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Senate Budget & Fiscal Review

**OUTCOMES: Senate Subcommittee #3 on Health & Human Services
Thursday, May 8 (Room 4203)
Agenda – Part 1**

VOTE ONLY

0530 California Health and Human Services Agency (CHHSA)

1. Office of the Agency Information Officer – CHHSA Governance

- Approved staff recommendation (3-0).

Subcommittee Staff Comment and Recommendation—Modify. It is recommended to:

- a. Approve the request for permanent positions and expenditure authority to establish formalized governance, project assessment, and strategic enterprise architecture functions within OAIO.
- b. Reject the proposed budget bill language, as this language does not appear to address the issues within the Administration’s internal review process.
- c. Adopt the following placeholder supplemental reporting language to require OAIO to report on how this proposal adds value and achieves the intended and worthy goals of better agency-wide planning and coordination of information technology (IT) projects. Proposed language:

Item 0530-001-0001—California Health and Human Services Agency.

Office of the Agency Information Officer (OAIO)—New Functions. In conjunction with the submission of the 2017-18 Governor’s Budget, the California Health and Human Services Agency shall submit to the chairs of the budget committees of the Legislature a report on (1) the status of establishing information technology (IT) governance, project assessment, and strategic enterprise architecture planning functions within OAIO, as provided for in the 2014-15 Budget Act, and (2) the value these functions have added to the development and deployment of technology systems across agency departments. The report shall include, but not be limited to:

(1) a description of the changes made to agency IT policies and processes (for example, changes in how the office and constituent departments interact) in order to implement the planning functions at OAIO;

(2) examples of identified opportunities for the development of flexible IT solutions that could eliminate silos and foster communication across systems and data sharing amongst multiple departments within agency;

(3) a description of the analytical framework used by OAIO to inform investment decisions in IT projects that reflect the highest programmatic goals of the agency;

(4) a description of common challenges identified during project assessments and the modifications made to projects as result of OAIO's early intervention, planning and oversight of IT projects, with the steps taken to integrate project management best practices and agency goals into project plans; and

(5) a description of OAIO's objectives for the IT governance, project assessment, and strategic enterprise architecture planning functions and the extent to which OAIO has met its objectives with the authorized level of resources.

2. Office of the Patient Advocate

- Approved staff recommendation (2-1, Senator Morrell voting no).

Subcommittee Staff Comment and Recommendation—Adopt Placeholder Trailer Bill Language.

Senate legislative staff and HHSA have been working on placeholder trailer bill language to ensure a consumer assistance program. It is recommended to adopt this placeholder trailer bill language that:

1. Revises the responsibilities of the OPA to clarify that it is not the primary source of direct assistance to consumers
2. Clarifies OPA's responsibilities to track, analyze, and produce reports with data collected from calls, on problems and complaints by, and questions from, consumers about health care coverage received by health consumer call centers and helplines operated by other departments, regulators or governmental entities.
3. Requires OPA to make recommendations for the standardization of reporting on complaints, grievances, questions and requests for assistance.
4. Requires the OPA to develop model protocols, in consultation with each call center, consumer advocates and other stakeholders that may be used by call centers for responding to and referring calls that are outside the jurisdiction of the call center or regulator.
5. Shifts funding to the Department of Managed Health Care to supplement contracts with community-based organizations to provide direct consumer assistance.

3. CalOHII – HIPAA Compliance

- Approved as budgeted (3-0).

0530 CHHSA & 4265 Department of Public Health

1. Transfer of Medical Privacy Breach Program to Department of Public Health

- Approved as budgeted (3-0).

4140 Office of Statewide Health Planning and Development (OSHPD)

1. Song-Brown Primary Care Residency

- Held open.

2. Mental Health Services Act Workforce Education & Training Five-Year Plan Funding

- Approved as budgeted (2-0, Senator Morrell not voting).

3. Reallocation of California Endowment Grant Funding for Workforce Development

- Approved as budgeted (3-0).

