year, SB 35 (Umberg) was the legislative vehicle for clarifying and technical clean-up and other amendments necessary to implement the CARE Act. CSAC and our county partners successfully advocated for critical amendments to provide county behavioral health agencies with limited authority to disclose medical and mental health information to the courts to ensure the CARE Act could be implemented as envisioned. SB 35 was signed by the Governor on September 30 and took immediate effect as an urgency measure.

Speakers. We have invited the following speakers to provide an update on CARE Act implementation activities that began last month in October. We have also invited a representative from the Administration to provide a brief update on CARE Act activities since implementation began, who will also be available to answer questions, including technical assistance available to counties:

- Doug Chaffee, Fourth District Supervisor, Orange County
- Dr. Veronica Kelley, LCSW – Chief, Mental Health & Recovery Services, Orange County Health Care Agency
- Sara Nakada, Senior Assistant Public Defender, Orange County
- Jody Hayes, Chief Executive Officer, Stanislaus County
- Jennifer Jennison, Public Defender, Stanislaus County
- Tami Mariscal, Behavioral Health Director, Tuolumne County
- Corrin Buchanan, Deputy Secretary for Policy and Strategic Planning, CalHHS
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November 16, 2023

To: Health and Human Services Policy Committee

From: Jolie Onodera, Senior Legislative Advocate, Health and Behavioral Health
Justin Garrett, Senior Legislative Advocate, Human Services
Danielle Bradley, Legislative Analyst, Health, Human Services, and Homelessness

RE: 2024 CSAC Health and Human Services Advocacy Priorities – ACTION ITEM

Note: Please review these draft 2024 CSAC health and human services priorities and prepare for a discussion and action during the November 16 policy committee meeting.

Introduction
Each year, CSAC establishes priority advocacy issues for the Association for approval by the Board of Directors. The CSAC advocacy team assesses the policy and political landscape for the coming year and drafts suggested priorities to align with the Association’s existing platform language.

Each policy committee is then tasked with examining the proposed priorities in their issue area and voting to approve draft priorities. Once approved by the policy committee, these draft priorities will be forwarded to the CSAC Board of Directors for final approval.

The proposed 2024 HHS priorities listed below were developed with the current state and federal political landscapes in mind. This list includes the highest-level priorities, though CSAC will continue to engage on numerous HHS issues in 2024.

Homelessness
The AT HOME plan will continue to guide CSAC’s advocacy efforts to address the state’s homelessness crisis. A key focus will be implementation of the new HHAP program requirements adopted in a 2023-24 budget trailer bill (AB 129) including required regional collaboration and required MOUs defining roles and responsibilities. CSAC will work closely with the Administration on guidance and resources while also supporting counties on successful implementation. CSAC will also continue to advocate for ongoing homelessness funding and a broad range of homelessness bills and budget items at both the state and federal level that are aligned with the policy recommendations of the six pillars of the AT HOME plan.

CARE Act Funding/Implementation and Technical Assistance
SB 1338 (Chapter 319, Statutes of 2022), the Community Assistance, Recovery, and Empowerment (CARE) Act, includes a statutory commitment that the Act’s operation is contingent upon consultation with county stakeholders and the development of an allocation to provide state financial assistance to counties to implement the CARE Act process. CSAC will continue to advocate to secure adequate, flexible, and sustained funding across all impacted local agencies to support counties’ efforts in this new statewide program. Additionally, CSAC will advocate for any necessary changes related to implementation as counties continue to roll out this new program statewide. Finally, CSAC will be considering technical
assistance and training activities for the 50 counties in the second cohort that will be planning for implementation by December 1, 2024.

IHSS
In 2024, the California Department of Social Services (CDSS) will be conducting an analysis of the costs and benefits of moving In-Home Supportive Services (IHSS) collective bargaining responsibilities from individual counties to the state level as required by the 2023-24 state budget. CSAC is already actively engaging with counties to understand the key county advocacy messages, identify the possible Realignment impacts, and determine what information we need to gather to support our efforts. A key 2024 HHS priority will be active participation in this CDSS analysis stakeholder process and advocating to ensure county interests and needs are reflected in the analysis.

