

February 22, 2021

The Honorable Gavin Newsom  
Governor  
State of California State Capitol,  
Suite 1173  
Sacramento, CA 95814

The Honorable Toni Atkins  
President Pro Tempore  
California State Senate  
State Capitol, Room 205  
Sacramento, CA 95814

The Honorable Anthony Rendon  
Speaker  
California State Assembly  
State Capitol, Room 219  
Sacramento, CA 95814

The Honorable Nancy Skinner  
Chair  
Senate Budget and Fiscal Review  
Committee  
State Capitol, Room 5050  
Sacramento, CA 95814

The Honorable Phil Ting  
Chair  
Assembly Budget Committee  
State Capitol, Room 6026  
Sacramento, CA 95814

**RE: Proposed FY 2021-22 State Budget**

Dear Governor, Madam Pro Temp, Mr. Speaker, and Chairs of the Budget Committees:

The Children's Partnership, a California-based children's policy and advocacy organization committed to improving the health and wellbeing of marginalized children where they live, learn and play, respectfully offers the following comments and recommendations on the Governor's proposed 2021-2022 budget.

The Children's Partnership commends the Governor's 2021-22 budget for reflecting California's values of inclusion and equity by supporting the pressing needs of children and families facing the greatest challenges during this time. The proposed budget leads with a comprehensive response to the crises resulting from the pandemic and the inequitable repercussions to California's children and families, particularly those from low-income, communities of color. We are proud to be part of a state prioritizing immediate financial relief to families as well as critical investments in youth mental health, health care, economic supports, housing, food assistance, and child care – a recognition of the myriad resources and whole child-whole family approach that California children need to thrive today and in the future.

Yet California families today are shouldering multiple crises – a global pandemic, challenging economy, and continued racial injustice. In response, we believe Governor

Newsom's current budget investments in inclusive economic relief and health care can be further strengthened and improved upon in the following ways:

### **COVID-19 Recovery**

The COVID-19 pandemic continues to disproportionately devastate California's Latinx, Black, Pacific Islander, and immigrant families, while these very communities shoulder the front-line work keeping our state's economy running. For example, among children, Latinx, Black, Native American and Pacific Islander children make up nearly 70% of cases, despite making up slightly over 50% of the state's population of children.<sup>1</sup> Further, California's immigrant communities have been devastated by the pandemic, both in job loss as well as being exposed to COVID-19 risk by working on the frontlines: 1 in 3 undocumented workers in California is employed in an industry negatively affected by the COVID-19 economic shutdown while also making up about 33% of the state's essential workforce.<sup>2</sup> In addition, multiple surveys distributed to families across the state with partners like Parent Institute for Quality Education and the Education Trust West highlight the numerous struggles that families continue to face, including food and housing insecurity, eviction, lack of broadband access, lack of child care, and lack of mental health and health supports.<sup>3</sup>

### **Golden State Stimulus**

We applaud the Golden State Stimulus as it is an important equity-driven investment to ensure low-income families and individuals receive economic support during our unprecedented crisis. However, while federal relief programs have helped many low-income people in our state, millions of Californians, including 1,050,000 U.S. citizen children and their parents, have been left out of these federal programs.<sup>4</sup> Many of these families have also been left out of our state's unemployment benefits.<sup>5</sup> **Therefore, we urge the Governor to build on his current proposal by increasing stimulus payments to \$1800 for ITIN filers in order to make up for the full amount of missed federal stimulus payments.<sup>6</sup> The Governor should additionally consider ways for stimulus payments to reach undocumented families who do not use an ITIN.**

### **Community-based Partnerships**

The Governor's \$62.5 million investment to fund COVID-19 vaccine education and distribution efforts highlights our state's commitment to working with trusted community organizations to protect and help families recover from COVID-19, but it is not enough. A recent report from the Legislative Analyst's Offices highlights how the Governor's 2021-22 budget proposal does not include a specific plan or strategy within the California Department of Public Health (CDPH) for COVID-19-related spending through the end of

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<sup>1</sup> <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Race-Ethnicity.aspx>

<sup>2</sup> <https://calbudgetcenter.org/wp-content/uploads/2020/04/Chart-3-Undocumented-California-workers-employed-in-COVID-19-impacted-industries.png>

