



Date: January 20, 2026

To: The Honorable Senator John Laird  
Chair, Senate Budget & Fiscal Review Committee

The Honorable Assembly Member Jesse Gabriel  
Chair, Assembly Budget Committee

From: Michelle Gibbons, Executive Director  
County Health Executives Association of California

Re: January Budget Proposal Overview Hearings

The County Health Executives Association of California (CHEAC), representing local health departments throughout the state, writes to provide input on key proposals included in the Governor's budget:

**Fund Critical Public Health Information Technology (IT) Systems.** The Governor's January Budget proposes to fund one key public health IT system, but does not include funding in 2026-27 and beyond for a suite of other essential public health IT systems used in preventing and controlling communicable diseases throughout the state:

- *Surveillance and Public Health Information Reporting and Exchange (SaPHIRE) System* – CHEAC expresses support for the Governor's proposed investment of \$24.5 million General Fund in 2026-27 for the CDPH SaPHIRE system. SaPHIRE supports timely and accurate case and laboratory reporting for over 80 infectious disease conditions in the state, providing state and local health departments with comprehensive disease surveillance capabilities and insights into infectious disease outbreaks and emergencies.
  - *California Vaccine Management System (myCAvax)* – The Governor's budget does not include funding to sustain California's vaccine management system – known as myCAvax beyond June 30, 2026. This system was established during the COVID-19 pandemic to adequately manage the unprecedented volume of COVID-19 vaccine supply allocated to California and has since expanded to include all CDPH's vaccine programs, including but not limited to the Vaccines for Children (VFC) program, Vaccines for Adults (VFA) program, State Influenza Program, and the LHD 317 program, which provides vaccinations for uninsured and underinsured individuals. myCAvax offers intuitive features for use by CDPH, local health departments, and health care providers in ordering, managing, distributing, and administering vaccine supply to residents throughout the state.
  - *California Confidential Network for Contact Tracing (CalCONNECT) System* – Established during the COVID-19 pandemic, CalCONNECT has equipped state and local disease investigators with modernized capabilities to identify cases and exposed contacts and take appropriate actions to mitigate the spread of reportable infectious diseases throughout the state. The Governor's January budget does not propose funding for this system beyond June 30, 2026.
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- *CalREDIE/FDSS* – The Governor’s budget does not include funding for the California Reportable Disease Information Exchange (CalREDIE), California’s disease reporting and surveillance system, or the California Future Disease Surveillance System (FDSS) which is intended to support the procurement of an innovative, cloud-hosted disease surveillance and reporting system intended to replace CalREDIE.
- *California Immunization Registry (CAIR)* – The CAIR system is the statewide immunization system used for capturing and storing vaccination data for California’s residents. During the COVID-19 pandemic, the state’s CAIR2 system experienced significant shortcomings and technical limitations associated with the large-scale public health emergency, necessitating the development of CAIR3 to provide a more robust and comprehensive immunization information system. The Governor’s budget does not propose funding to sustain the CAIR system or support continued CAIR improvements in 2026-27.

Without continued funding, these systems risk shutdown, with far-reaching consequences for state and local health department operations and for the health care providers and schools that rely on them. ***CHEAC urges the Legislature to identify funding to sustain these important tools in preventing and mitigating communicable diseases in California.***

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**Adequately Fund County CCS Programs.** California local health departments administer the California Children’s Services (CCS) Program on behalf of the Department of Health Care Services (DHCS), serving some of the state’s most medically complex and vulnerable children and youth. Over the past decade, the CCS Program has faced persistent budgetary and fiscal challenges due to chronic underfunding that does not reflect DHCS’s own CCS staffing standards.

County CCS allocations support core program responsibilities, including determining CCS eligibility, providing care coordination and case management for CCS conditions (in independent classic counties), and delivering medical therapy services. Although DHCS has acknowledged deviations from the appropriate funding methodology – one that is explicitly based on CCS staffing standards – DHCS continues to underfund county CCS programs. Current year CCS allocations fall approximately \$109 million below funding levels required to meet DHCS staffing standards.

In addition to these ongoing funding shortfalls, counties anticipate increased costs associated with CCS clients who may lose Medi-Cal coverage as a result of the implementation of H.R. 1 or recent state policy changes – costs that are not reflected in the Governor’s current budget proposal.

Counties require adequate and stable funding to maintain the infrastructure necessary to serve this highly vulnerable population. ***CHEAC urges the Legislature to fully fund County CCS programs in accordance with DHCS staffing standards.***

Should you have any questions about the above items, please contact CHEAC Executive Director Michelle Gibbons at [mgibbons@cheac.org](mailto:mgibbons@cheac.org) or 916-327-7540. Thank you.

cc: Honorable Members, Senate Budget & Fiscal Review Committee  
Honorable Members, Assembly Budget Committee  
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