

April 1, 2021

The Honorable Gavin Newsom  
Governor, State of California  
1303 10th Street, Suite 1173  
Sacramento, CA 95814

Senator Nancy Skinner  
Chair Senate Budget Committee  
State Capitol, Room 5094  
Sacramento, CA 95814

Assemblymember Ting  
Chair Assembly Budget Committee  
State Capitol, Room 6026  
Sacramento, CA 94249-0019

**Re: BCP 4482: Equity-Centered Programs**

On behalf of the undersigned organizations we thank you for the opportunity to comment on the Administration's Budget Change Proposal (BCP: 4482: Equity-Centered Programs), and urge you to invest more in 2021-2022 to begin to take steps towards advancing health equity.

Under the current proposal, the California Health and Human Services Agency (CHHS) is requesting \$7.6 million for two limited-term positions for two years and 4 permanent positions to implement the following initiatives:

- (1) the retrospective analysis of the intersection of the COVID-19 pandemic and health disparities and equity;
- (2) the development of a language access policy;
- (3) the establishment of an equity dashboard; and
- (4) the expansion of race and equity training for health and human services state employees.

The Department of Health Care Services (DHCS) requests \$1 million and 5.0 permanent positions to address the workload related to the Health and Human Services Agency Equity Dashboard.

**General comments:**

We are pleased to see that the Administration is prioritizing equity as part of its health and human services programming and look forward to working with CHHS and DHCS in the development and execution of this initiative. While we are generally supportive of this effort, we would appreciate a better understanding of how the findings and policies that are developed, will result in meaningful change. Without ongoing funding dedicated to staffing and implementation of the recommendations that arise from this project, we fear this initiative will fall short of achieving demonstrable goals. We would also note that many of our organizations have put forward numerous proposals the Administration could take now to advance health equity, which includes starting with an issuance of an Executive Order declaring *Racism as a Public Health Crisis* in the state of California coupled with a

commitment to investment in communities to develop meaningful policies, in partnership with the legislature, to improve health outcomes for California's communities of color. We demand a bolder proposal from the Administration on how it will not only define but actualize recommendations to advance health equity that it has already received and that are bound to arise from this effort.

We propose a four-part ***Racial Justice and Health Equity Framework*** to accompany the Administration's proposal:

- 1. Acknowledge Racism as a Public Health Crisis**
- 2. Develop action plans to address identified inequities in health and human services programs**
- 3. Invest in developing and scaling anti-racist programs and long-term solutions**
- 4. Establish a mechanism of community input and accountability**

- I. **Acknowledge Racism as a Public Health Crisis:** A necessary first step to advancing racial equity is a formal acknowledgment that structural and institutional racism are pervasive within our government institutions and programs, resulting in stark disparities for Black, indigenous, and people of color (BIPOC). Across the nation, state and local jurisdictions have declared racism to be a public health crisis and committed to action steps with the goal of dismantling structural racism and building a more equitable future. On July 14<sup>th</sup>, 2020, over 200 organizations sent a letter to Governor Newsom urging him to issue an Executive Order declaring racism to be a public health crisis. The unequal and devastating impact of the pandemic highlights the need for immediate recognition from both the Administration and the Legislature that racism is a public health crisis.
- II. **Develop action plans to address identified inequities in health and human services programs:** The California Health and Human Services Agency (CHHS) should develop and utilize a budget request screening tool that identifies the potential for department budget proposals to either exacerbate or alleviate racial inequities. This tool should be used to assess and prioritize budget proposals, and the results should be reported to the Legislature and to the public for consideration throughout the budget process. On an on-going basis, each department must be required to use this tool to identify the impact of racism on key programs serving Californians and to develop solutions to address these inequities. For example, the Department of Health Care Services should review avenues to reduce barriers to Medi-Cal enrollment that have a disproportionate effect on the ability of BIPOC to access health benefits. Several CHHS departments have created equity units or positions that can be leveraged to lead these efforts. The action plans should be presented to the Legislature annually to provide an opportunity for oversight and public input. Ultimately, equity can only be achieved when resources are aligned with our values.
- III. **Invest in developing and scaling anti-racist programs and long-term solutions:** Advancing health equity and dismantling structural racism must include substantial investment. Health disparities persist in no small part as a result of the extreme wealth and income inequality in California coupled with inadequate public investment in BIPOC communities. We propose

supporting the sustainability and expansion of current and effective programs and dedicated resource for future innovations:

