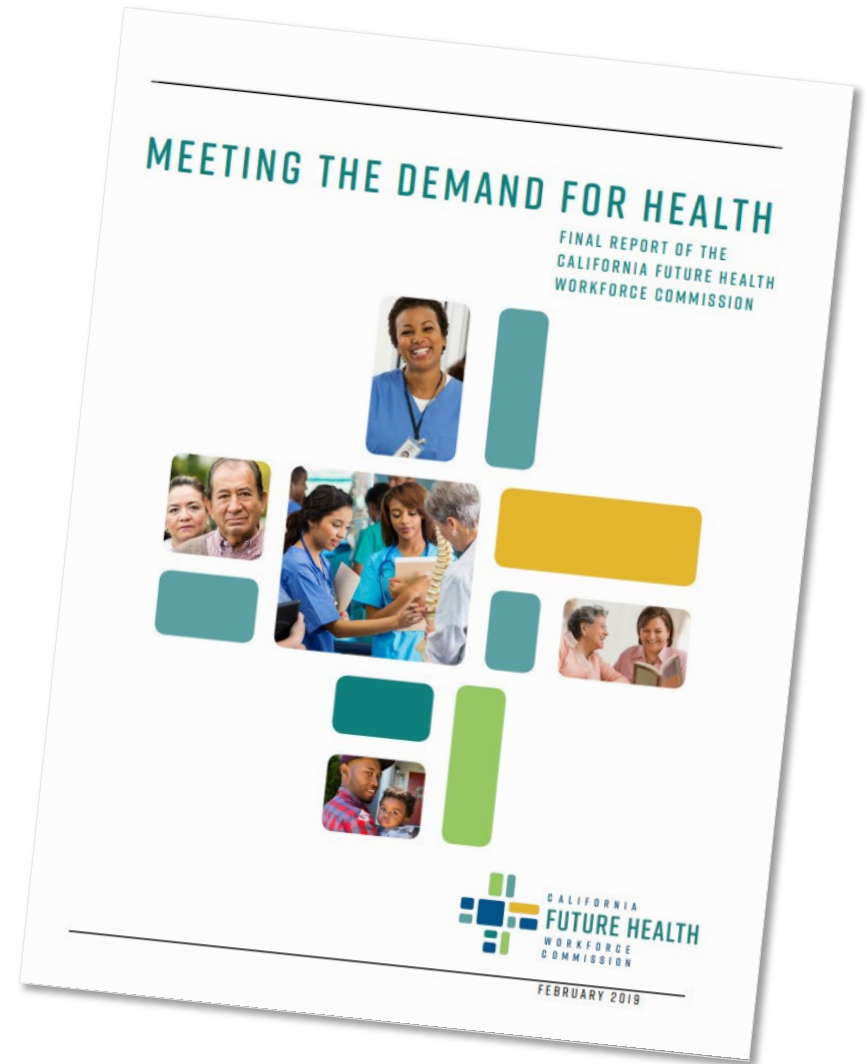




CHCF

Progress Since the California Future Health Workforce Commission: State Policy and Budget Actions on Priority Recommendations

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Introduction

California has a severe workforce shortage, with too few of the right types of health workers in the right places to meet the needs of the population. Millions of Californians struggle to access the care they need, and the COVID-19 pandemic has made it clear that under-resourced communities and communities of color are hit hardest by an inadequate workforce. The aging of a generation of baby boomers will exacerbate the shortages in primary care, behavioral health care, and among workers who care for older adults.

Launched in December 2017, the [California Future Health Workforce Commission](#) was charged with developing a strategic plan for building the future health workforce of California and identifying practical short-, medium-, and long-term solutions for education, employers, and the state to address both immediate and longer-term workforce gaps. The Commission was cochaired by Janet Napolitano, then president of the University of California, and Lloyd Dean, CEO of CommonSpirit Health, and supported by two dozen senior-level leaders in education, labor, industry, and government and hundreds of technical workgroup participants.

