HEALTH TRAILER BILL SUMMARY – SB 184

Please note, the below summary only highlights items anticipated to be of interest to local health departments.

Support for Vital Public Health Activities (HSC 101320, 101320.3, 101320.5)

- Requires the California Department of Public Health, upon appropriation by the Legislature, to develop and implement a program to fund and support vital public health activities and services provided by the 61 local health jurisdictions in California.
- Requires each local health jurisdiction by December 2023, and by July 1 every three years thereafter, to submit a public health plan to CDPH.
- Requires the public health plan to be informed by the most recent community health assessment, community health improvement plan, or strategic plan, and shall include proposed evaluation methods and metrics.
- Requires an annual certification by the local health jurisdiction that funds will supplement and not supplant other county funds, including realignment and county general fund.
- Requires the local health jurisdiction to certify that 70 percent of the funds will be used to support staff, including benefits and training, and that remaining funds, not to exceed 30 percent, may be used for equipment, supplies, and other administrative purposes, such as facility space, furnishings, travel, and similar activities.
- Allows jurisdictions to use funds allocated in FY 2022-23 fiscal year to be used by local health jurisdictions to develop the public health plan and allows for contracting services to support the development of the public health plan, community health assessments, community health improvement plans, and strategic plans.
- Provides a base of $350,000 to each local health jurisdiction and allocates the remainder to each jurisdiction proportionately as follows:
    - 50% based on 2019 or most recent population data
    - 25% based on 2019 or more recent poverty data
    - 25% based on 2019 or more recent, proportion of the population that is Black/African American, Latinx, or Native Hawaiian or Pacific Islander.
- Requires a local health jurisdiction that does not have an existing community health needs assessment, community health improvement plan, or strategic plan to start coordination and planning activities by October 1, 2022**,** and requires the triennial public health plan to be complete by December 30, 2023.
- Requires CDPH to work with CHEAC, CCLHO, and SEIU to determine any minimum requirements for funding and to establish statewide metrics to evaluate the impact of the investment of these funds on public health outcomes.
- Allows a local health jurisdiction to direct a portion of its funds to another local health jurisdiction in support of regional capacity by submitting a letter of support with a description of the regional capacity being provided, to DHCS.
- Requires the State Public Health Officer, on or before February 1 of every other year, beginning in calendar year 2024, to submit a written report to the Governor and Legislature on the state of public health in California. The State Public Health Officer shall present an update annually to the Assembly Committee on Budget and Senate Committee on Budget and Fiscal Review, or relevant subcommittees, during legislative budget hearings. The report shall include:
    - Information on key public health indicators that California is experiencing, as determined by the State Public Health Officer
    - Information on health disparities identified as parts of the indicators and trends

- Leading causes of morbidity and mortality in California and evidence of increasing or decreasing rates over the prior three to five years, inclusive.
- Data on incidence and prevalence of communicable and noncommunicable chronic disease conditions.
- Data and the incidence and prevalence of intentional and unintentional injuries including data specific to suicides and gun violence.
- Data on prevalence of morbidity and mortality related to mental illness and substance abuse.

- Requires CDPH to seek input from stakeholders, including legislative staff, on which public health issues to address in a written report.
- Requires the local health jurisdiction to present to the city council or county board of supervisors, as applicable, on the state of the jurisdiction's public health. The presentation shall identify:
  - The jurisdiction's most prevalent current causes of morbidity and mortality
  - Causes of morbidity and mortality with the most rapid three-year growth rate
  - Health disparities
- Requires the local health jurisdiction's presentation to also provide an update on progress addressing the issues through the strategies and programs identified in the local jurisdiction's triennial public health planning document and identify policy recommendations for addressing these issues.
- Allows funds allocated in FY 2022-23 to be available for encumbrance or expenditure until June 30, 2024 (per Budget Bill Jr. AB 178)

Sexually Transmitted Diseases (HSC 102511)

- Modifies the requirement that at least 50 percent of funds allocated to local health jurisdictions be provided to community base organizations or non-profit health care providers, to now require those funds to be allocated to, **"or be used to support activities in partnership with,"** community-based organizations, or non-profit health care providers.
- Expands innovative and impactful prevention and control activities to also include:
  - Integrated services for STIs, viral hepatitis, HIV, and drug overdose, to the extent they improve health outcomes for people living with, or at risk for, STIs.
  - Material support, including, but not limited to, sleeping bags, tarps, shelter, clothing items, and hygiene kits, to people living with, or at risk for STIs.
- Allows CDPH to use funds to support capacity building assistance for purposes consistent with this section, including integrated services for STIs, viral hepatitis, HIV, and drug overdose to the extent they improve health outcomes for people living with, or at risk for, STIs.