<sup>3</sup> See <https://globalstrategygroup.app.box.com/s/50mxc2t7fu1yj6av1dl5rzs99p60upbu> and [https://www.piqe.org/wp-content/uploads/2021/01/PIQE2020\\_CommunityNeedsAssessment\\_Fall.pdf](https://www.piqe.org/wp-content/uploads/2021/01/PIQE2020_CommunityNeedsAssessment_Fall.pdf)

<sup>4</sup> Vulnerable to COVID-19 and in Frontline Jobs, Immigrants Are Mostly Shut Out of U.S. Relief <https://www.migrationpolicy.org/article/covid19-immigrants-shut-out-federal-relief>

<sup>5</sup> [https://lao.ca.gov/handouts/state\\_admin/2021/The-2021-22-Budget-Golden-State-Stimulus-012621.pdf](https://lao.ca.gov/handouts/state_admin/2021/The-2021-22-Budget-Golden-State-Stimulus-012621.pdf)

<sup>6</sup> [https://lao.ca.gov/handouts/state\\_admin/2021/The-2021-22-Budget-Golden-State-Stimulus-012621.pdf](https://lao.ca.gov/handouts/state_admin/2021/The-2021-22-Budget-Golden-State-Stimulus-012621.pdf)

2020-21.<sup>7</sup> The Governor could build on his proposal by including a broader strategy around partnerships with community-based organizations to engage in COVID-19 recovery with additional funding. Community-based partnerships are critical in fulfilling our state's promise to ensure all communities have knowledge of and access to vaccines and increasing public education and outreach tailored to different communities about vaccine safety and efficacy. These partnerships are also key to helping families navigate food and housing insecurity exacerbated by the pandemic, ensuring children continue to access education, as well as address job loss – services that often require legal assistance and/or support navigating multiple public programs and systems. **As such, we urge the Governor to increase investments in community-based partnerships to engage in COVID-19 recovery, including at least an additional \$30 million investment in partnerships with CBOs to address health, housing, food and other basic needs through medical-legal partnerships and *promotores*/community health workers. We also urge the Governor to make continued investments of public health dollars in strategies that increase equity in vaccine distribution including partnerships with community-based organizations, such as community health centers and school-based health centers and sites.**

### **Food4All**

Food insecurity is one of the biggest challenges families face because of the pandemic. This is particularly detrimental to immigrant children and children in mixed status families who continue to be excluded from federal relief—relief that could have been used to support basic human needs like access to food. Over one million children in California have been left out of these federal programs.<sup>8</sup> At the same time, immigrants comprise 36 percent of California's essential workforce<sup>9</sup>, including over 1.2 million undocumented Californians working frontline jobs — risking COVID-19 exposure for low wages. Despite their many contributions, immigrants are explicitly and unjustly denied access to our most effective anti-hunger programs: CalFresh and the state-funded California Food Assistance Program. This systemic discrimination exacerbates racial disparities in health and wealth, and hinders California's ability to weather this and future recessions. Ensuring every Californian who calls this state home are treated equitably and have sufficient food are important steps toward addressing hunger that worsens amid the COVID-19 crisis. **We urgently request an ongoing budget investment to modernize the California Food Assistance Program to provide state-funded nutrition benefits to any Californian ineligible for CalFresh solely due to their immigration status.**

### **Whole Child Health**

As described above and in our [COVID-19 fact sheet](#), California's Latinx, Black, Pacific Islander, and immigrant children and families are facing heightened poverty and food insecurity, evictions and homelessness, as well as lack of or loss of health care coverage.<sup>10</sup> Centering equity requires us to recognize the systemic barriers that these families face. To eliminate inequities, leaders must meet communities where they are and prioritize investments for children and families facing the greatest challenges through a “Whole

<sup>7</sup> <https://lao.ca.gov/handouts/health/2021/CDPH-COVID-19-Response-020521.pdf>

<sup>8</sup> Vulnerable to COVID-19 and in Frontline Jobs, Immigrants Are Mostly Shut Out of U.S. Relief <https://www.migrationpolicy.org/article/covid19-immigrants-shut-out-federal-relief>

<sup>9</sup> <https://journals.sagepub.com/doi/pdf/10.1177/2311502420952752>

<sup>10</sup> <https://www.childrenspartnership.org/wp-content/uploads/2020/07/FINAL-TCP-Covid-19-Fact-Sheet.pdf>

Child” approach that provides integrated, coordinated, and easily accessible services from early childhood through K–12 across various sectors: health care, education, and social services.