- a. Develop a “Racial Justice Innovation Fund” with a minimum annual allocation of \$500 million. The Fund would serve as a catalyst for developing innovative projects in partnership with the legislature related to advancing racial equity. Projects could be proposed by the legislature, state departments, or even by local public agencies or non-profit organizations. Racism has become deeply entrenched over generations and we must be open to new approaches to developing an anti-racist culture and state. In order to foster this creativity, a dedicated pool of ongoing resources is necessary.
- b. Support the sustainability and expansion of current projects at the Office of Health Equity, including the California Reducing Disparities Project. The California Reducing Disparities Project is currently supporting 35 pilot projects, each advancing culturally relevant mental health interventions. The Project is set to end in April 2022. A 3-year, \$50 million investment would allow for continuity and additional planning for sustainability of this work.
- c. “Pay for Equity” in major health and human services programs by tying the use of state dollars to meeting health equity goals. For example, payments to health plans and providers in the Medi-Cal program should be tied to and conditioned upon meeting access, health outcome, and patient experience goals that reduce disparities and advance equity. Furthermore, state programs aimed at diversifying the health care workforce should prioritize the use of loan forgiveness and grant funds for meeting diversity and equity goals.
- d. Leverage inclusive purchasing and procurement with an equity lens done by CHHS to drive forward long-term structural reforms. CHHS delivers health and human services programs to millions of Californians through contracts with private companies totaling billions of dollars. While there is often a need to seek specialized services, we also believe that investments that build the long-term capacity of BIPOC communities should be prioritized. Public dollars most effectively advance equity when the dollars remain in BIPOC communities. CHHS should develop a framework for advancing equity through purchasing and procurement with the following elements:
  - i. *Establish a mechanism of evaluating programmatic needs* to determine whether an investment in public infrastructure could meet the needs as well or better than a contract with private industry. The evaluation mechanism should identify opportunities to develop economic and job opportunities in BIPOC communities, support the capacity of public health and human services agencies, build the infrastructure of local safety net institutions, and promote educational and training opportunities for BIPOC communities. The evaluations should be shared with the Legislature and the public to support oversight of procurement and budget decisions.
  - ii. *Provide technical assistance and start-up financial support* for small minority and women owned businesses and non-profit organizations to support their ability to contract with the state. Both the application process and the financial and operational requirements of managing a state contract present barriers for

minority and women owned businesses, particularly small non-profit organizations.

- IV. **Establish a mechanism of community input and accountability:** We recommend that CHHS establish an advisory taskforce to oversee and provide community input into these and related efforts. The taskforce should be comprised of health equity experts from BIPOC communities and meetings must be open to the public. The Taskforce should advise on the following topics:
- a. Data and data systems,
  - b. Department racial equity action plans (as proposed above),
  - c. Investments of the Racial Justice Innovation Fund (as proposed above), and
  - d. CHHS equity goals and initiatives.

In addition our proposed framework, we offer the following detailed comments and recommendations for ways to strengthen the Administrations' proposals below:

**Part 1: Retrospective Analysis of the Intersection of the COVID-19 Pandemic and Health Disparities and Equity:**

*CHHS Request:* CHHS requests \$1.7 million and one (1) permanent position to conduct a retrospective analysis of the intersection of the COVID-19 pandemic and the health disparities and health inequities that were further perpetuated due to the pandemic. The purpose of this analysis is to help us collectively better understand how health disparities fueled the pandemic and what can be done to prepare for future crisis.