Hepatitis C Virus (HCV) (HSC 122440)

- Expands the allowable use of funds to local health jurisdictions to include other activities that improve HCV health outcomes.
- Activities may include integrated services for viral hepatitis, HIV, STI, and drug overdose to the extent they improve health outcomes for the most vulnerable and underserved individuals living with, or at high risk for HCV infection.
- Modifies the requirement that at least 50 percent of funds allocated to local health jurisdictions be provided to community base organizations, to now require those funds to be allocated to, **"or be used to support activities in partnership with,"** community-based organizations.
- Allows local health jurisdictions and community-based organizations to use funds to provide material support, including but not limited to, sleeping bags, tarps, shelter, clothing items, and hygiene kits.
- Allows CDPH to use funds to support capacity building assistance for purposes consistent with this section, including integrated services for viral hepatitis, HIV, and drug overdose to the extent they improve health outcomes for people living with, or at risk for, HCV.

Child Health and Disability Prevention Program (HSC 104395, 124024)

- Sunsets the CHDP program on July 1, 2024, or on the date DHCS certifies specified activities are completed, whichever is later.
- Requires DHCS to conduct a stakeholder process to inform DHCS in the development and implementation of a transition plan and defined milestones to guide the transition of CHDP to other existing Medi-Cal delivery systems or services.
    - The stakeholder engagement process shall include representatives of the California Department of Social Services, CDPH, CHEAC, County Welfare Directors Association of California, California Dental Association, American Academy of Pediatrics California, SEIU, Medi-Cal managed care plans, children's advocates, and subject matter experts as identified by the department.
    - The department shall strive to ensure the stakeholder engagement process reflects participation from various regions throughout the state, including large urban and rural jurisdictions.
    - The stakeholder engagement process must be convened no later than October 1, 2022.
- DHCS must develop a transition plan that includes, at a minimum, the following:
    - A post transition oversight and monitoring plan for Medi-Cal children currently served through CHDP, including those in fee-for-service and foster youth.
    - A plan for how managed care plans will monitor providers serving children for adherence to the Bright Futures Guidelines from the American Academy of Pediatrics and Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) Program standards, including, but not limited to, requirements for site reviews, provider training and audits, and coordination of care to needed services, including dental ad behavioral health providers.
    - A plan to fund the administrative and services costs of the Health Care Program for Children in Foster Care to meet statutory requirements.
    - An analysis and plan for retaining existing local CHDP positions through the exploration of new partnerships and roles, or through bolstering existing programs that can leverage CHDP expertise, or through both.
- Requires DHCS to provide an update to the Legislature during the 2023-24 budget hearings on the proposed transition plan.
- Requires DHCS to take actions necessary to continue Medi-Cal presumptive eligibility for children under 19 years of age, including expanding access within the Children's Presumptive Eligibility Program to include all eligible Medi-Cal providers.
- Requires DHCS to take actions necessary, in consultation with the California Department of Social Services, to continue the Health Care Program for Children in Foster Care.
- Requires DHCS to take actions necessary, in consultation with CDPH, to continue the Childhood Lead Poisoning Prevention Program Activities.
- Requires DHCS to seek federal approvals deemed necessary.
- Requires DHCS to issue a declaration certifying all above activities have been completed. The declaration shall be posted on DHCS' website and a copy must be provided to the Secretary of State, Secretary of the Senate, Chief Clerk of the Assembly, and the Legislative Counsel.
- Automatically enrolls all qualified CHDP providers as providers under the Children's Presumptive Eligibility Program on July 1, 2024.

