

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: 07/03/2012
POSITION: Oppose

BILL NUMBER: AB 2214
AUTHOR: Monning, William

BILL SUMMARY: Health workforce development.

This bill would establish in statute the Health Workforce Development Council (Council), within the California Workforce Investment Board (Board), to help expand California’s health workforce to provide access to quality health care for all Californians. This measure would sunset January 1, 2019. Additionally, this bill would require specified licensees within certain health care fields to report their practice status and to optionally report their cultural background and foreign language proficiency to the Department of Public Health (DPH). The DPH would be authorized to aggregate this data and post it to their website.

FISCAL SUMMARY

The cost to the Board to implement this bill would be minor and absorbable within existing resources.

The DPH indicates that additional costs related to the requirements of this bill are \$133,000, various special funds, in 2012-13 and \$103,000 ongoing to support 1.0 additional position to promulgate regulations and modify certificate and permit notices and renewal applications. Furthermore, this bill authorizes the DPH to aggregate the data collected pursuant to the provisions of this bill and post this data to their website. Should the DPH choose to do so, there would be additional one-time costs of \$179,000 in 2012-13 to support 4.0 limited-term positions to modify certificate and permit notices and renewal applications to incorporate the new reporting requirements. Additionally, the DPH would require 3.0 new permanent positions and \$229,000 in 2012-13 and \$223,000 ongoing to review and enter the reported information into a database.

This bill does not include a funding mechanism for the additional costs to DPH. To fund these costs, regulations would be necessary to increase licensing and certification fees. Any additional fee revenue would be deposited into the Radiation Control Fund and the Clinical Laboratory Improvement Fund. Any request for additional expenditure authority is subject to review and approval through the annual budget process.

COMMENTS

The Department of Finance opposes this bill because it is unnecessary and will result in increased costs to the DPH that would require it to increase licensing and certification fees for specified medical professionals.

The Board is responsible for assisting the Governor in performing the duties and responsibilities required by the federal Workforce Investment Act of 1998. The Board represents all areas of workforce development, including business, labor, public education, higher education, economic development, youth activities, and employment and training.

The Board currently has an active special committee focused on addressing the state's health care workforce shortages. The existing Health Workforce Development Council was administratively

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Department Deputy Director		Date	
Governor's Office:	By:	Date:	Position Approved _____ Position Disapproved _____
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COMMENTS (continued)

established in 2010 with collaboration between the CWIB and the State Office of Statewide Planning and Development to receive a \$150,000 federal grant from the U.S. Department of Health and Human Services that expired June 30, 2012. The Council's membership is comprised of representatives from industry, education, economic development, the public workforce system, philanthropic organizations, community-based organizations, health professional and advocacy organizations and organized labor, as well as elected officials. Its mission is to help expand California's health workforce in order to provide access to quality healthcare for all Californians. This includes the objective of expanding California's full-time primary care workforce by 10 to 25 percent over 10 years. At the end of the federal grant, the Council members agreed to continue the work of the Council; therefore, this bill is unnecessary.

This bill would codify the establishment of a special council, the Health Workforce Development Council, to be comprised of existing Board members and representatives from other state agencies, higher education, labor, the health care industry, workforce groups, philanthropic and nongovernmental entities, and other health advocates. The Council would be required to develop a statewide plan and implementation strategy to expand the health care workforce between 2013 and 2023. This bill would also require the Council to report on its health initiatives and progress by including this information in the Board's existing annual report to the federal Department of Labor and to provide a copy to the Legislature.

Specifically, the Council would be required to:

- Develop a comprehensive statewide plan and implementation strategy for health workforce development through strategic partnerships with other state agencies, higher education, labor, the health care industry, workforce groups, philanthropic and nongovernmental entities, and other health advocates.
- Examine strategies and policies to increase health workforce supply that can be replicated and deployed through sector strategy and other models.
- Provide guidance on the development and maturation of regional health workforce partnerships to address regional health care and delivery system needs.
- Use regional partnerships to identify and inform regional and statewide health workforce development priorities.
- Seek expertise from multi-sector representatives to enhance the understanding of the issues and policies needed to ensure that California has the necessary workforce to provide access to quality, culturally, and linguistically appropriate health care.

This bill would also require certified radiologic technologist, specified radiologic technology permit holders, nuclear medicine technologists, and all clinical laboratory licensees to report to the DPH, immediately upon issuance of an initial certificate or permit and at the time of renewal, their practice status and optionally report their cultural background and foreign language proficiency. The DPH would be authorized to aggregate the data collected and post it to their website.

According to the author's office, this bill is intended to assist in the implementation of federal health care reform by establishing the Health Workforce Development Council a permanent committee of the CWIB. However, we note that the Council is already established and is currently working on the development of strategies to meet the current and future health workforce needs of California through strategic actions at the state, regional, and local levels by understanding, assessing and acting on the training and education,

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COMMENTS (continued)

skill development, and capacity and expansion needs of the Health Sector. The Council functions as a special committee of the CWIB with staff support provided by the CWIB and the OSHPD.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)					Fund Code
	LA	(Dollars in Thousands)					
	CO	PROP					
	RV	98	FC	2012-2013 FC	2013-2014 FC	2014-2015	
7120/Workforce In	SO	No		----- No/Minor Fiscal Impact -----			0890
4265/PublicHealth	SO	No		----- See Fiscal Summary -----			0078
4265/PublicHealth	SO	No		----- See Fiscal Summary -----			0098
<u>Fund Code</u>	<u>Title</u>						
0078	Graphic Design License Plate Account						
0098	Clinical Laboratory Improvement Fund						
0890	Trust Fund, Federal						