Early Childhood
 Counties have supported early childhood efforts in their communities through local First 5 commissions and partnerships with community organizations. In recent years, engagement at the state and federal level has grown as counties have looked to support strengthening early childhood programs and ensuring access to accessible child care. In 2024, CSAC will look to connect further with counties to identify specific opportunities of highest interest and need related to early childhood and child care, as well as enhance relationships with organizations that work on these issues. CSAC will then plan to engage on bills and budget items that align with those top county priorities within this policy area.

CalAIM Implementation
California Advancing and Innovating Medi-Cal (CalAIM) is an ambitious multi-year initiative seeking to enhance care coordination and improve health outcomes through state and federal proposals to simplify and streamline the Medi-Cal program. CalAIM has significant implications for many county health and human services functions, including behavioral health services, social services eligibility, county public hospitals, and cross-sector initiatives for foster youth and those who are homeless or justice-involved. CSAC will continue to focus on the federal, state, and local finance implications, as well as the impacts on county operations, successful programs, and the people and families served. Additionally, CSAC will continue to advocate for prioritization and funding of counties to provide services that leverage counties’ existing expertise and for the state to consult with counties in formulating and implementing all policy, operational and technological changes of this initiative.

Behavioral Health Funding
The state is making significant investments in behavioral health housing, children’s behavioral health services, and CalAIM. Further, behavioral health policy changes with significant impacts to counties have been recently enacted or will be considered for approval by the voters in March 2024. To successfully harness these investments and to make transformative change requires addressing underlying county mental health plan funding shortfalls, and the expanding set of roles and responsibilities on these agencies continues to create challenges for successful progress. CSAC will advocate for behavioral health workforce assistance and adequate, sustained funding to match new responsibilities included in initiatives such as the CARE Act, the multi-year effort to develop a comprehensive statewide 988 system, and the resources to support the expansion of the Lanterman-Petris-Short Act required under SB 43 (Chapter 637, Statutes of 2023). Further, CSAC will advocate for appropriate and sustained funding to support county administration, services, and supports to the extent Proposition 1, which seeks to reform the state’s behavioral health system, is approved by the voters at the March 2024 statewide primary election.
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November 16, 2023

To: Health and Human Services Policy Committee

From: Jolie Onodera, Senior Legislative Advocate, Health and Behavioral Health
      Justin Garrett, Senior Legislative Advocate, Human Services
      Danielle Bradley, Legislative Analyst, Health, Human Services, and Homelessness

RE: 2023 Legislative Year in Review

Several key issues dominated the focus of the HHS team in 2023 – advocating for CSAC’s AT HOME Plan to comprehensively address the state’s homelessness crisis, negotiating a proposed overhaul of the state’s behavioral health system, engaging on IHSS collective bargaining issues, and advocating for the preservation of critical health and human services investments in a difficult budget environment. While we also engaged on numerous other key legislative issues, this memo highlights the outcomes of the most significant HHS issues impacting counties throughout 2023.

Outcome of Major Health and Human Services Issues 2023

Homelessness
Following a lengthy development process, the CSAC Board of Directors approved the AT HOME plan (Accountability, Transparency, Housing, Outreach, Mitigation, and Economic Opportunity) during the March 2 Board meeting. Since that time, CSAC has engaged in an unprecedented organization-wide advocacy and communications effort in support of the AT HOME proposal. Leading up to the finalization of the state budget, CSAC advocacy focused on the Accountability pillar, which contains the structural and programmatic recommendations to transform the state’s homelessness response funding and programs. Significant actions during this time period included:

- Consistent and direct advocacy with the Administration and Legislature.
- Drafting and sharing of bill language to enact the Accountability pillar.
- Securing numerous and high-profile press articles and op-eds referencing AT HOME.
- Building a coalition of more than 70 local government, business, and non-profit organizations.
- Supporting 40 counties in adopting AT HOME Board resolutions.

Homelessness Budget Trailer Bill
The housing and homelessness budget trailer bill (AB 129) was signed into law on July 10. This legislation contains significant modifications to the Homeless Housing, Assistance, and Prevention (HHAP) program and provides $1 billion in funding for HHAP Round 5 in 2023-24. Many of the provisions reflect the AT HOME advocacy of CSAC, counties, and partner organizations. Unfortunately, there is no commitment to ongoing funding for the HHAP program. CSAC has drafted a full summary of the AB 129 HHAP program language and significant elements that are consistent with the Accountability pillar are listed below:

- Requires counties, big cities, continuums of care (CoCs), and participating cities to collaborate on the development and submission of a regional plan with key elements including roles and
responsibilities, list of actions toward accomplishing performance metrics, uses of available homelessness funding, and actions to address racial and gender equity.