Opioid Settlement Funds

- Establishes the Opioid Settlement Fund in the State Treasury.
- Requires the following funds to be deposited in the Opioid Settlement Funds:

- Funds from the Litigation Deposits Fund from the settlement of People v. McKinsey & Company, Inc.
- Funds received from the People v. McKinsey & Company, Inc. not deposited into the Litigation Deposits Fund.
- Funds received in the Litigation and Deposits Fund allocated to the state for state opioid remediation from the 2022 opioid settlements with Johnson and Johnson, Janssen Pharmaceuticals, McKesson, Cardinal Health, and AmerisourceBergen to the Opioid Settlement Funds.
- Funds for the above settlements and any future judgements or settlements for these purposes that are not deposited in the Litigation Deposits Fund.
- Requires moneys in the Opioid Settlement Fund, upon appropriation by the Legislature, to be used for opioid remediation in accordance with the terms of the judgement or settlement from which the funds were received.
- Requires DHCS to administer the Opioid Settlement Funds and oversee funded activities, such as designating additional high-impact abatement activities, conducting stakeholder engagement, monitoring participating subdivisions for compliance, and preparing periodic reports.
- Requires settlement funds received by a participating subdivision that are not expended or encumbered within the time-period specified in the California State-Subdivision Agreement Regarding Distribution and Use of Settlement Funds to be transferred to the state and deposited in the Opioid Settlement Fund.
- Authorizes DHCS to implement without regulatory action.
- Allows DHCS to enter into contracts to implement this section and provides an exemption from Public Contracts Code.

Medication Assisted Treatment Project Expansion

- Requires certified alcohol and drug programs to offer medications for addiction treatment directly to clients or have effective referral process with narcotic treatment programs, community health centers, or other MAT providers no sooner than July 1, 2022.
- Requires DHCS to establish a program for the operation and regulation of mobile narcotic treatment programs, no sooner than July 1, 2022.

Abortion Practical Support Fund

Establishes the Abortion Practical Support Fund in the State Treasury for purposes of providing grants to nonprofit organizations in California that specialize in assisting pregnant people who are low income, or face other financial barriers, with direct practical support services to access and obtain an abortion or that provides abortion services to those programs.

- Requires the Department of Health Care Access and Affordability to administer the fund.
- Grants awarded must be used for activities that increase patient access to abortion in California including, but not limited to practical support services, abortion navigators, patient navigators, and community health workers, case management support, costs associated with training volunteers and staff, costs associated with enabling grantees to meet requirements and coordinating practical support services, abortion providers, and other support services in California.

Office of Health Care Affordability

- Establishes the Office of Health Care Affordability (OHCA) within the Department of Health Care Access and Information. The office is responsible for analyzing the health care market for cost trends and drivers of spending, developing data-informed policies for lowering health care costs for consumers and purchasers, creating a state strategy for controlling the cost of health care and ensuring affordability for consumers and purchasers, and enforcing cost targets.

- Requires payers and fully integrated delivery systems to submit data on total health care expenditures for the 2022 and 2023 calendar years on or before September 1, 2024**,** for baseline reporting.
- Requires payers and fully integrated delivery systems to submit data on total health care expenditures for the 2024 and 2025 calendar years based on a reporting schedule established by OHCA.
- Requires OHCA to prepare a report on baseline health care spending on or before June 1, 2025.
- Requires OHCS to publish its first annual report on health care spending trends, including policy recommendations to control costs and improve quality performance and equity by June 1, 2027.
- Establishes an eight-member Health Care Affordability Board:
    - Four members appointed by the Governor and confirmed by the Senate
    - One member appointed by the Senate Rules Committee
    - One member appointed by the Speaker of the Assembly
    - The Secretary of Health and Human Services or their designee
    - The CalPERS Chief Health Director, or their deputy director to serve as a nonvoting member
- Requires the Board to approve the:
    - Methodology for setting cost targets
    - Scope and range for administrative penalties and justification for assessing penalties
    - Benchmarks for primary care and behavioral health spending
    - Statewide goals for the adoption of alternative payment models, and
    - Standards to advance the stability of the health care workforce
- Requires the board to establish a Health Care Affordability Advisory Committee to provide input, including recommendations, to the board and office on issues including statewide and sector targets, methodology for setting the targets, definitions of health care sectors, quality and equity metrics, and benchmarks for primary care and behavioral health.