In addition to building upon the Governor's aforementioned proposals, we look forward to working with the Administration and Legislature on making the following additional investments to further the Governor's commitment to improving children's well-being.

### ***Continuous Coverage for young children in Medi-Cal and 12 months postpartum coverage***

Timely well-child care is the foundation of a healthy start for children, particularly in the first years of life when 90 percent of brain development occurs.<sup>11</sup> Gaps in coverage, particularly in a child's early years, contribute to the historic and pandemic-related low rates of primary care for children. Conversely, ensuring continuous coverage—allowing children to keep their coverage without administrative renewals—can significantly contribute to improving continuity of care for young children. Continuous coverage reduces the risk of insurance disruptions due to procedural reasons like difficulties completing renewal processes and providing necessary documentation to stay enrolled.<sup>12</sup> Recent research finds that 12-month continuous coverage for children reduces the share of children experiencing gaps in coverage, increases those accessing preventive care, and reduces the share with unmet medical needs.<sup>13</sup> Currently, under the federal COVID Public Health Emergency, Medi-Cal must continue coverage for all Medi-Cal beneficiaries.

**We recommend that as the part of the State's required plan for unwinding this continuous coverage requirement at the end of the PHE (January 2022 at the earliest), California retain continuous coverage for Medi-Cal children from birth to age 5 to maximize continuity of care during this important period of childhood development and increase preventive care rates. In addition, we recommend providing the 12-month coverage for all postpartum beneficiaries. We recommend DHCS seek federal funding to continue these policies on an ongoing basis.**

### ***Expediting Enrollment for families by program integration***

Multiple surveys have revealed that families across California are struggling with financial and food insecurity, access to health programs, and web-based supports—challenges that have exacerbated existing inequities for low-income families and families of color. For example, over 1 in 3 parents (36%) are skipping or reducing meals so that their children do not go hungry—a number which increases significantly among new parents with a child 1-6 months old, low-income parents, Latinx parents, and parents in Los Angeles, among others. Implementing programs that eliminate or minimize barriers to accessing health and nutrition services should be a priority. About 87,000 children and 11,000 pregnant women enrolled in WIC do not have Medi-Cal, despite their eligibility.<sup>14</sup> At the same time, over 512,000 Medi-Cal children are eligible for WIC, but not enrolled.<sup>15</sup> During this pandemic more than ever, we need to connect families, whom the State already has in its programs,

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<sup>11</sup> <https://developingchild.harvard.edu>

<sup>12</sup> <https://www.cbpp.org/research/health/continuous-coverage-protections-in-families-first-act-prevent-coverage-gaps-by>

<sup>13</sup> <https://www.cbpp.org/research/health/continuous-coverage-protections-in-families-first-act-prevent-coverage-gaps-by>

<sup>14</sup> California Department of Public Health data inquiry, September 2018.

<sup>15</sup> California Department of Public Health correspondence sharing DHCS/CDPH data match, 2019

with other necessary support services they qualify for. **We therefore recommend that the state identify eligible families through program enrollment data matching and target expedite enrollment for WIC participants eligible but not enrolled in Medi-Cal and for Medi-Cal children eligible for but not enrolled in WIC.**

### ***Mental Health and Social Emotional Development***

We applaud the proposed one-time investments, like the \$400M for managed care plans in partnership with mental health departments to increase the number of students receiving clinical services that support whole child approaches to their health, well-being, and educational success through partnerships with schools. Still, there is much to be done, particularly to address the trauma and mental health crises that the pandemic and renewed attention toward racial injustice and police violence have exacerbated in children, especially children of color, and to recognize these impacts at every stage of child development. Greater investments must be made in early care, education, and mental health that support our children's healing, from birth through grade 12.

