
February 8, 2022

Governor Gavin Newsom
1303 10th Street, Suite 1173
Sacramento, CA 95814

Re: TCP Response to the 2022-2023 Budget Proposal

Dear Governor Newsom:

The Children's Partnership (TCP), a California-based children's advocacy organization, envisions a California where all children—regardless of their race, ethnicity or place of birth—have the resources and opportunities they need to grow up healthy and thrive, and its mission is to advance this vision of child health equity through research, policy and community engagement. TCP is greatly appreciative of your 2022-2023 state budget proposal. From its onset, your administration has focused on the advancement of policies and investments that support California's marginalized children and their families and this budget is no exception.

As we work together to build a California for All, we believe the foundational elements necessary to advancing child health equity for children of color and their families includes investments that (1) support healthy children and youth, including improved mental health through family and community-centered healing; (2) ensure families are strong, well-connected and economically stable; and (3) create safe and welcoming communities.

Your budget proposal moves forward our shared commitment to a whole child approach that considers a child's full range of needs, making progress on the Children and Youth Behavioral Health Initiative, CalAIM and putting forward an expansion of health coverage for all that will lead us towards improving the lives of California's most marginalized families. We are confident that working in partnership with the Legislature, the proposal can be strengthened to further ensure the health and well-being of California's children and their families in the budget year and beyond.

RECOMMENDATIONS

According to multiple federal and state surveys, families are missing critical health care appointments for their children, including during critical stages of development like early childhood. Unmet health, dental, and mental health needs can result in developmental delays in children that affect their health, social, and academic outcomes, and low-income children and children of color, in particular, face greater barriers to getting needed care and exhibit critical health inequities. While the proposed budget leads with investments responsive to the

continued crises being experienced by children and families, **a commitment to healthy children** can be further strengthened through additional investments in:

- **Early childhood mental health.** The Children & Youth Behavioral Health Initiative (CYBHI) offers the promise of transforming and vastly expanding children’s mental health services. However, the CYBHI may miss serving the critical needs of infants and toddlers, as the majority of funding directed to programs rely on partnerships with TK-12 school settings. Complementary to the CYBHI, TCP recommends expanding infant and early childhood mental health and trauma-informed care investments with no less than \$250 million in additional General Fund spending on top of the \$4.4 billion approved last year. The proposed \$250 million expansion would serve young children ages 0 to 5 and their families through a variety of community-based interventions, including Infant and Early Childhood Mental Health Consultations (IECMHC), an evidence-based approach that has been identified as a way to address rates of preschool suspension and expulsion, and improves children’s social-emotional wellbeing. The expanded investments should also be directed toward early childhood provider training and support so that the spectrum of professionals serving young children and their families can respond to and address the socioemotional and behavioral health needs of young children.
- **Multi-year continuous Medi-Cal coverage for children.** Providing multi-year coverage for every child until their fifth birthday will remove barriers to enrollment for families and help California effectively respond to Medi-Cal’s historically low preventive care rates for children, which the pandemic has further exacerbated. Stable coverage is particularly critical for young children when frequent well-child care is most important for healthy early childhood development. Additionally, this commitment to keeping children covered will help ease the state’s efforts to smoothly unwind the public health emergency provisions.
- **Funding for community health workers to be trained in child health.** With the inclusion of Community Health Workers and Promotores (CHW/P) as a Medi-Cal benefit in the proposed State Plan Amendment (SPA), we look forward to working with the administration to create a dedicated community health worker benefit that is available to all children enrolled in Medi-Cal and works to meet children’s unique needs. We are excited about the Governor’s additional budget investments to recruit, train and certify 25,000 new community health workers by 2025 in climate health, homelessness and dementia to meet the goal of a more ethnically and culturally inclusive workforce by 2025. However, we also ask for additional funding for CHW/Ps to be recruited, trained and certified in child health in order to address access and equity gaps in children’s preventive services and invest upstream to prevent health inequities from occurring later in life.

Additionally, the COVID-19 pandemic continues to disproportionately devastate California’s Latinx, Black, Pacific Islander and immigrant families with severe health and economic consequences, disrupting the stability of children and families across the state. **Families are their strongest when they are economically stable and connected to resources** that support their health and well-being and that of their children. TCP believes the following investments

are critical responses to the challenging climate experienced by children and families that is further exacerbated by the ongoing COVID-19 pandemic:

- **Financial support for children who have lost family members due to COVID-19.** As of January 1, 2021, there are estimated to be nearly 20,000 California children who lost at least one parent or primary caregiver to COVID-19 and are left with significantly reduced financial support. These children are in dire need of financial support to recover. We urge the Governor to include funding in the form of tax credits, cash payments, bonds or other vehicles to help support the economic stability of these children.