Medi-Cal Expansion to Individuals Aged 26 – 49 Regardless of Immigration Status

- Expands eligibility for full scope Medi-Cal benefits to individuals who are 26 to 49 years of age, inclusive, who are otherwise eligible, but do not have or is unable to establish satisfactory immigration status.
- Requires implementation after the DHCS Director determines systems are programed for implementation and communicates that determination in writing to the Department of Finance, but no later than January 1, 2024.

Hospital and Skilled Nursing Facility COVID-19 Worker Retention Pay

Requires DHCS, upon appropriation of the Legislature, to provide funding to participant covered entities, covered services employers and physician entities to make retention payments to their eligible employees or physicians, and to make retention payments to eligible physicians who are not employees of a covered entity or physician entity.

- Authorizes payments of up to $1,500 for each eligible full-time employee, $1,250 for each eligible part-time employee, or $1,000 for each eligible physician subject to the established methodology.

Suspension of Medi-Cal Benefits for Incarcerated Adults

- Suspends an adult's Medi-Cal benefits on the date the adult becomes an inmate of a public institution and ends suspension when the individual is no longer an inmate, if otherwise eligible.

- Changes the prior requirement to terminate enrollment one year after becoming an inmate.

Unwinding of the COVID-19 Public Health Emergency

- Continues to reimburse the administration of the COVID-19 vaccine at 100 percent the Medicare national equivalent rates at the time the vaccine is administered.
- Exempts specified providers from the 10 percent Medi-Cal reimbursement reductions that took effect June 1, 2011: nurses, alternative birth centers, audiologists, hearing aid dispensers, respiratory care providers, durable medical equipment, chronic dialysis clinics, emergency medical air transportation services, nonemergency medical transportation services, doula services, community health workers, health care services delivered via remote patient monitoring, asthma prevention services, dyadic services, medication therapy management services and clinical services.

Medi-Cal Telehealth Policy

- Does not require face-to-face contact when covered Medi-Cal services are provided by video synchronous interaction, audio-only synchronous interaction, remote patient monitoring, or other permissible virtual communication modalities, meeting specified criteria.
- Requires providers offering these services to also offer services through in-person, face-to-face contact or arrange for a referral to in-person care.
- Authorizes and limits a provider establishing a new patient relationship with the Medi-Cal beneficiary through telehealth, to use video synchronous interaction only.
- Adopts various requirements related to fee schedules, reimbursement limits, services to border communities, consent standards, privacy and security, informational notices, and research and evaluation plan.
- Expands the definition of a "visit" for FQHCs and RHCs to include specified telehealth modalities when applicable conditions and standards of care are met.
- Authorizes reimbursement for additional medically necessary Drug Medi-Cal services to authorized individuals through video synchronous interaction or audio-only synchronous interaction.
- Requires DHCS to adopt regulations by July 1, 2024**,** to implement telehealth provisions specific to Drug Medi-Cal.
- Extends time and distance standards for specified services from January 1, 2023**,** to January 1, 2026.
- Authorizes managed care plans to use video synchronous interaction to demonstrate compliance of time and distance standards as part of an alternate access standards requests.
- Changes the frequency of alternative access standards request submissions made by managed care plans.

Community Health Workers

- Requires the Department of Health Care Access and Information to develop statewide requirements for a community health worker certificate program, in consultation with stakeholders.
- Stakeholders must include but are not limited to:
    - DHCS
    - CDPH
    - Community health workers
    - Promotores and Promotores de Salud, or representative organizations

