



Strategic Planning Committee

Wednesday, January 17, 2024

9:30 – 11:00 a.m.

Meeting Locations:

Partnership HealthPlan of California Offices

The Fairfield East Board Room (4665 Business Center Drive, Fairfield, CA)

Santa Rosa Huddle Room (495 Tesconi Circle, Santa Rosa, CA)

Redding Huddle Room 2 (2525 Airpark Road, Redding, CA)

Grizzly Creek Conference Room (1036 Fifth Street, Eureka, CA)

Sutter County Location (545-B Garden Highway Yuba City, CA)

1. Welcome & Introductions..... Dean Germano, Chair

2. Resolution to Approve Sarah Eberhardt-Rios (Decision)Amy Turnipseed

3. Committee Member Comments:

At this time committee members may provide comments and announcements.

4. Public Comments:

At this time members of the public may address the Committee on any non-agenda item of interest to the public that is within the subject matter jurisdiction of the Committee.

Members of the public will have the opportunity to address the Committee on a scheduled agenda item during the Committee's consideration of that item. Speakers will be limited to three (3) minutes.

5. Approval of Agenda (Decision).....Dean Germano, Chair

6. Review & Approval of 10/18/2023 Minutes (Decision) Dean Germano, Chair

7. CEO Update.....Sonja Bjork

8. State Budget Update..... Dustin Lyda

9. Board Retreat Planning..... Sonja Bjork & Amy Turnipseed

10. Strategic Planning Discussion.....Rafael Gomez

11. Adjournment..... Dean Germano, Chair

Upcoming meetings: April 17, 2024

This agenda contains a brief description of each item to be considered. Except as provided by law, no action shall be taken on any item not appearing on the agenda.

Government Code §54957.5 requires that public records related to items on the open session agenda for a regular committee meeting be made available for public inspection. Records distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the committee. The committee has designated the Administrative Assistant to the Senior Director of External and Regulatory Affairs as the contact for Partnership HealthPlan of California located at 4665 Business Center Drive, Fairfield, CA 94534, for the purpose of making those public records available for inspection. The Strategic Planning Committee Meeting Agenda and supporting documentation is available for review from 8:00 AM to 5:00 PM, Monday through Friday at all PHC regional offices (see locations above). It can also be found online at www.partnershiphp.org.

In compliance with the Americans with Disabilities Act, PHC meeting rooms are accessible to people with disabilities. Individuals who need special assistance or a disability-related modification or accommodation (including auxiliary aids or services) to participate in this meeting, or who have a disability and wish to request an alternative format for the agenda, meeting notice, agenda packet or other writings that may be distributed at the meeting, should contact Jessica Cifoelli the Executive Assistant to the Chief Strategy and Government Affairs Office, at least two (2) working days before the meeting at (707) 420-7523 or by email at jcifoelli@partnershiphp.org. Notification in advance of the meeting will enable PHC to make reasonable arrangements to ensure accessibility to this meeting and to materials related to it.

CONSENT AGENDA REQUEST
for
PARTNERSHIP HEALTHPLAN OF CALIFORNIA

Board Meeting Date:
February 28, 2024

Agenda Item Number:
[#]

Resolution Sponsor:
Sonja Bjork, CEO, Partnership HealthPlan of CA

Recommendation by:
Strategic Planning Committee

Topic Description:

Sarah Eberhardt-Rios has expressed interest in joining the Strategic Planning Committee (SPC).

Reason for Resolution:

As of January 1, 2024, Partnership expanded into 10 new counties. There will be new seats added to each committee to reflect this new region to ensure we have broad community representation. Sarah Eberhardt-Rios is the Health and Human Services Director of Sutter County and expressed interest in joining the Strategic Planning Committee.

Financial Impact:

There is no financial impact to the HealthPlan.

Requested Action of the Board:

Based on the recommendation of the Strategic Planning Committee the board is being asked to approve the appointment of Sarah Eberhardt-Rios to the committee as a new member.