*Our Response:* There is already ample research on the intersection of COVID-19 and the health disparities and health inequities that were further perpetuated due to the pandemic. Latinx and Native Hawaiians or other Pacific Islanders have over three times as many cases of COVID-19 versus their white counterparts. Black people and American Indians or Alaska Natives have nearly double the cases over white people.<sup>1</sup> Although data for Asians suggests a lower case rate, disaggregated data that breaks apart the diverse ethnic groups classified as Asian is not available. Evidence suggests that the burden of COVID-19 is not borne evenly across Asian communities. For example, the Los Angeles Times reported that Filipino Americans were dying at a disproportionately high rate compared to other Asians.<sup>2</sup>

Why is this happening? At the start of COVID-19 Stay at Home orders in March 2020, workers with "essential" jobs maintaining our societal infrastructure and operations were exempted from Stay at Home orders. Often these positions put essential workers at a higher risk of contracting COVID-19.

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<sup>1</sup> Source: US Census Bureau American Community Survey: <https://data.census.gov/cedsci/table?q=ACSDP1Y2019.DP05&g=0400000US06&tid=ACSDP1Y2019.DP05&hidePreview=true>; California Department of Public Health COVID-19 Race and Ethnicity Data: <https://www.cdph.ca.gov/Programs/CID/DCDC/Pages/COVID-19/Race-Ethnicity.aspx>; California's commitment to health equity: <https://covid19.ca.gov/equity/>

<sup>2</sup> "Little Noticed, Filipino Americans are Dying at an Alarming Rate," LA Times, July 21, 2020. <https://www.latimes.com/california/story/2020-07-21/filipino-americans-dying-covid>. The Bulosan Center for Filipinx Studies also reported on the disproportionate impact of COVID-19 on undocumented and migrant Filipinos; <https://bulosancenter.ucdavis.edu/news/covid-19-j1-visa-holders-and-other-precarious-migrants>.

Communities of color hold the largest percentages of essential workers. The Latinx community is the largest group with front-line essential workers, with 55% Latinx people working in these positions. Among Black people, 48% are front-line essential workers while 37% of Asian people are front-line essential workers. White people have the lowest percentage of front-line essential workers at 35% of the white population.<sup>3</sup>

The disproportionate impact of the Coronavirus pandemic on communities of color, will be felt for generations to come. COVID-19 has also caused a significant increase in unemployment that has left families unable to pay their rent. Though there have been federal and state-based efforts to halt evictions, landlords can still file evictions against their tenants due to non-payment, among many other reasons. The pandemic has caused a wave of housing instability among communities of color. Nearly half of all Black tenants are very or somewhat likely to face eviction in the next two months. Only slightly behind are Latinx tenants with almost 40% and Asian tenants at nearly 25% of being very or somewhat likely to face eviction in the next two months.<sup>4</sup>

CHHS' analysis must be more than just an analysis of impacts but should include a detailed and honest assessment of the state's response, gaps and plan of action to strengthen government systems to be more responsive to the needs of vulnerable populations in the future. This gap analysis and plan of action should:

- Span across all CHHS agencies and departments particularly, the Departments of Health Care Services, Department of Public Health, Department of Social Services, Department of Aging, and the Governor's Office of Emergency Services.
- Identify and set concrete timelines to fix deficiencies for example, in the availability of culturally and linguistically appropriate public health information hotlines, online, translated forms and documents for multilingual Californians needing to access public health information or information regarding how to file an unemployment claim.
- Allocate state and federal funds to improve the collection and reporting of demographic data on Californians' access to services across all agencies by age, sex, race, ethnicity, language, sexual orientation and gender identity and disability status to identify disparities and target solutions to address them.
- Allocate state and federal funds to strengthen data interoperability and linkages between state departments (e.g. EDD and Covered California to link the newly unemployed to affordable insurance coverage) and between systems (e.g. health and social services to link Medi-Cal recipients with housing and nutrition supports).