In February 2019, the Commission issued its final report. Commissioners endorsed 37 recommendations to improve the supply, distribution, and diversity of California's health workforce including 10 priorities for immediate action and implementation. If implemented, the recommendations would create 47,000 new health workers, eliminate the state's primary care provider shortage and nearly eliminate the shortage of psychiatrists by 2030, put 60,000 students on the health professions path, stimulate training and continued service in underresourced communities throughout California, and create meaningful career ladders and advancement opportunities for frontline workers.

The Commission's recommendations have gained considerable attention from state policymakers, and the COVID-19 pandemic has underscored the cost of inaction, particularly for under-resourced communities and communities of color. *Progress Since the California Future Health Workforce Commission: State Policy and Budget Actions on Priority Recommendations* examines the significant state budget and policy actions that have been enacted to advance the Commission's priority recommendations since the report was published.

This presentation is available online at www.chcf.org/publication/progress-california-future-health-workforce-commission.



Key Findings

- In the three years since the Commission issued its recommendations, and during a tumultuous period in which the state has had to grapple with significant health and economic impacts of the COVID-19 pandemic, the state has invested over a quarter of the nearly \$3 billion of investments recommended by the Commission for its 10 highest priority recommendations. Most of the investments are occurring in the 2021–22 budget year with funds to be expended over multiple years.
- California lawmakers expanded scope of practice for nurse practitioners and created several new reimbursable provider types, such as community health workers, that will have significant long-term effects on strengthening the community-connected workforce. California has also invested heavily in the mental health workforce, including creating new types of behavioral health positions for children and youth.
- California also made substantial investments in physician residencies, with an emphasis on psychiatry. This recommendation constituted approximately half of the estimated Commission costs for needed investments by 2030.
- The budget also invested in elevating locus of management and oversight for state-supported health workforce programs from the Office of Statewide Health Planning and Development (OSHPD) to a newly established Department of Health Care Access and Information (HCAI).
- If similar levels of state investment in the health workforce are made through 2030, the Commission’s priority goals could be met. However, investments to date across the Commission’s 10 priority recommendations have been uneven, and some recent state investments advance other Commission recommendations.
- In his proposed budget for FY 2022-23, Governor Newsom would build on the investments described in this report with an additional \$1.7 billion for health and human services workforce efforts, including many that would advance the Commission’s priority recommendations.
- Investments and actions to advance the health care workforce taken by the federal government and others are largely beyond the scope of this review. It is worth noting, however, that the American Rescue Plan Act invests \$7 billion in expanding the nation’s public health infrastructure.

Amounts herein reflect state general fund expenditures unless otherwise noted.

Progress on the Commission's Priority Recommendations

The Commission adopted three strategies and 37 recommendations, including 10 priority recommendations. California has made significant progress through the state budget and policy process on many of the priority recommendations, although progress has been uneven.



Recommendation	Status
Strategy 1: Increase opportunity for all Californians to advance in the health professions.	
Expand and scale pipeline programs to recruit and prepare students from underrepresented and low-income backgrounds for health careers.	Substantial progress
Recruit and support college students, including community college students, from underrepresented regions and backgrounds to pursue health careers.	Substantial progress
Provide scholarships for qualified students who pursue priority health professions and serve in underserved communities.	Some progress
Strategy 2: Align and expand education and training to prepare health workers to meet California's health needs.	
Sustain and expand the PRIME program across UC campuses.	Some progress
Recruit and train students from rural areas and other underresourced communities to practice in community health centers in their home regions.	Little or no progress
Expand the number of primary care physician and psychiatry residency positions.	Substantial progress
Strategy 3: Strengthen the capacity, effectiveness, well-being, and retention of the health workforce.	
Maximize the role of nurse practitioners as part of the care team to help fill gaps in primary care.	Substantial progress
Establish and scale a universal home care worker family of jobs with career ladders and associated training.	Little or no progress
Develop a psychiatric nurse practitioner program that recruits from and trains providers to serve in underserved rural and urban communities.	Some progress
Scale the engagement of community health workers, <i>promotores</i> , and peer providers through certification, training, and reimbursement.	Substantial progress

Strategy 1: Increase opportunity for all Californians to advance in the health professions.