CONSENT AGENDA REQUEST
for
PARTNERSHIP HEALTHPLAN OF CALIFORNIA

Board Meeting Date:
February 28, 2024

Agenda Item Number:
X

Resolution Number:
23-

**IN THE MATTER OF: APPROVING THE NEW APPOINTMENT OF SARAH
EBERHARDT-RIOS TO THE STRATEGIC PLANNING COMMITTEE**

Recital: Whereas,

- A. Sarah Eberhardt-Rios is well qualified for the Strategic Planning Committee and has expressed an interest in joining the committee.
- B. The committee has a vacant seat available.
- C. Board members are encouraged to serve on one or more committees.
- D. The Board has authority to appoint committee members.

Now, Therefore, It Is Hereby Resolved as Follows:

- 1. To approve the appointment of Sarah Eberhardt-Rios to the Strategic Planning Committee.

PASSED, APPROVED, AND ADOPTED by the Partnership HealthPlan of California this 28th day of February 2024 by motion of Commissioner, seconded by Commissioner, and by the following votes:

AYES: Commissioners:

NOES: Commissioners

ABSTAINED: Commissioners

ABSENT: Commissioners:

Alicia Hardy, Chair

Date

BY: _____
Ashlyn Scott, Clerk



Strategic Planning Committee Meeting

Wednesday, October 18, 2023

9:30 a.m. – 11:00 a.m.

Meeting Minutes

Attendees:

Members or designee: Dean Germano, Nancy Starck, Doreen Bradshaw, Paula Cohen, Tim Rine, Melissa Marshall. M.D, Kathryn Powell, T Abraham, Cathryn Couch

Guest: Rafael Gomez

Staff: Sonja Bjork, Patti McFarland, Wendi West, Jennifer Lopez, Mark Bontrager, Robert Moore, MD, Kirt Kemp, Victoria Meyer, Naomi Gordon, Jessica Cifolelli

Topic	Lead	Notes	Follow-up
Updates / Introductions	Dean Germano, Chair	Mr. Germano convened the meeting at 9:30 a.m.	
Committee Member Comments	All	There were no committee member comments.	
Public Comments		There were no public comments.	
Approval of the Agenda	Amy Turnipseed	The committee approved the agenda for the Strategic Planning Committee meeting on October 18, 2023. <i>Tim Rine to approve, and Nancy Starck seconded.</i>	
Previous Minutes Approval	Amy Turnipseed	The approval of meeting minutes for the Strategic Planning Committee meeting on July 19, 2023 approved as written. <i>Nancy Starck motioned to approve, and Cathryn Couch seconded.</i>	

CEO Update	Sonja Bjork	<p><u>Ms. Bjork gave the following updates:</u></p> <ul style="list-style-type: none">• SB 525, which will increase the minimum wage for health care workers to \$25 an hour, was approved by the Legislature after months of negotiations and received final approval from Governor Newsom. Though the bill will not apply to Partnership staff, we are closely monitoring the potential challenges it could pose for our providers, particularly in rural areas. Partnership has joined the Coalition to Protect Access to Care.• CalAIM: Enhanced Care Management (ECM) – ECM is expected to go live for two new populations of focus beginning January 1, 2024. The first is Birth Equity, which will aim to enroll pregnant or post-partum adults who are subject to racial and ethnic disparities into ECM. Justice Involved is the second population of focus, which will allow eligible adults who are incarcerated to enroll in Medi-Cal and receive services in the 90 days before their release. The first phase of Justice Involved will require counties, prisons and jails to begin to coordinate eligibility for individuals in custody. Partnership and other managed care plans will begin providing services for eligible individuals beginning in January 2025.	
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Strategic Planning Update

Rafael Gomez

Mr. Gomez gave the following presentation:

Amy Turnipseed introduced Rafael Gomez to the Strategic Planning Committee members. Mr. Gomez is a health care consultant who brings with him experience working within the health care safety net.