**We encourage the consideration of a one-time investment in early childhood mental health programs and supports.** Prevention and early intervention efforts during pregnancy and during a child's early years provide an opportunity for healthy child and family development in order to reduce future negative health outcomes for individuals, families, and communities. Investing in Infant and Early Childhood Mental Health Consultation would support an evidence-based approach to building the early learning workforce's capacity to support children's social-emotional and behavioral development. Such supports reduce prekindergarten expulsions and are a critical tool in eliminating racial inequities that set many BIPOC children up to be caught in the school to prison pipeline. Similar to Infant and Early Childhood Mental Health Consultations, dyadic treatment is a form of therapy in which the infant or young child and caregiver are treated together. There are several evidence-based models of dyadic treatment (e.g., HealthySteps, DULCE, Parent-Child Interaction Treatment and Child-Parent Psychotherapy). California has already made critical progress by making family therapy for children a covered Medi-Cal benefit, even without a mental health diagnosis and can further this commitment during a critical time for early childhood development. One-time investments in programs that support young children in their environment and their relationships with adults can be sustained through longer-term changes to Medi-Cal that could create universal access to dyadic care.

In addition, with California's student-counselor ratio averages about 609 students for every 1 counselor – far below the recommended 250-to-1 average, it is estimated that we would need an additional \$2 billion investment in schools to remedy this. **Increasing the \$25 million proposed for the Mental Health Services Act Oversight and Accountability Commission to \$80.5 million will help ensure all districts who applied for but did not receive funding for school district-county partnerships in 2020 can do so, giving additional districts across the state the opportunity to invest in these essential collaborative relationships.**

Further, our youngest, most vulnerable children in foster care have the greatest need for speedy, developmentally appropriate, and trauma-sensitive early care and education experiences to address the socioemotional and developmental consequences of the trauma of abuse and neglect they experienced. **As such, we support allocating an**

**additional \$36 million for the Emergency Child Care Bridge program, including \$28 million for child care vouchers, \$5 million for Child Care Navigators, and \$4 million for trauma-informed training to ensure foster parents of infants and toddlers can get the trauma-informed support they and their foster children need.**

### ***Whole Child Equity Fund***

In alignment with the Blue Ribbon Commission on Early Care and Education (BRC), Lifting Children and Families Out of Poverty Taskforce, and the Master Plan for Early Learning and Care, a Whole Child Equity Fund will make the necessary critical investments to increase early childhood equity and eradicate systemic barriers by prioritizing the holistic needs of young children, their families, and their communities most impacted by historic inequitable access to high-quality services, including early care and education.

The request includes \$5M to support the creation of a Taskforce to develop the Equity Index formula that will be used to allocate the Whole Child Equity Fund. It also proposes an allocation of \$21M to address the needs of Black children, families and communities, and prioritize program and access opportunities to low-income children of color furthest from opportunity including young children impacted by the immigration system. Finally, we propose that \$219 million (of the Whole Child Equity Fund) be used to establish a minimum of 24 Pilot Whole Family Wellness Hubs in highest need areas as determined by a newly established Equity Index developed by the Taskforce and relevant agencies (CDSS, DHCS, DPH, CDE, etc.). Wellness Hubs are an evidence-based model of place-based, where possible, community driven centers that provide integrated and coordinated services across health, mental health, youth services, child welfare, early learning and care including dual language immersion programs, home visiting, and education for both children and families. The hubs incorporate a two-generation approach that acknowledges that supporting the healthy development of young children also requires supporting their caregiver's ability to provide adequate care. Whole Family Wellness Hubs provide wrap-around services around health, mental health, and social determinants of health to children and families through structured partnerships between community entities and service providers that are tailored to the unique contours of each community, as determined by a community assessment. **On behalf of the Whole Child Equity Partnership, a diverse group of partners, we respectfully ask for a one-time investment of \$245 million, over three years, to establish the Whole Child Equity Fund to prioritize the most underserved children, ages birth through eight.**

### ***Health4All Seniors***

As the COVID-19 pandemic has made clear, the health of each of us is deeply interconnected with that of every Californian and this is especially true for our children. Grandparents in the U.S. care for 1 out of 4 children under the age of five. They are a major influence on children, particularly children of color, who are more likely to live in households with their grandparents. Public programs should not exclude any group of people from these safety-net services, especially in a public health emergency that is disproportionately impacting our communities of color and seniors. California is stronger when everyone is covered. Removing the eligibility restriction for undocumented seniors will bring California one step closer to universal health coverage. **We recommend that the Governor strengthen whole families and intergenerational supports through the continued**

**advancement of Health for All with the proposed expansion of eligibility for full-scope Medi-Cal benefits to all persons aged 65 years and older, regardless of immigration status.**

**Equity-driven Health System Improvements**

According to multiple federal and state surveys, families are missing critical health care appointments for their children during this time. Unmet health, dental, and mental health needs can result in developmental delays in children that affect their health, social, and academic outcomes. Low-income children and children of color, in particular, face greater barriers to getting needed care and exhibit critical health inequities, which may cause them to lag behind their wealthier and healthier white peers. Ensuring access to health services will strengthen California's ability to meet the impacts of the pandemic on the health of marginalized children and families.