Recommendation	State Actions
<p>Expand and scale pipeline programs to recruit and prepare students from underrepresented and low-income backgrounds for health careers.</p> <p>Estimated 10-year cost: \$60.2 million</p> <p>Status: Substantial progress</p>	<p>\$10.5 million in one-time support to pilot the California Medicine Scholars Program, providing resources for a regional pipeline to prepare community college students for careers as primary care physicians in underserved communities; passed in budget year 2021–22. With state funding, each of four Regional Hubs of Healthcare Opportunity are expected to recruit and select 50 California Medicine Scholars each year for three years.</p>
<p>Recruit and support college students, including community college students, from underrepresented regions and backgrounds to pursue health careers.</p> <p>Estimated 10-year cost: \$159 million</p> <p>Status: Substantial progress</p>	<p>\$16 million in general fund support passed in the FY 2021–22 budget for the Health Career Opportunity Program (HCOP), with ongoing support through an excise tax on electronic cigarettes (SB 395). Five percent of the tax revenues dedicated for this program will generate an estimated \$1.5 million annually. HCOP will be administered by HCAI and implemented at colleges and universities, with priority given to campuses in medically underserved areas or with students from groups underrepresented in medicine, demonstrated commitment to diversity and associated institutional change, a track record of providing tailored student support, and strong health professions school partnerships.</p>
<p>Support scholarships for qualified students who pursue priority health professions and serve in underserved communities.</p> <p>Estimated 10-year cost: \$479.8 million</p> <p>Status: Some progress</p>	<p>\$47 million for state scholarship and student loan repayment programs for state mental health workforce programs; passed in budget year 2019–20</p> <ul style="list-style-type: none"> 2019–20: approximately 730 awards, \$11.8 million awarded 2020–21: approximately 460 awards, \$9.5 million awarded 2021–22: application cycles still in progress <p>\$2.7 million for psychiatry fellowships for primary care and emergency clinicians who provide care to underserved populations; passed in budget year 2019–20. Awarded 163 psychiatric fellowship scholarships.</p>



Strategy 2: Align and expand education and training to prepare health workers to meeting California’s health needs.

Recommendation	State Actions
<p>Sustain and expand UC Programs in Medical Education (PRIME) across UC campuses.</p> <p>Estimated 10-year cost: \$93.5 million</p> <p>Status: Some progress</p>	<p>\$12.9 million one-time support and expansion for PRIME programs; passed budget year 2021-22. PRIME is a University of California systemwide initiative that includes six unique programs focused on meeting the health care needs of California’s underserved communities. Each program includes mentoring, advanced independent study and clinical training experiences. Funds will support enrollment of 489 students through enrollment growth in the six existing PRIME programs and the launch two new programs focused on the needs of American Indian and Alaska Native and Black communities. One-third of the total funds received would be used to augment need-based financial aid for PRIME students.</p>
<p>Recruit and train students from rural areas and other under-resourced communities to practice in community health centers in their home regions.</p> <p>Estimated 10-year cost: \$64.4 million</p> <p>Status: Little or no progress</p>	<p>Some progress toward this goal will be made by the California Medicine Scholars Program, which will include students who will be supported to work in clinics in their home region.</p>

Strategy 2: Align and expand education and training to prepare health workers to meet California’s health needs. (cont’d)

Recommendation	State Actions
<p>Expand number of primary care physician and psychiatric residency positions.</p> <p>Estimated 10-year cost: \$1.562 billion</p> <p>Status: Substantial progress</p>	<p>\$308 million in 2021–22 to HCAI to increase behavioral health workforce capacity for children and youth, with a focus on expanding capacity for substance use disorder (SUD) treatment. Funding may provide grants to expand existing Workforce Education and Training (WET) psychiatric residency programs or to support new “Earn and Learn” apprenticeship programs for SUD counselors. Funds can also be used to provide training to existing behavioral health staff. Funds for WET are available for expenditure through 2025–26. Funding is split among state-administered WET programs and local WET programs administered by regional partnerships of county mental health agencies that require a 33% match. See the list of FY 2020–21 awards (PDF) for psychiatric residency and psychiatric mental health nurse practitioner programs.</p> <p>\$60 million one-time support for primary care residency programs through the Song-Brown program; passed in 2021–22 budget.</p> <ul style="list-style-type: none"> • \$10 million for RN programs: application cycle still in progress • \$50 million for new primary care residency programs: expected application cycle early 2022 <p>\$60 million one-time funds to implement the 2020–25 Mental Health Services Act Workforce and Education Training (WET) Five Year Plan; passed in 2019–20 budget (\$25 million general fund and \$35 million from the Mental Health Services Act)</p> <p>\$2.7 million one-time support for pediatric residencies through the Song-Brown program; passed in 2019–20 budget; eight awards to children’s hospitals for \$250K each</p>