Rafael discussed the ambitious vision for the role and impact of Partnership HealthPlan over the next three years. During a time of significant transformation and elevated expectations, Partnership will be challenged to not only meet mandated requirements, but to leverage these requirements to deliver improved health outcomes and experience for our members, deepen our community partnerships, and position the organization to excel in a new era for the Medi-Cal program.

Moving forward, access to care will play a defining role in driving quality outcomes and member experience, and therefore is a priority to improve Medi-Cal quality and reduce member health disparities. Multiple factors, including persistent workforce shortages, expanding Medi-Cal eligibility, increasing member complexity and geographic expansion into rural communities, indicate that Partnership will need to innovate to expand access to care.

Ms. Bjork mentioned that our community relationships and the quality care we provide to our members is Partnership HealthPlan's "secret sauce."

Dr Marshall questioned how do we support the network with SB525 and the impact on rural communities?

Rafael replied it will have a large impact, but we are not sure how much. How do we creatively extend access over the next few years?

T. Abraham recommends there needs to be a list of key people that need to be brought into the conversation to see the challenges that will potentially be faced.

Rafael noted growth in both geographic areas and member populations will challenge Partnership to mature its organizational structure and capabilities to maintain its commitment to local partners and continue to deliver exceptional quality, access, and member experience. As Partnership expands, we will need to develop our leadership team and

		<p>retain employees.</p> <p><i>Rafael commented we are going to have to keep an eye on the fragility of our rural providers</i></p> <p><i>Ms. Cohen suggested we learn from other smaller rural communities about how they have overcome obstacles due to a lack of resources.</i></p> <p><i>Wendi West mentioned we are getting into areas that do not even have Wi-Fi for telehealth.</i></p>	
Board Retreat Discussion	Sonja Bjork	<p><u>Ms. Bjork gave the following updates on the Board Retreat:</u></p> <ul style="list-style-type: none"> • After a discussion with the committee it was decided for the Board retreat to take place in-person in April 2024, beginning with a dinner and brief meeting. This will allow new members in the expansion counties the opportunity to participate. 	More details to be provided at the next Strategic Planning Committee Meeting.
Adjournment	Dean Germano	<u>Mr. Germano adjourned the meeting at 10:55 a.m.</u>	

Next Meeting: January 17, 2024



LHPC
Local Health Plans *of California*

To: Board of Directors & Plan Staff

From: Rebecca Sullivan, Director of Government Affairs, CalAIM and MLTSS
Katie Andrew, Director of Government Affairs, Quality and Behavioral Health

Subject: Highlights from Governor's Proposed Budget for 2024-25

Date: January 10, 2024

This memo includes highlights from Governor Newsom's Proposed Budget for 2024-25, specifically health and human services proposals of relevance to local plans. See the [Governor's Budget Summary](#), [DHCS Budget Highlights](#), and the [DHCS Medi-Cal Estimate](#) for additional details (references and page numbers are provided throughout the memo). LHPC will continue to review and analyze Budget proposals impacting local plans and provide additional information as it becomes available. Please contact Rebecca Sullivan at rsullivan@lhpc.org or Katie Andrew kandrew@lhpc.org with any questions.

State Budget Overview

During today's release of the January Budget, the Governor provided an overview of California's fiscal outlook, which is more optimistic than the LAO report published in December. He pushed back on LAO estimated budget shortfall of \$68 billion. In comparison, the Administration estimates that it is \$37.9 billion. The Governor attributes budget shortfall to stock market revenue declines in 2022 and delays in income tax collections following declarations of emergency due to extreme weather events, and notes that the unprecedented volatility in revenue began to level or normalize in January 2023. To draw on "rainy day funds" as proposed, the Governor will have to declare a budget state of emergency; he noted that this will occur after much consultation with the legislature and will most likely occur around the time of May Revise.