Finally, children need an environment that is safe, stable and nurturing, and we have the opportunity to improve the multiple systems serving children in order to create more supportive communities. As we envision a better future for all Californians, especially our most impacted communities, we must reimagine where our children grow, play and learn. In doing so, we must reimagine how we fund our education, health care and social systems, and how those systems serve our children and families, in order to create more nurturing environments. **Support for safe and welcoming communities** can be further strengthened with the following investments:

- **Increase access to place-based services and supports.** Children are able to thrive when their families have access to the tools and resources necessary for a healthy and nurturing environment in the communities they live. During times of crisis, a team of providers, legal advocates and family specialists offers a family the concrete support and services that address a family's needs and help minimize stress caused by challenges, particularly those that have arisen as a result of the pandemic. The budget should further prioritize communities who face the greatest challenges to their health by increasing access to multi-generational, place-based services and programs like community schools, medical-legal partnerships, wellness centers, school-based health clinics and other models that address myriad child and family needs by coordinating health, education, social and legal services directly where children spend their most time (at schools and early learning and care centers).
- **Funding for school-based telehealth guidelines.** We applaud your establishment of the Office of School-Based Health in last year's budget. We recommend additional funding for the Office to advance access to mental health services through the creation of statewide telehealth school-based guidelines. Schools are critical settings for provision of health services for students and strengthening their capacity to utilize telehealth will help bring care to where children are. The Office itself was funded at \$700,000 in the 2021-22 budget year, which unfortunately does not provide the resources needed for the development of telehealth guidelines that the office is charged with creating by January 1, 2023, as well as the execution of a meaningful stakeholder process that includes collaboration among multiple departments that serve children, including the Department of Health Care Services.
- **Declare racism a public health crisis.** Racism continues to shape the conditions in which children live, learn, develop and play and is a barrier to advancing health equity. These declarations are an important first step to advancing racial equity and justice and must

be followed by allocation of resources and strategic action. Since 2019, policymakers from more than 50 municipalities and three states have formally highlighted racism as a public health crisis. We urge Governor Newsom to follow their lead and do the same.

CONTINUING THE COMMITMENT

While we believe our recommendations will strengthen California's commitment to children and families, your 2022-2023 budget proposal is a promising step toward addressing the pressing needs of children and families facing the greatest challenges during this time. As negotiations continue, TCP will work to make sure the following investments remain in the budget package:

- **The extension of Adverse Childhood Experiences (ACES) Provider Training with \$135.1 million over three-years to extend Medi-Cal provider training for ACEs screenings.** Research tells us that exposure to racism and discrimination act as risk factors for the development of the toxic stress response in a variety of ways. Training those supporting children to identify their needs supports a health care system of prevention and early intervention.
- **The elimination of premiums for Medi-Cal children and pregnant individuals,** which are critical to promoting continued health care coverage by removing financial obstacles that make it difficult for children and families to keep their coverage.
- **The expansion of the Home Visiting Program and the California Black Infant Health Program.** The inclusion of \$50 million ongoing General Fund to expand the California Home Visiting Program and the California Black Infant Health Program is a critical investment in addressing support for Black infants and Black mothers who experience the highest rates of mortality compared to other races, regardless of income. Black women are four times more likely than white women to die from complications of pregnancy and birth, and Black infants are almost three times more likely to die than white infants. Strengthening every possible intervention to support Black mothers and babies is vital for California's commitment to equity.
- **Support for declining Proposition 56 revenues to promote well-child care.** Additional resources in the form of a supplement of \$176 million in General Fund revenues will support a critical workforce for promoting preventive and early interventive services for children. While we work to strengthen access and equity in Medi-Cal, continuation of these incentive payments can increase childhood screenings and well-child visits, where immunizations often occur, at a time when children's preventive care is lagging.
- **Universal access to health coverage for all income-eligible Californians regardless of their immigration status.** In 2015, California removed immigration status as an eligibility barrier for Californian children to access full-scope Medi-Cal. The success of Health4All Kids has ensured that over 250,000 children have enrolled in life-saving, comprehensive health coverage. However, the adults they rely on continue to lack access to health care. This reality has tremendous health and economic impacts on California children, where nearly 1 in 6 have at least one undocumented parent, and whose health often mirrors the health of their parents and caregivers. California's health care system is stronger and more cost-efficient when we detect and treat preventable conditions early.

Ensuring that all Californians can count on routine and preventive medical care is vital to the well-being and long-term sustainability of our state.