- Requires counties, big cities, continuums of care (CoCs), and participating cities to sign a memorandum of understanding (MOU) defining roles and responsibilities regarding outreach and site coordination, siting and use of available land, the development of shelter, interim, and permanent housing options, and the coordination and connection to the delivery of service.
- Reorganizes, expands eligible uses, and maintains local flexibility for uses of HHAP funding.
- Establishes an accountability framework that focuses on regional planning, defining roles and responsibilities, providing technical assistance to achieve compliance, and withholding funding, but not redistributing funding to other entities, until compliance is achieved.

On September 29, the California Interagency Council on Homelessness (Cal ICH) released the Notice of Funding Availability (NOFA) for the fifth round of HHAP. CSAC staff will continue to build a partnership with Cal ICH on implementation and work with counties as they develop the newly required regional plans and MOUs.

**Governor’s Behavioral Health Modernization Package**

On October 12, the Governor signed AB 531 (Irwin) and SB 326 (Eggman), his two-bill legislative package seeking to modernize the state’s behavioral health system and create more supportive housing and behavioral health treatment resources. Specified sections of the two measures will appear together before the voters on the March 5, 2024, statewide primary election ballot as Proposition 1.

As previously reported, although the Governor’s initial announcement of this significant proposal was released in March 2023, the details and language of the 200+ page proposal were not released in print until three months later on June 19. The last set of amendments — reflecting the final version of the proposal — were taken on September 8, less than three months after the initial proposal was released for review.

- AB 531, the Behavioral Health Infrastructure Bond Act of 2024, authorizes $6.38 billion in general obligation bonds to finance the conversion, rehabilitation, and construction of supportive housing and behavioral health housing and treatment settings. Of the total, $1.5 billion in grants is specifically called out to be awarded to counties, cities, and tribal entities, and local jurisdictions are not precluded from applying for additional funds.

- SB 326 amends the Mental Health Services Act (MHSA) which was approved by the voters as Proposition 63 in 2004, and makes other statutory changes to update the state’s behavioral health system. Among its provisions, SB 326 renames the MHSA to the Behavioral Health Services Act (BHSA), broadens the eligible uses of funds to include the provision of substance use disorder treatment services, revises the funding categories to include a prioritization for housing interventions for those with the most severe needs, including the chronically homeless, and establishes additional oversight and accountability measures.

Following extensive discussions between the Administration, the Legislature, and critical stakeholders including CSAC and county partners, the two bills were amended various times before receiving final approval by the Legislature and signed by the Governor. Several negotiated amendments taken in response to county concerns make progress and reflect improvements to allow counties to more
workably implement the proposed reforms. Improved flexibility to shift a percentage of funds between program categories on an ongoing basis, added flexibility that counties may use to fund reserves, as well as required collaboration with county organizations on important provisions of the proposal are positive steps. Counties are in alignment that improvements to the system are needed, but meaningful change will take time and adequate resources/funding to implement successfully.

In-Home Supportive Services
IHSS Collective Bargaining Realignment Withholding
Despite vigorous county opposition, this year’s budget included an increase to the existing penalty related to IHSS collective bargaining. Under prior law, a county could be subject to a Realignment withholding if a series of four conditions are met related to IHSS collective bargaining. The penalty amount was 7 percent of the county’s 2020-21 IHSS Maintenance of Effort (MOE) amount and was assessed one-time. The Human Services budget trailer bill (AB 120, Chapter 43, Statutes of 2023) increases that penalty amount to 10 percent of the county’s prior year MOE amount and applies the penalty every year until a collective bargaining agreement is reached.

The four conditions that need to be met before a penalty is assessed remain the same:
1) A county and provider union have completed the full IHSS mediation and fact-finding process.
2) The fact-finding panel has issued recommended settlement terms that are more favorable to the union.
3) The county has an expired IHSS collective bargaining agreement.
4) The county and union have not reached an agreement within 90 days after the release of the fact-finding recommendations.

IHSS Statewide Collective Bargaining Analysis
The budget directs the California Department of Social Services (CDSS) to conduct an analysis of transitioning IHSS collective bargaining to a statewide or regional approach. This language is the result of a legislative budget priority that presents an alternate path forward for AB 1672 (Haney) that is sponsored by IHSS provider unions SEIU and UDW. AB 1672 became a two-year bill with the inclusion of this Budget Bill Language (BBL).