The following highlights provide a snapshot of California's overall State Budget:

- **Total Budget:** \$291.5 billion total fund (\$223.6 billion General Fund) in 2024-25 (Summary Chart, p. 13).
- **Reduced Revenues and Budget Shortfall:** The FY 2023-24 budget shortfall is \$37.9 billion. The Governor presented a balanced budget by proposing the following solutions to fulfill the shortfall:
 - *Reserves, Revenue and Borrowing*—\$18.8 billion
 - \$13.1 billion from reserves (\$18.4 billion reserves remaining)
 - Withdrawal from Mandatory BSA Balance and Transfer Suspension (\$10.4 billion)
 - Withdrawal from Discretionary BSA Balance (\$1.8 billion)

LHPC Memo: Governor's Budget 2024-25

January 10, 2024

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- Withdrawal from the Safety Net Reserve (\$900 million)
 - \$5.7 billion revenue and internal borrowing
 - Increasing the Managed Care Organization Tax Support for Medi-Cal (\$3.8 billion)
 - Conforming to Tax Cuts and Jobs Act Net Operating Loss Limitation (\$300 million)
- *Reductions and Fund Shifts*—\$11.9 billion
 - \$8.5 billion in reductions
 - Various Climate Reductions (\$2.9 billion)
 - Various Housing Program Reductions (\$1.2 billion)
 - State Vacant Position Funding Sweep (\$762.5 million)
 - School Facilities Aid Program (\$500 million)
 - Student Housing Revolving Loan Fund Program (\$494 million)
 - Legislative Requests (\$350 million)
 - University of California Los Angeles Institute of Immunology and Immunotherapy (\$300 million)
 - Middle Class Scholarship Program (\$289 million)
 - \$3.4 billion in fund shifts
 - Various shifts to the Greenhouse Gas Reduction Fund (\$1.8 billion)
 - State plans retirement contribution reductions using Prop 2 Debt Repayment Funding (\$1.3 billion)
 - Unemployment Insurance Interest Payment (\$100 million)
- *Delay and Referrals*—\$7.2 billion
 - \$5.1 billion in delays (across three-year period, beginning in 2025-2026)
 - Transit and Intercity Rail Capital Program (\$1 billion)
 - Full Implementation of DDS Service Provider Rate Reform (\$613 million),
 - Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program (\$550 million)
 - Clean Energy Reliability Investment Plan (\$400 million)
 - Behavioral Health Bridge Housing Program (\$235 million)
 - Vulnerable Community Toxic Clean Up (\$175 million)
 - \$2.1 billion (defers specific obligations to the 2025-2026 fiscal year)
 - June to July Payroll Deferral (\$1.6 billion)
 - University of California and California State University Deferrals (\$499 million)
- \$5.7 billion of additional withdrawals from PSSSA to support LEAs and Community College Districts.

Reference: Governor’s Budget Summary, pp. 1-7

Significant Medi-Cal Budget Items

Overall Medi-Cal Budget

- *2024-25 Budget estimate:* \$161.1 billion (\$36.7 billion General Fund) (DHCS Budget Highlights, p.3).
- *Total projected enrollment:* The 2024-25 projected average monthly caseload is 13.7 million, a decrease of 6.79% from FY 2023-2024. (DHCS Budget Highlights, p. 13)
- *Relevant solutions to address budget shortfall include:*
 - Safety Net Reserve Withdrawal: \$900 million in Safety Net Reserve to maintain existing program benefits and services for the Medi-Cal and CalWORKs programs.
 - Proposition 56 Funding Reduction: Reduces funding for Proposition 56 supplemental payments for physician services by \$193.4 million (\$77.1 million Proposition 56 funding) in 2024-2025.
 - All other Proposition 56 supplemental payments remain fully funded.
 - The Budget includes \$907.4 million (\$192.6 million General Fund) for all Proposition 56 supplemental payments, inclusive of \$465.2 million for physician services.
 - Certain providers currently receiving Proposition 56 supplemental payments, including physician services, will receive MCO Tax rate increases.
 - The budget shortfall and declining Proposition 56 revenue requires the State to pullback on their prior commitments to backfill Proposition 56 funding. Given the proposal to continue to increase physician services through MCO tax revenue in CY 2025, providers will still receive an increase in reimbursement, however, this amount will be dampened by the proposal to reduce Proposition 56 funding.
 - Clinic Workforce Stabilization Payments—A reversion of \$14.9 million in unexpended General Fund from the one-time \$70 million General Fund included in the 2022 Budget Act for the Clinic Workforce Stabilization and Retention Payment Program that was planned to be transferred to the Department of Health Care Access and Information for workforce development programs.
 - Managed Care Fund: \$22.9 million budgetary loan from the Managed Care Fund to the General Fund from resources not currently projected to be used for operational or programmatic purposes.