## **Part 2: Language Access Policy Framework:**

*CHHS' Proposal:* CHHS requests budget resources to support two (2) limited-term positions to develop and implement an agency-wide language access policy and protocol framework that considers legal

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<sup>3</sup> Source: Front-line Essential Jobs in California: A Profile of Job and Worker Characteristics (<https://laborcenter.berkeley.edu/front-line-essential-jobs-in-california-a-profile-of-job-and-worker-characteristics/>)

<sup>4</sup> Source: US Census Bureau Household Pulse Survey: <https://www.census.gov/data/tables/2020/demo/hhp/hhp19.html#tables>

compliance; operational aspects of translation and interpretation; bilingual staff testing, classification, and related human resources requirements; and engagement with community stakeholders and partners.

*Our Response:* We are pleased to see the Administration prioritizing the development and implementation of an agency-wide language access policy and protocol framework. California's population is diverse; over 40% speak a language other than English at home. At least one in three Medi-Cal beneficiaries speaks a language other than English as their primary language.<sup>5</sup>

While we appreciate this investment by CHHS, advocates have proposed various solutions for how to strengthen language assistance services for diverse Californians. In 2019 for example, we co-sponsored, AB 318 (Chu) which would have required that Medi-Cal materials be field tested by native speakers through focus groups or outreach from community-based organizations. Such review of documents is not unprecedented. Some Medi-Cal managed care plans have already undergone more extensive community reviews of some of their materials.<sup>6</sup> Covered California included community review in its most recent translation contract.<sup>7</sup> DHCS' Medi-Cal Managed Care policy division has strongly encouraged plans to conduct field testing of translated forms and materials since at least 1999, but it is still not a requirement.<sup>8</sup> Additionally, the Department has at times sought input from volunteers within the consumer advocacy network to review translated materials, though advocates often do not have enough resources, lead time or internal capacity to adequately field test. There has been several years of attempted legislation on the issue and extensive input by the community into CHHS' listening sessions. We believe the state has the data and information it needs to move forward.

- **Budget Request: We request an augmentation of CHHS' budget request for Language Access Resources to include one-time funds of \$1 million for field testing of translated Medi-Cal materials, and ongoing funds of \$30,000 for additional field testing to maintain integrity of translated forms and notices**

### Part 3: Equity Dashboard

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<sup>5</sup> See e.g. *MEDI-CAL STATISTICAL BRIEF: Frequency of Threshold Language Speakers in the Medi-Cal Population by County for December 2013* finding 40% of Medi-Cal recipients speaking a language other than English as their primary language. The document is no longer on DHCS's website but can be accessed by entering [https://www.dhcs.ca.gov/dataandstats/statistics/documents/rasb\\_issue\\_brief\\_annual\\_threshold\\_language\\_report.pdf](https://www.dhcs.ca.gov/dataandstats/statistics/documents/rasb_issue_brief_annual_threshold_language_report.pdf) at [web.archive.org](http://web.archive.org) and clicking on one of the captured snapshots.

<sup>6</sup> See e.g. CalOptima's presentation on lessons learned that includes community reviews of materials in English, Spanish, and Vietnamese available at <https://www.iha4health.org/wp-content/uploads/2015/03/Learned-Lessons-from-Implementation-of-Californias-State-Policy-on-Readability-and-Suitability-of-Written-Health-Education-Materials.pdf>

<sup>7</sup> See the contract requirements in the model contract for RFP 2017-17 under Exhibit A, Scope of Work available at <https://hbex.coveredca.com/solicitations/RFP-2017-17/downloads/Model-Contract-5.2.18.zip>

<sup>8</sup> DHCS MMCD Policy Letter 99-04. <https://www.dhcs.ca.gov/formsandpubs/Documents/MMCDAPLsandPolicyLetters/PL1999/MMCDPL99004.pdf>

*CHHS/DHCS Proposal:* CHHS and DHCS request a combined \$4.2 million and eight (8) positions to develop an equity dashboard across the health and human services programs to identify data gaps by race, ethnicity, sexual orientation and gender identity. The collection and integration of data helps to identify how we can collect better data, close disparities, and expand program participation.