CDSS must issue this analysis to the legislative budget committees by January 1, 2025. They will consult with the relevant state departments; must convene a stakeholder process that includes IHSS provider unions, CSAC, the California Association of Public Authorities (CAPA), and the County Welfare Directors Association of California (CWDA); and must consult with IHSS consumer organizations. CDSS can hire a consultant for this analysis. The analysis will look at how much statewide bargaining would cost for wage increases, impacts on workforce, impacts on the realignment structure, and what fund sources would be available for statewide or regional bargaining.

CSAC proactively engaged on AB 1672 and the BBL to make clear that if collective bargaining were to transfer to the state, it should do so in a manner that works effectively for all entities involved including counties. Our early engagement on the BBL helped ensure that CSAC, CAPA, and CWDA were specifically included in the stakeholder process. CSAC has expressed concerns about the specific references to the Realignment structure and Realignment as a potential funding source. The Administration has indicated that all funding sources are on the table despite only Realignment being cited in the BBL.
Community Assistance, Recovery, & Empowerment (CARE) Act
Throughout the year, CSAC was continuously engaged in fiscal discussions with the Administration alongside our county partners and has provided detailed fiscal estimates based on county input to support the magnitude and scope of impacts across various county entities to implement this new program.

The final budget includes funding, which represents a $76 million increase above the initial proposal included in the Governor’s January proposal, to support implementation of the CARE Act. In total, General Fund support for state and county activities consists of $128.9 million in 2023-24, $234 million in 2024-25, $290.6 million in 2025-26, nearly $291 million in 2026-27 and annually thereafter. The $128.9 million in 2023-24 consists of the following:

- $67.3 million for county behavioral health department activities, which includes $15 million General Fund one-time for Los Angeles County’s planning activities to implement on an accelerated schedule by December 1, 2023.
- $29.4 million to the trial courts for program administration and coordination of self-help centers.
- $22.9 million to support public defender and legal services organizations that will provide legal counsel to CARE participants.
- $6.1 million to the Department of Health Care Services (DHCS) to support implementation activities.
- $3.2 million to the Judicial Council to support implementation activities.

Although the updated level of funding reflects progress made through ongoing fiscal discussions with the Administration, CSAC and county partners will continue to advocate for an adequate level of funding that includes support for county counsel activities and more comprehensive coverage for county behavioral health activities to provide counties with the resources needed to successfully implement this new program.

Other State Budget Items
Other key human services budget outcomes include:

- **CalFresh County Administration:** The budget revises the budgeting methodology for county administration of the CalFresh Program, including an additional $406.5 million in 2023-24. The new budgeting methodology is the result of several years of county advocacy and engagement and will more accurately reflect county costs while assisting counties in keeping up with increased demand and new program requirements.

- **Child Care:** The budget includes a total of $1.4 billion to supplement reimbursement rates for subsidized child care providers, inclusive of ongoing collective bargaining between the state and Child Care Providers United. Under a new fee structure, Families below 75 percent of the state median income will pay no fee for subsidized child care, and families at or above 75 percent of the state median income will pay fees capped at one percent of monthly income.

- **Housing Supplement for Foster Youth in Supervised Independent Living Placements (SILPs):** The budget includes $1 million in 2023-24, $200,000 in 2024-25, and $18.8 million in 2025-26 and ongoing to create a housing supplement to the basic rate paid for a nonminor dependent placed in a SILP.

- **Emergency Sleeping Cabins:** The budget authorizes the Department of General Services (DGS) to assist local governments with the delivery and installation of 1,200 tiny homes and sleeping cabins...
to serve people experiencing homelessness in the County of Sacramento, the County of San Diego, the City of San Jose, and the City of Los Angeles.

Other key health and behavioral health budget outcomes include:

- **Behavioral Health Payment Reform Funding**: The budget includes a one-time allocation of $250 million for behavioral health payment reform activities in 2023-24 to support the counties’ non-federal share of costs of the transition that begins on July 1, 2023. This funding level is a reduction from the $375 million initially proposed by the Governor, however, the budget does not require county repayment of these funds to the DHCS as proposed by the Legislature.