- **Restoration of grant funding for Tribal Health Programs, which provide health care services to American Indian (AI) populations, both on tribal land and in urban areas, and operate in designated Health Professional Shortage Areas.** In California, there are at least 199,642 children and youth under 18 who identify as American Indian/Alaska Native (AI/AN), including those who also identify with another race or ethnicity, making up just over 2% of the state's 9 million children. Restoring grant funding for Tribal Health Programs could expand health care services to the remaining 5,400 children currently eligible, but not enrolled in health coverage.
- **Expansion of the California Food Assistance Program (CFAP) to Californians age 55 and older.** In order to effectively address increasing food insecurity, reduce poverty and homelessness, and support California's recovery from the impact of COVID-19, CFAP should be expanded to all Californians, regardless of immigration status. In a state where half of all children have at least one parent who was born outside of the US, ensuring every member of the family is financially secure, housed and fed can help predict better social and educational outcomes for children later in life. Additionally, grandparents in the U.S. care for 1 out of 4 children under the age of five. 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.
- **Expansion of the Young Child Tax Credit (CTC).** The Young CTC will provide a \$1,000 refundable tax credit to low-income earners with a child age 5 or younger to families that file returns without income, allowing more families to benefit, and indexing the credit to inflation, which will prevent the erosion of its value. Tax credits are critical in protecting the health and well-being of children. Income significantly contributes to opportunities for good health. A recent study found that cash stipends provided to mothers for the first year of their children's lives appears to have changed the babies' brain activity in ways associated with stronger cognitive development.
- **Creation of the Foster Youth Tax Credit.** In its first one-of-a-kind policy, the Foster Youth Tax Credit would provide young adults ages 18 to 25 in California a \$1,000 check if they spent at least one day in foster care after age 13. Foster youth transitioning to adulthood face serious instability in their lives. Bringing stability to these youth as they adjust in the transition to adulthood supports their economic and wellbeing projections long after they receive these funds.
- **Continued investment in universal meals program & nutrition.** Included in the proposal is \$596 million for the state to take on the costs of the universal meals program, replacing current federal funds as well as \$3 million for the School Breakfast and Summer Meal Start-Up and Expansion Grant Program. In the Spring of 2020, TCP partnered with The Education Trust West, an education justice organization in California, on a survey of 600 families with young children, when the COVID-19 pandemic began, and found that over 1 in 3 parents had skipped or reduced the size of their own meals. Additionally, over 1 in 2 parents worried about not being able to afford basic expenses like healthcare, food and housing. Investing in meal and nutrition programs in a sustainable manner creates healthy environments in which children and families can reach their full potential.

- **Expand broadband infrastructure through a \$6 billion investment over three years as part of a statewide plan, an effort first enacted through last year's state budget.** This investment intends to increase affordability and enhance access to broadband for all Californians.
- **Support for new arrivals and border communities with pandemic response.** The budget provides \$74 million to support continued COVID-19 pandemic response and humanitarian efforts for newly arrived migrants and local border communities. Creating safe and welcoming communities for our children starts with how we treat individuals seeking a better life for themselves and their families at our borders. Research tells us that children who experience or witness immigration-related arrests, detentions and deportations of family members experience negative psychological outcomes as well as material hardship.
- **Provide all children a stable family.** We applaud the inclusion of \$1 million in ongoing resources for the California Department of Social Services (CDSS) to provide additional technical assistance and training to counties in meeting the need for children in foster care and unaccompanied minors to be connected to a permanent family. Children experience a series of tribulations as a result of migration or contact with the child welfare system. These youth experience many issues that result from complex trauma—exposure to multiple traumatic incidents that are often repeated, prolonged and extreme, and can affect child physical and mental development. Addressing the unique needs of these youth when they arrive or come in contact with a public system, in a manner that addresses their best interests, helps their severely compromised trajectory. Funding the sustainability of programming as well as working across agencies will support children to reach their full potential.

We are excited by the prospect of further improving upon this strong budget proposal and look forward to working with the Administration and Legislature to advance solutions in the best interests of California's children and our communities.

Please contact Aracely Navarro, Director, Government & Community Relations at anavarro@childrenspartnership.org or (916) 838-7295 if you have any questions about our state budget priorities.

Sincerely,



Mayra E. Alvarez, MHA
President

cc: Richard Figueroa, Office of Governor Gavin Newsom
Tam Ma, Office of Governor Gavin Newsom
Nichole Muñoz-Murillo, Office of Governor Gavin Newsom
Giannina Pérez, Governor's Office, Senior Advisor on Early Childhood

Keely Bosler, Director, Department of Finance
Adam Dorsey, Program Budget Manager, Department of Finance
Christopher Ferguson, Program Budget Manager, Department of Finance
Dr. Mark Ghaly, Secretary, Health and Human Services Agency
Michelle Baass, Director, California Department of Health Care Services
Jacey Cooper, DHCS, Chief Deputy Director, Health Care Programs
Tony Thurmond, State Superintendent of Public Instruction
Jonathon Howard, Legislative Representative, Office of the State Superintendent of Public Instruction