4265 Department of Public Health

1. Licensing and Certification: Licensing Standards for Chronic Dialysis Clinics, Rehabilitation, & Surgical Clinics

- Approved as budgeted (3-0).

2. Office of AIDS: OA-HIPP – Wrap for Out-of-Pocket Medical Expenses

- Approved staff recommendation (2-0, Senator Morrell not voting).

Subcommittee Staff Comment and Recommendation—Adopt placeholder trailer bill language. Creating a new ADAP program that covers out-of-pocket medical costs could reduce ADAP expenditures while providing more comprehensive health care coverage to people living with HIV/AIDS. It is recommended to adopt the following placeholder trailer bill language to create this wrap:

Health and Safety Code Section 120955 (i) The department may also subsidize certain cost-sharing requirements for persons otherwise eligible for the AIDS Drug Assistance Program (ADAP) with existing non-ADAP drug coverage by paying for prescription drugs included on the ADAP formulary within the existing ADAP operational structure up to, but not exceeding, the amount of that cost-sharing obligation. This cost sharing may only be applied in circumstances in which the other payer recognizes the ADAP payment as counting toward the individual's cost-sharing obligation. **Where the director determines that it would result in a cost savings to the state, the department may subsidize costs associated with a health insurance policy, including medical co-payments, deductibles, and premiums to purchase or maintain health insurance coverage.**

3. Infant Botulism Treatment and Prevention Program

- Approved as budgeted (3-0).

4260 Department of Health Care Services

1. Re-Certification of Drug Medi-Cal Providers

- Approved as budgeted (3-0).

2. Substance Use Disorder Program Integrity – Counselor & Facility Complaints

- Held open.

3. Continuance of Driving Under the Influence (DUI) Program Evaluation

- Approved as budgeted (3-0).

ISSUES FOR DISCUSSION

4260 Department of Health Care Services

1. ACA – Medi-Cal Renewal Assistance Grant from The California Endowment

- Approved staff recommendation (2-1, Senator Morrell voting no).

Subcommittee Staff Comment and Recommendation—Adopt Placeholder Trailer Bill Language.

This generous offer by The California Endowment will help ensure that eligible Medi-Cal enrollees remain in coverage and have access to needed medical care. It is recommended to adopt the placeholder trailer bill language to require DHCS to accept these contributions and seek matching federal funds for these purposes. See below for the proposed placeholder trailer bill language:

(a) The State Department of Health Care Services shall accept contributions by private foundations in the amount of at least six million dollars (\$6,000,000) for the purpose of providing Medi-Cal in-person annual renewal enrollment assistance payments and shall immediately seek an equal amount of federal matching funds.

(b) Entities and persons that are eligible for Medi-Cal in-person annual renewal enrollment assistance payments shall be those trained and eligible for in-person enrollment assistance payments by the California Health Benefit Exchange. The amount of the renewal assistance payment shall be equal to the amount of the renewal assistance payment paid by the California Health Benefit Exchange for California Health Benefit Exchange enrollees. The payments may be made by the State Department of Health Care Services utilizing the California Health Benefit Exchange in-person assistance payment system.

(c) Annual renewal assistance payments shall be made only for Medi-Cal applicants that have completed the Medi-Cal annual renewal process for coverage dates on or after September 1, 2014.

(e) The State Department of Health Care Services or the California Health Benefit Exchange shall provide monthly and cumulative payment updates and number of Medi-Cal persons renewed through in-person assistance payments on its Internet Web site.

2. Merge California Institute for Mental Health and Alcohol and Drug Policy Institute

- Approved staff recommendation (2-0, Senator Morrell not voting).

Subcommittee Staff Comment and Recommendation—Adopt placeholder trailer bill language.

This proposal and merger reflect the growing momentum towards integrating mental health and substance use disorder services to improve an individual's overall health. It is recommended to adopt placeholder trailer bill language to reflect this merger.

Multiple Departments

1. Health-Related Proposals for Restoration and Augmentation

- Informational item.