- Allows organizations to seek approval of a community health worker certificate program in accordance with statute and standards developed by the department and requires such an organization to oversee and enforce requirements developed.
- Requires an organization seeking approval or renewal of the community health worker certificate program to:
    - Submit a plan describing how the program meets state requirements
    - Submit periodic reviews to ensure adherence to state requirements
    - Submit annual reports on participant training and employment.
- Allows HCAI to require individuals enrolled or who have completed a community health worker program to submit specified data
- Defines a community health worker as a liaison, link, or intermediary between health and social services and the community to facilitate access to services and improve access and cultural competence of service delivery. A community health worker is a frontline health worker either trusted by, or who has a close understanding of, the community served. Community health workers include Promotores, Promotores de Salud, Community Health Representatives, navigators, and other nonlicensed health workers with the qualifications developed, including violence prevention professionals. A community health worker's lived experience must align with and provide a connection to the community served.
- Outlines the core competencies for community health workers include: communication skills, interpersonal and relationship-building skills, service coordination and navigation skills, capacity building skills, advocacy skills, education and facilitation skills, individual and community assessment skills, outreach skills, professional skills and conduct, evaluation and research skills, knowledge base, including knowledge of basic public health principles and social determinants of health and health related disparities of the communities served.

Medi-Cal Premiums

- Allows the department starting July 1, 2022**,** to elect not to impose premiums for an applicable coverage period on individuals whose family income has been determined to be above 160 percent and up to and including 261 percent of the federal poverty level, to the extent allowable under federal law.
- Requires to DHCS to publish in the Medi-Cal Local Assistance Estimate for the impacted fiscal year if the department elects not to impose premiums, or if the department elects to reinstate premiums for a subsequent coverage period.

Medi-Cal Share of Cost

- Authorizes Medi-Cal eligibility without a share of cost for specified medically needy populations with higher incomes, individuals 65 years of age or older, or disabled individuals
- Requires federal authorization and implementation based on specified conditions, including appropriated funding by the Legislature

Restoration of Rate Reductions

- Effective July 1, 2022 (unless otherwise indicated), eliminates a 10 percent provider rate reduction originally adopted in 2011 budget trailer bill AB 97, for the following providers: nurses, alterative birth centers, audiologists, hearing aid dispensers, respiratory care providers, durable medical equipment, chronic dialysis clinics, emergency medical air transportation services, nonemergency medical transportation services, doula services, community health worker services, health care services delivered via remote patient monitoring, asthma prevention services, dyadic services, clinical laboratory services, medication management services, blood banks, occupational therapists, orthotists, podiatrists and prosthetists (effective January 1, 2023), psychologists, medical social workers, speech pathologists, free clinics, outpatient heroin detoxification centers, dispensing opticians, optometrists, optometry groups, acupuncturists, portable imagine services, California Children's

Services, Genetically Handicapped Persons program services, community clinics, surgical clinics, rehabilitation clinics, and non-hospital county-operated clinics.

Supplemental Payments to Medi-Cal Providers

- Authorizes the use of General Fund or other state funds appropriated for this purpose, to maintain reimbursement rates or payments for the following services and providers at the payment levels in effect on December 31, 2021, including supplemental payments and/or rate increases as applicable under Proposition 56 (Tobacco Tax Act of 2016):
  - Case management services under the Med-Cal HIV/AIDS program
  - Targeted payments for qualifying providers of community-based adult services
  - Developmental screenings for individuals zero to three
  - Adverse Childhood Experiences trauma screenings
  - Nonemergency medical transportation
  - Home health providers of medically necessary in-home services for children and adults in fee for service or through home and community-based waivers
  - Pediatric health care facilities in Medi-Cal fee-for-service
- Requires the department to seek federal approvals as necessary.
- Allows the department to implement through provider letters or similar instructions without regulatory action.
- Requires the department to develop the eligibility criteria methodologies, and parameters for payments and rate increases maintained.

Continuous Coverage for 0-5

- Provides continuous Medi-Cal coverage for children up to 5 years of age.
- Requires DHCS to seek necessary federal approvals
- Makes implementation contingent upon:
  - Federal approval
  - Funding appropriated by the Legislature in FY 2024-25 and subsequent fiscal years.
  - DHCS systems programed for implementation
- Implements upon DHCS declaration indicating conditions have been met or January 1, 2025, whichever is later.
- Allows DHCS director to alter eligibility criteria if federal funding is at risk.
- Allows DHCS to implement with all-county letters or similar instructions without further regulatory action.