*Our Response:* We appreciate CHHS and DHCS' proposal to develop an equity dashboard across health and human services programs to identify data gaps for race, ethnicity, sexual orientation and gender identity. As we have previously stated, we would like to better understand how this dashboard and analysis that is being developed by CHHS and DHCS will effect meaningful change.

Groups like CPEHN and WCLP have made repeated requests to DHCS for stronger requirements in terms of the collection and reporting of demographic data on beneficiaries in Medi-Cal managed care. We understand that DHCS' Medi-Cal Eligibility Data System (MEDS) is currently limited in the degree to which it is able to disaggregate patient demographic data particularly by race, ethnicity and language which has impeded the state's ability to properly support state and regional equity initiatives.

- **Budget request: We now request that part of the \$4.2 million requested by CHHS to develop an equity dashboard to identify gaps across health and human services programs by race, ethnicity, sexual orientation and gender identity, be used to upgrade DHCS' Medi-Cal Eligibility Data system to allow for the collection and reporting of data on disability status and more granular demographic data on age, race, ethnicity, language, sexual orientation, gender identity and disability status by DHCS and Medi-Cal managed care plans using the federal 2015 Office of National Coordinator for HIT standards for electronic health records. The 2015 ONC standards also include data on behavioral and social risk factors which includes but is not limited to data on behavioral health conditions, ACES, domestic violence, access to housing and nutrition supports. Collection and reporting of this data will allow DHCS to set year-over-year targets for quality improvement and disparities reduction in Medi-Cal managed care and provide greater oversight of managed care plans under the new Population Health Management requirements in CalAIM.**

#### **Part 4: Workforce Training:**

*CHHS proposal:* CHHS requests a total of \$5 million over two years to expand training opportunities to staff of CHHS departments and offices to identify and eliminate the barriers to an inclusive, just system, and affirmatively build a more sustainable society and to create transformative change toward a more equitable state.

*Our response:* We appreciate CHHS' proposal for funds for CHHS department staff training. As noted above, advocates have identified various opportunities for CHHS departments to improve systems to ensure they are more equitable for populations in need.

- We would support a funding allocation geared towards simplifying state contracting and payment mechanisms to make it easier for small, community-based health care providers and organizations that assist with health navigation or social services, to contract with Medi-Cal to provide team-based care and engage in efforts to address the social determinants of health. As an industry, the health care system significantly influences not just the health of its members but the social determinants of health via job and economic opportunities. DHCS, Covered

California and other purchasers should require these types of equitable contracting practices as they have the added benefit of ensuring greater provider diversity while at the same time, helping to build additional economic investment and employment opportunities in communities of color and the surrounding communities.

- We would also support an allocation for the adoption of a human-centered design (HCD) process that would improve service delivery and program efficiency, build capacity and encourage work across silos as an important way for CHHS to target limited resources to areas where it can have the greatest impact. This strategy has proven successful at the state and local levels. For example, California’s Department of Social Services used HCD to eliminate barriers to accessing and using CalFRESH, California’s food assistance program. Through HCD, the state designed online and mobile applications that offer an improved user experience, for example, by allowing users to transmit documents by taking photos of them with their phone than sending them via fax, scan, or snail mail, and reducing the time it takes to complete the application to less than 10 minutes.

**Conclusion:**

We appreciate the Administration’s commitment and focus on this initiative which seeks to achieve health equity. We look forward to partnering with CHHS/DHCS and the Legislature to enhance the BCP to ensure the state can meet the aspirational goals of this initiative, while continuing to work on broader proposals for more significant investments that are necessary for our state to actually achieve health equity and improve health outcomes for communities of color.

Please contact Ronald Coleman at [rcoleman@cpehn.org](mailto:rcoleman@cpehn.org) or Linda Nguy at [lnguy@wclp.org](mailto:lnguy@wclp.org) if you have any questions.

Sincerely,

List of Orgs