Reference: DHCS Medi-Cal Estimate, p. 5; DHCS Budget Highlights, p. 7

Caseload Impacts of Redetermination

Medi-Cal caseload peaked in June 2023 and began declining July 2023 due to resumption of redetermination processing. Redeterminations are estimated to reduce Medi-Cal spending by \$3.1 billion total funds (\$1.2 billion General Fund) in FY 2023-24.

Reference: DHCS Budget Highlights, p. 6

Medi-Cal Eligibility Expansion

The budget maintains \$1.4 billion total fund (\$1.2 billion General Fund) in 2023-24 and \$3.4 billion total funds (\$2.9 billion General Fund) for expansion of full-scope Medi-Cal coverage to all income-eligibility adults aged 26 through 49 regardless of immigration status, effective January 1, 2024. Remaining costs for IHSS are budgeted in the California Department of Social Services budget. The Governor has messaged that he remains committed to ensuring coverage for this population is maintained regardless of the budget shortfall.

Reference: DHCS Medi-Cal Estimate, p. 2

CalAIM

CalAIM continues to be a priority for the administration and the Governor's Proposed Budget includes funding of \$2.4 billion (\$811.1 million General Fund) in 2024-25.

- Transitional Rent – The budget includes \$24.7 million (\$8.6 million General Fund) for six months of transitional rent in 2025-26, an increase of \$6.8 million total fund (\$2.3 million General Fund) from FY 2023-24 final budget. Transitional rent includes six months of rent or temporary housing to eligible individuals experiencing homelessness or at risk of homelessness that are transitioning out of institutional care, correctional facility, the child welfare system or other transitional setting.

Reference: Governor's Budget Summary, p. 54

MCO Tax Revenue

The budget proposes a \$1.5 billion increase in MCO tax funding beyond the currently approved MCO tax, to a total of \$20.9 billion. The Administration is seeking early action by the Legislature to request the federal government approve an amendment to allow for technical changes to the MCO tax that would result in the increase. Of the \$20.9 billion proposed, \$12.9 billion would support the Medi-Cal program and maintain a balanced budget, and \$8 billion would be for targeted rate increases and investments.

The Administration signaled confidence that an amendment to the MCO tax would be approved by CMS and also indicated that it will seek to maximize the current structure. However, there will need to be some changes made in order to draw down additional dollars and we are currently awaiting further details.

LHPC spoke with DHCS earlier today and learned the following:

- The additional tax will be on Medi-Cal lives only, there will be no impact to the tax amounts on commercial lives. DHCS indicates it can make these modifications and still meet the federal B1/B2 test.

- DHCS will soon share the revised MCO tax model so plans can understand the impact.
- The payment schedule and capitation payments for the currently approved tax will move forward and change in the future if/when the amended MCO tax is approved.
- If approved, the additional tax amount will be retroactive to January 1, 2024 (not April 1, 2023, the beginning of the MCO tax term).

MCO Tax Investments

The Administration continues to propose significant provider rate increases through MCO tax revenue, consistent with the [MCO tax term sheet](#) from last year’s budget. DHCS does propose a delay in the “behavioral health throughput” funding until July 1, 2025 due to the complexity of the potential rate increases in this category. Additionally, DHCS is proposing that an additional \$3 billion of MCO tax revenue that would otherwise be committed to the provider payment fund for outyear rate increases (in 2027 and beyond) will be redirected to support the Medi-Cal program. This will not impact the level of proposed funding for CY 2025 rate increases.