Strategy 3: Strengthen the capacity, effectiveness and well-being and retention of the health workforce.

Recommendation	State Actions
<p>Maximize roles as nurse practitioners as part of care team to help fill gaps in primary care.</p> <p>Estimated 10-year cost: \$462.2 million</p> <p>Status: Substantial progress</p>	<p>Authorized nurse practitioners (NPs) to provide specified services without physician supervision if the NP meets additional education, examination, and training requirements (AB 890). Enacted in 2020 and scheduled to begin January 2023 under the Board of Registered Nursing. Draft regulations are expected to be issued in early 2022.</p>
<p>Establish and scale a universal home care worker family of jobs with career ladders and associated training.</p> <p>Estimated 10-year cost: \$7 million</p> <p>Status: Little or no progress</p>	<p>No state budget or policy actions taken.</p>
<p>Develop a psychiatric nurse practitioner program that recruits from and trains providers to serve in underserved rural and urban communities.</p> <p>Estimated 10-year cost: \$24.6 million</p> <p>Status: Some progress</p>	<p>The state’s Workforce Education and Training investments (see slide 7) include \$4.4 million awarded to four schools to train psychiatric mental health nurse practitioners in 2020–21; passed in budget year 2019–20.</p>

Strategy 3: Strengthen the capacity, effectiveness and well-being and retention of the health workforce. (cont'd)

Recommendation	State Actions
<p>Scale the engagement of community health workers, <i>promotores</i>, and peer providers through certification, training, and reimbursement.</p> <p>Estimated 10-year cost: \$68 million</p> <p>Status: Substantial progress</p>	<p>\$6.2 million in 2021–22 (\$16.3 million total funds) authorizes community health workers (CHWs) to provide Medi-Cal benefits through the Department of Health Care Services as a new provider type. CHWs work directly with those who may have difficulty understanding or interacting with health care providers due to cultural or language barriers. Costs to the Medi-Cal program are expected to ramp up over time, reaching \$76 million (\$201 million total funds) ongoing beginning 2026–27.</p> <p>\$267 million in 2021–22 budget to HCAI for behavioral health counselors and coaches targeting children and youth; total costs projected at \$338.3 million across the initiative’s five years. Funding will expand the supply of behavioral health counselors, peer support specialists, and other allied health care providers providing behavioral health treatment to children and youth, including at school sites. A new type of provider — the behavioral health coach — will provide a variety of services (such as crisis de-escalation, safety planning, and motivational interviewing) under the supervision of licensed behavioral health staff.</p>

Other Notable State Workforce Investments

California has made numerous other investments to expand and strengthen the state’s health care workforce. Among them:

- The Office of Statewide Planning and Development (OSHPD) is being elevated and reorganized into the Department of Health Care Access and Information (HCAI). Funds for reorganization included \$574,000 (\$6.3 million total funds) in 2021–22 and \$486,000 (\$3.9 million total) beginning in 2022–23. In addition to administering some of the programs mentioned previously (e.g., CMSP), HCAI’s responsibilities include these:
 - **California Health Workforce Research and Data Center** — to serve as the state’s central source of health care workforce and education data and to inform state policy regarding health care workforce issues. Establishes uniform requirements for the reporting and collection of workforce data from health care–related licensing boards to the data center and makes related conforming changes. Requires the department to maintain the confidentiality of licensee information collected pursuant to these provisions and would only authorize the department to release the information in aggregate form.
 - **California Health Workforce Education and Training Council** — to plan and coordinate California’s approach to health workforce education and training. Responsibilities include advocating for additional funds and additional sources of funds to stimulate graduate medical education expansion in California.
 - **Behavioral health workforce for children and youth:** \$25 million in 2021–22 and \$6.3 million in 2022–23 for operations associated with the initiative. Total costs projected at \$35 million across the initiative’s five years.
- \$50 million one-time funding for the Charles R. Drew University medical education program*
- \$50 million one-time funding for UC Riverside School of Medicine facilities†
- \$45.5 million one-time support for certified nursing assistant training
- \$8 million one-time support for geriatricians practicing in underserved areas to access existing loan repayment programs, including primary care physicians