- **988 Suicide and Crisis Lifeline**: The budget includes $19 million in 988 State Suicide and Behavioral Health Crisis Services Fund in 2023-24 to support eligible 988 call center behavioral health crisis services.

- **Managed Care Organization (MCO) Provider Tax**: The budget specifies the renewal of an enrollment-based tax on managed care organizations effective April 1, 2023, through December 31, 2026, subject to federal approval, resulting in an estimated net General Fund benefit of $19.4 billion over the tax period to be used to maintain the Medi-Cal program and support increased investments.

- **Medi-Cal Provider Rate Increases**: The budget specifies increases to provider reimbursement rates to at least 87.5 percent of Medicare for primary care, obstetric care, doula services and non-specialty mental health services. Payments are to be supported by MCO provider tax revenue or other state funds appropriated to DHCS for this purpose.

- **Distressed Hospital Loan Program**: In addition to the $150 million one-time General Fund provided for the Distressed Hospital Loan Program by an early budget action, the budget authorizes the transfer of up to $150 million to the Program in 2023-24, which provides interest-free cashflow loans to not-for-profit hospitals and public hospitals in significant financial distress or to governmental entities representing a closed hospital, for purposes of preventing the closure of, or facilitating the reopening of, those hospitals.

- **Small and Rural Hospital Relief Program**: The budget provides for $50 million to the Small and Rural Relief Fund in 2023-24 for seismic assessment and construction.

- **Whole Child Model Program Expansion**: The budget expands DHCS’ existing authority to establish a Whole Child Model (WCM) program to additional counties. No sooner than January 1, 2025, DHCS is authorized to establish a WCM program for Medi-Cal eligible California Children’s Services (CCS) children and youth enrolled in a managed care plan served by a county organized health system (COHS) or Regional Health Authority in the following counties: Butte, Colusa, Glenn, Nevada, Placer, Plumas, Sierra, Sutter, Tehama, Yuba, Mariposa, and San Benito

- **Local Public Health Infrastructure Investment Maintained**: The budget maintains the $200 million in ongoing General Fund to local health jurisdictions that is critically needed to address vital public health priorities such as modernizing local public health infrastructure and bolstering public health staffing. The budget also maintains an additional $100 million in ongoing General Fund to support increased state public health capacity in foundational areas such as emergency preparedness and response and workforce development and training.
Health and Human Services Legislation Outcomes

**AB 33 (Bains) – Fentanyl Misuse and Overdose Prevention Task Force. Signed.**
This measure, which was signed by the Governor, establishes the Fentanyl Misuse and Overdose Prevention Task Force, subject to an appropriation by the Legislature, to undertake various duties relating to the assessment of the nature and extent of fentanyl misuse in California and the evaluation of approaches to increase public awareness of fentanyl misuse. Importantly, the bill includes representatives from a local health department, the County Behavioral Health Directors Association (CBHDA), and the County Health Executives Association of California (CHEAC) as members of the task force. CSAC supported AB 33.

**AB 262 (Holden) – Children’s camps: safety and regulation.**
This bill would direct the California Department of Social Services (CDSS) to develop recommendations and a report to the Legislature pertaining to child safety at children’s camps. Previous versions of the measure would have inappropriately assigned the responsibility to regulate child supervision and safety at children’s camps to local health departments. After working with the author, AB 262 instead directs CDSS to lead a stakeholder process to identify entities with expertise to oversee these camps. CSAC joined a coalition in support of AB 262. However, the measure was moved to the inactive file on the Assembly Floor and may be brought back next year.

**AB 386 (Nguyen) – California Right to Financial Privacy Act. Signed.**
This bill, which was signed by the Governor, will assist Adult Protective Services (APS) in effectively investigating allegations of abuse by extending the period for which APS can request records. The bill also expands the type of items that APS can request from a bank or financial institution to include information regarding newly issued cards, changes of addresses, and information regarding trusts or Powers of Attorney. AB 386 will give APS the necessary tools to fulfill its obligation to protect seniors and disabled adults from the growing threat of financial abuse. The measure was sponsored by the County Welfare Directors Association (CWDA). CSAC joined Urban Counties of California (UCC) and Rural County Representatives of California (RCRC) in support of AB 386.

