
SENATE COMMITTEE ON SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Mark Leno, Chair
2015 - 2016 Regular

Bill No: AB 1599 **Hearing Date:** June 13, 2016
Author: Committee on Budget
Version: June 13, 2016 As amended
Urgency: No **Fiscal:** Yes
Consultant: Peggy Collins

Subject: Budget Act of 2015: Augmentation

Summary: Assembly Bill 1599 augments the Budget Act of 2015 to address various funding shortfalls.

Background:

Department of Health Care Services. Existing law establishes the Quality Assurance Fee Program to levy a fee on skilled nursing and designated intermediate care facilities. Fee revenue is used to support quality improvement efforts, provide rate increases, and offset General Fund expenditures for these facilities.

Correctional Health Care Services (CHCS). In 2005, in response to a federal class-action lawsuit, a federal court established a receivership to oversee prison health care in California correctional facilities. The receiver is tasked with restoring medical care in state prisons to a standard which is no longer in violation of the United States Constitution. Once restoration is achieved, on a facility-by-facility basis, responsibility is delegated back to the California Department of Corrections and Rehabilitation.

Homicide Trials. Under existing law, qualifying counties may seek reimbursements from the State Controller for extraordinary expenses associated with homicide trials.

Proposed Law: This bill makes supplemental appropriations to the Budget Act of 2015 in order to address the following General Fund and spending authority shortfalls:

Department of Health Care Services. Increases spending authority by \$40.3 million (Long-Term Care Quality Assurance Fund) due to unanticipated increased revenues from the Intermediate Care Facility for the Developmentally Disabled fee.

Correctional Health Care Services. Provides \$5 million (General Fund) for contracted janitorial services; \$33.3 million (General Fund) for increased medication costs and costs associated with pharmacy inventory and packaging costs related to the implementation of the electronic health record system; and \$1.8 million (General Fund) for increased staff due to a higher-than-projected inmate population for which CHCS is responsible.

Homicide Trials. Provides \$7,580 (General Fund) to Mariposa County for costs associated with the case of *People v. Cary Stayner*.

Fiscal Effect: Augments the Budget Act of 2015 by \$40,075,580 General Fund and \$40,336,000 Special Funds.

Support: None on file.

Opposed: None on file.

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