State policymakers also included several *general* workforce investments (not specific to health) in the 2021–22 budget. These range from certain programs to a Community Economic Resilience Fund to provide support for the state’s Employment Training Panel.

* Develop a four-year medical education program at Charles R. Drew University of Medicine and Science was a Commission recommendation, #2.5.
† Expand medical school enrollment at public institutions for the benefit of medically underserved areas was a Commission recommendation, #2.4. A [June 2020 UCR news release](#) noted that the budget allocation from that year will help the school double its enrollment over several years from 250 to 500 medical doctors in training. (Presumably, that figure would approximately double with the second budget allocation in 2021–22.)



Investments in the Governor's Proposed FY 2022-23 Budget

For FY 2022-23, Governor Newsom would build upon investments made in the last three years with \$1.7 billion for health and human services workforce efforts. His January proposal includes the following:

- \$350 million to recruit, train, and certify 25,000 new community health workers by 2025.
- \$340 million for training and career advancement programs for people with barriers to employment by building partnerships and pathways for family-sustaining health care jobs.
- \$270 million to increase the number of registered nurses, licensed vocational nurses, certified nursing assistants, certified nurse midwives, certified medical assistants, family nurse practitioners, and other health professionals.
- \$210 million to support social work training programs and provide stipends and scholarships to create a new pipeline for diverse social workers.
- \$130 million one-time funds from Proposition 98 to support health care-focused vocational pathways for English language learners.
- \$120 million to create training programs for psychiatric residents, psychiatric mental health nurse practitioners, psychology interns/fellows, and psychiatric nurses.
- \$90 million for the Employment Training Panel to support job entry and career advancement for entry-level and other workers in health and human service settings, with \$40 million intended for social worker training.
- \$60 million to expand scholarships and loan repayment programs in health care and social work for multilingual applicants.
- \$60 million to expand Emergency Medical Technicians, in partnership with local public health systems and their contracted emergency medical providers.
- \$26 million to train providers to build out the substance use disorder workforce with a focus on opioid treatment.
- \$20 million to support clinical infrastructure for reproductive health care services by providing scholarships and loan repayments to a variety of health care providers who commit to providing reproductive health care services.
- \$12 million to promote the retention of the health care workforce that serves Tribal Health Programs.
- \$3 million to research health care shortages and to support research on best practices and strategies to build a diverse, culturally competent workforce.

Methodology and Sources

Progress Since the California Future Health Workforce Commission: State Policy and Budget Actions on Priority Recommendations reflects the health workforce policies and investments enacted by the State of California in budget years 2019–20, 2020–21, and 2021–22 and is focused on the priority recommendations made by the Commission. During this period, additional policies and investments have been enacted by employers, educational institutions, and philanthropic organizations, not recounted here.

This research drew upon interviews with key informants and numerous publications including the text of bills [AB 890](#) (2019–20), [AB 133](#) (2021–22), and [SB 395](#) (2021–22); California Department of Finance [2021–22 state budget](#) and [summary \(PDF\)](#) and [2022-23 proposed \(January\) state budget summary](#); reports from the Legislative Analyst’s Office on the [2019–20](#), [2020–21](#), and [2021–22](#) state budgets; [Meeting the Demand for Health: Final Report of the California Future Health Workforce Commission, February 2019 \(PDF\)](#); and [University of California Budget for Current Operations, 2021-22 \(PDF\)](#).

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