**AB 799 (L. Rivas) – Homelessness: financing plan.**
Previous versions of this bill, which was sponsored by the Bring California Home Coalition, aimed to create an ongoing state-funded program to meet identified goals for the existing Homeless Housing, Assistance and Prevention (HHAP) program. It would have modified some of the HHAP allocations to emphasize performance and collaboration, require the submission of regional homeless action plans, and require participating entities to set specific output goals. Recognizing the common elements of AT HOME and the intent of the sponsors, CSAC and the Coalition issued a joint letter highlighting the shared goals and calls for ongoing funding. However, following the passage of the budget, which included substantial amendments to HHAP, AB 799 was significantly amended to require the state to develop a homelessness financing plan. The bill was moved to the inactive file in the Senate and is eligible for action in January as a two-year bill.

**AB 1057 (Weber) – California Home Visiting Program.**
This bill, which was sponsored by CHEAC, would have given additional flexibility to local health jurisdictions to administer more Home Visiting Programs in order to address the unique needs of their communities. The bill also would have the California Department of Public Health (CDPH) to add at least
one new evidence-based home visiting model by January 1, 2025, and given local health jurisdictions the opportunity to submit an alternative home visiting model to CDPH for approval. Additionally, AB 1057 would have permitted local health jurisdictions the opportunity to supplement home visiting with mental health supports and training. CSAC joined UCC and RCRC in support of AB 1057. The Governor vetoed AB 1057, citing unbudgeted costs to the state General Fund.

**AB 1168 (Bennett)** – Emergency medical services (EMS): prehospital EMS.
This measure, which was sponsored by Cal Cities, sought to overturn case law record that has repeatedly affirmed county responsibility for the administration of emergency medical services and could ultimately result in fragmented and inequitable delivery of emergency medical services. CSAC joined a coalition in opposition to AB 1168. The bill was moved to the inactive file on the Senate Floor and may be brought back next year.

**SB 19 (Seyarto)** – Fentanyl Misuse and Overdose Prevention Task Force. **Signed.**
Like AB 33, which was also signed by the Governor, this measure establishes a Fentanyl Misuse and Overdose Prevention Task Force. SB 19 also includes local stakeholders, including representatives from a local health department, CBHDA, and CHEAC, as members on the task force. CSAC supported SB 19.

**SB 35 (Umberg)** – Community Assistance, Recovery, and Empowerment (CARE) Court Program. **Signed.**
This urgency measure, which was signed by the Governor, provides clean-up language to the Community Assistance, Recovery, and Empowerment (CARE) Act and made necessary clarifications and changes in order for counties and other stakeholders to implement the CARE Act ahead of the start date of October 1, 2023, for the first cohort of counties. Counties joined RCRC and UCC in support of amendments to SB 35, which provide limited authority to county behavioral health agencies to disclose medical and mental health information to the court.

**SB 43 (Eggman)** – Behavioral Health. **Signed.**
This measure, which was signed by the Governor, expands the definition of “gravely disabled” under the Lanterman-Petris-Short (LPS) Act, which provides for the involuntary detention and/or conservatorship and treatment of individuals, to include individuals with a severe substance use disorder (SUD) condition without a co-occurring mental health diagnosis. The bill authorizes counties, by adoption of a resolution of its governing body, to elect to defer implementation of the changes in SB 43 until January 1, 2026. CSAC joined RCRC and UCC in a position of “Concerns” on SB 43.

**SB 282 (Eggman)** – Medi-Cal: federally qualified health centers and rural health clinics.  
This measure would have allowed Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs) to receive Medi-Cal reimbursement for up to two visits that take place on the same day. Under the current reimbursement system, if a patient visits their co-located medical provider and mental health provider on the same day, the FQHC or RHC will only receive a payment for one of the providers. This process results in providers having to schedule mental health appointments on subsequent days, or else clinics must take on an increased financial burden. An additional burden is also placed on patients, who must arrange transportation, time off work, and caregiving for single appointments on different days. CSAC joined RCRC and UCC in support of SB 282, but the measure was held in Assembly Appropriations Committee after being placed on the suspense file.
**SB 318 (Ochoa Bogh)** – “2-1-1” information and referral network.
This measure would have established the 211 Support Services Grant Program, which would support, scale, and innovate 211 services across California. Specifically, SB 318 sought to strengthen and enhance 211 services by supporting core operations and capacity, improve data sharing to health and government partners, and ensure 211 availability across rural counties. CSAC joined UCC and RCRC in support of SB 318, but the measure was held in Senate Appropriations Committee after being placed on the suspense file.

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