DHCS will be publishing an MCO policy paper in the coming weeks detailing their proposal for CY 2025 provider rate increases which will be released ahead of trailer bill language.

Reference: Governor’s Budget Summary, p. 55

Asset Limit Elimination

The Governor’s Budget includes \$101.1 million total funds (\$50.5 million General Fund) in FY 2023-24 and \$195.4 million total funds (\$97.7 million General Fund) in FY 2024-25 for the previously implemented increase, and January 1, 2024 elimination, of the Medi-Cal asset limit. The Budget also includes \$6.1 million in FY 2024-25 to reimburse county behavioral health departments for estimated increased behavioral health costs related to this policy.

Reference: DHCS Medi-Cal Estimate, p. 2

Assisted Living and Home and Community Based Alternatives Waiver Slot Increase

The budget proposed increased slots to the Assisted Living Waiver and HCBA Waiver, which will result in a net General Fund savings of \$10.8 million in 2024-25.

ALW Slot Increase—An additional \$2.1 million total funds (-\$0.5 million General Fund) in FY 2023-24 and -\$14.1 million total funds (-\$7 million General Fund) in FY 2024-25 to increase the number of slots for the ALW as the waiver will reach capacity in FY 2024-25. The additional slots will generate a savings when individuals are leaving institutional settings. Additionally, there will be new costs related to minimum wage impacts for ALW providers to the tune of \$84,000 total funds (\$42,000 General Fund) in FY 2023-24 and \$2.1 million total funds (\$1 million General Fund) in FY 2024-25.

HCBA Waiver Slot Increase—The Budget assumes an increase in slot allocations for the HCBA Waiver. As some members will be transitioning from Skilled Nursing Facilities, a savings of \$1.7 million total funds (\$866,000 General Fund) in FY 2023-24 and \$12.9 million total funds (\$6.4 million General Fund) in FY 2024-25 are estimated to be realized. Additionally, there

would be an increase in administrative costs of \$335,000 total funds (\$167,000 General Fund) in FY 2023-24 and \$3.3 million total funds (\$1.6 million General Fund) in FY 2024-25.

Reference: DHCS Medi-Cal Estimate, p. 3

Behavioral Health

- *Children and Youth Behavioral Health Initiative Wellness Coaches*—\$9.5 million (\$4.1 million General Fund) in 2024-25 increasing annually to \$78 million (\$33.8 million General Fund) in 2027-28. Funding will allow the State to establish the wellness coach benefit in Medi-Cal effective January 1, 2025.
 - Wellness coaches will primarily serve children and youth and operate as part of a care team in school-linked settings and across the Medi-Cal behavioral health delivery system. Note that this will be a new Medi-Cal managed care benefit, and DHCS indicated it would only be an MCP covered service (not one that is covered by both MCPs and MHPs).
 - Wellness Coaches will offer six core services: 1) wellness promotion and education; 2) screening; 3) care coordination; 4) individual support; 5) group support; and 6) crisis referral.
- *Behavioral Health Continuum*—The Budget maintains over \$8 billion total funds across various Health and Human Services departments to expand the continuum of behavioral health treatment and infrastructure capacity and transform the system for providing behavioral health services to children and youth.
- *Behavioral Health Continuum Infrastructure Program (BHCIP)*—A delay of \$140.4 million General Fund associated with Round 6 in the BHCIP program is delayed from 2024-25 to 2025-26. The Budget maintains \$300 million General Fund in 2023-24 and \$239.6 million General Fund in 2024-25.
- *Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Demonstration*—BH-CONNECT demonstration is now anticipated to begin January 1, 2025, and funds estimated for 2023-24 have shifted to 2024-25. The Budget includes \$40.6 million total funds (\$762,000 General Fund) in 2024-25 for BH-CONNECT.
- *Behavioral Health Bridge Housing (BHBH)*—Budget proposes to shift \$265 million from Mental Health Services Fund appropriated in the 2023 Budget Act to General Fund in 2024-25. In addition, the Budget delays \$235 million General Fund originally planned for 2024-25 to 2025-26. Despite the delays, the Budget maintains \$1.5 billion for this program.