**Telehealth**

We commend the Governor's proposed \$94.8 million ongoing investment to expand and make permanent certain telehealth flexibilities authorized during COVID-19 for Medi-Cal providers. We agree that this effort will expand access to preventive services and improve health outcomes. However, we are concerned about the restrictions and limitations placed on community health centers in the associated trailer bill language. Community health clinics are critical sources of care in California, serving as a health care safety net for the state's most vulnerable populations, particularly families of color and immigrant families. For low-income families facing financial, transportation, and language barriers when seeking traditional office-and clinic-based care, telehealth has proven to be an invaluable tool to get the medical, dental, and mental health care they need. Given the multiple barriers to broadband and technology, connecting with patients via telephone is critical to monitoring health issues and patient education. **We therefore urge the Governor and his leadership to ensure community health clinics can establish patients using both synchronous and asynchronous telehealth, and be reimbursed for audio-only telehealth.**

**CalAIM**

The Governor's proposed \$1.1 billion investment in CalAIM highlights the Governor's commitment to strengthen Medi-Cal's integrated wellness system for Whole Person Care and enhanced case managed management coordination. Additional investments could strengthen the CalAIM proposal even further, particularly for low-income children and children of color. A 2018 audit of Medi-Cal children's primary care showed preventive care utilization for one-year olds was as low as 39% and for two-year olds, a dismal 24%.<sup>16</sup> A more recent DHCS preventive care report found only 25% of children under age 3 in Medi-Cal managed care received necessary developmental screenings and only 26% received all their recommended well-child visits.<sup>17</sup> Investments in, as well as requirements for, population health management and basic care coordination are important to improve upon Medi-Cal's low preventive care rates and support for at-risk children as well as high-needs populations. Given the Administration's commitment to a whole child

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<sup>16</sup> California State Auditor, 2018-111 "Millions of Children in Medi-Cal are Not Receiving Preventive Health Services."

<sup>17</sup> Medi-Cal Preventive Care Utilization Report, DHCS 2020.

approach, particularly in the earliest years, CalAIM offers a unique opportunity for systemic change in Medi-Cal that prioritizes children. **Therefore, the proposed \$1.1 billion investment should be extended to also include one-time incentive infrastructure investments in the basic care coordination systems for all Medi-Cal beneficiaries under CalAIM's Population Health Management (PHM) requirement.**

***Proposition 56 Supplemental payments***

In addition to missed or delayed pediatric appointments for children, many pediatricians are facing uncertain financial futures due to the reduced volume of appointments during the COVID19 public health emergency. Eliminating these payments threatens the very existence of our state pediatric provider system who are further destabilized during this pandemic. **The budget should therefore make the supplemental payments permanent, instead of delaying their suspension for a year. These supplemental payments need year to year certainty to stabilize Medi-Cal pediatric preventive care and to achieve their intended objective of increasing well- child visits, and trauma and developmental screenings.**

As California navigates the state through today's multiple pandemics, our elected leaders have a tremendous opportunity to be responsive and innovative in addressing the needs of California's most marginalized children and families. Investments, like the proposals reflected above, ensure we are doing all we can to help children succeed. We stand ready to assist our state leaders in any and all efforts to position our response to adequately serve children and their families – particularly in communities hardest hit by the pandemic and its repercussions. The ability of our children to emerge from this crisis healthy and educated depends on our public systems and government leaders – and on each of us – to fully invest in their recovery and resilience.

Thank you for your consideration. The Children's Partnership looks forward to working with the legislature, stakeholders, and community members in moving these proposals forward. If you have questions, please contact Aracely Navarro, Associate Director of Government and Community Relations, at [anavarro@childrenspartnership.org](mailto:anavarro@childrenspartnership.org).

Sincerely,



Mayra E. Alvarez, MHA  
President