Reference: Governor’s Budget Summary p. 57, DHCS Budget Highlights, p. 4-7

Reproductive Health

Reproductive Health Services Waiver—The Budget maintains one-time \$200 million (\$100 million General Fund) in 2024-25 for the California Reproductive Health Access Demonstration Waiver to support access to reproductive health services beginning no sooner than July 1, 2024. By 2026-27, \$85 million General Fund will be offset by Designated State Health Program federal funds.

Reference: DHCS Medi-Cal Estimate, p. 3

Human Services

In-Home Supportive Services (IHSS)—\$24.3 billion (\$9 billion General Fund) for the IHSS program in 2024-25. Average monthly caseload in this program is estimated to be 691,075 recipients in 2024-25. The Budget maintains investments in provider wage increases, a permanent provider back-up system, and the full-scope Medi-Cal expansion to IHSS undocumented recipients of all ages including the recent expansion for ages 26 to 49, as of January 1, 2024.

CalWORKS Program—\$9.4 billion in total TANF expenditures (state, local, and federal funds) in 2024-25. This amount includes \$7 billion for CalWORKs program expenditures and \$2.4 billion for other programs such as Child Welfare Services, Foster Care, DDS programs, the Statewide Automated Welfare System, California Community Colleges Child Care and Education Services, Cal Grants, and the Department of Child Support Services. The average monthly CalWORKs caseload is estimated to be 354,117 families in 2024-25.

- *Projected CalWORKs Grant Increase*—An approximate 0.8-percent increase to CalWORKs Maximum Aid Payment levels, with an estimated cost of \$26.7 million, is projected to begin October 1, 2024. A determination and update of the projected grant increase will be made at the May Revision. These projected increased costs would be funded entirely by the Child Poverty and Family Supplemental Support Subaccount of the 1991 Local Revenue Fund and would be in addition to the 3.6-percent statutory increase in 2023-24.
- *Single Allocation*—A reversion of \$336 million General Fund from 2022-23 that is projected to be unexpended in the CalWORKs Single Allocation. The Budget also reflects a reversion of \$40.8 million General Fund in 2023-24 and reduction of \$40.8 million General Fund in 2024-25 and ongoing which was previously approved as part of an ongoing augmentation for this program.
- *Family Stabilization*—A reversion of \$55 million General Fund in 2023-24 and a reduction of \$71 million General Fund beginning in 2024-25 and ongoing.
- *Employment Services Intensive Case Management*—A reduction of \$47 million General Fund beginning in 2024-25 and ongoing.
- *Expanded Subsidized Employment*—A reversion of \$134.1 million General Fund in 2023-24 and a reduction of \$134.1 million General Fund in 2024-25 and ongoing.

Supplemental Security Income/State Supplementary Payment (SSI/SSP) – \$3.7 billion General Fund in 2024-25 for the SSI/SSP program, including CAPI. The average monthly caseload in this program is estimated to be 1.1 million recipients in 2024-25. The Budget also includes a 3.2-percent federal SSI cost-of-living adjustment and maintains the 9.2-percent SSP increase, which took effect on January 1, 2024. These adjustments raise the maximum SSI/SSP grant levels to \$1,183 per month for individuals and \$2,023 per month for couples. CAPI benefits are equivalent to SSI/SSP benefits and have residency and income eligibility requirements.

California Food Assistance Program (CFAP) Expansion Timing – The work efforts associated with the CFAP expansion to all income eligible non-citizen 55 years of age and older has been delayed from January 1, 2025 to January 1, 2027.

Reference: Governor's Budget Summary, pp. 57-60

TBL Section

The following list outlines trailer bill language of interest to local plans. LHPC will be monitoring for trailer bill language in the coming weeks and will share more information once available:

- Managed Care Organization Provider Tax
- Medi-Cal Provider Rate Increases
- Behavioral health wellness coaches
- Other TBL as released by DHCS