

Center for Health Care Quality

2022-23

November Estimate



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I. Center Overview

The California Department of Public Health (CDPH), Center for Health Care Quality (CHCQ), Licensing & Certification (L&C) Program is responsible for regulatory oversight of licensed health care facilities and health care professionals to assess the safety, effectiveness, and health care quality for all Californians. CHCQ fulfills this role by conducting periodic inspections and complaint investigations of health care facilities to determine compliance with federal and state laws and regulations. CHCQ licenses and certifies over 12,000 health care facilities and agencies in California in 30 different licensure and certification categories.

The U.S. Department of Health and Human Services' Centers for Medicare and Medicaid Services (CMS) awards federal grant monies to CHCQ to certify that facilities accepting Medicare and Medicaid (Medi-Cal) payments meet federal requirements. CHCQ evaluates health care facilities for compliance with state and federal laws and regulations, and contracts with the Los Angeles County Department of Public Health (LAC) to certify health care facilities located in Los Angeles County.

In addition, CHCQ oversees the certification of nurse assistants, home health aides, hemodialysis technicians, and the licensing of nursing home administrators. These activities are funded by the CDPH L&C Program (Fund 3098), federal funds (Title XVIII and Title XIX Grants), reimbursements associated with interagency agreements with the Department of Health Care Services (DHCS), and General Fund to support survey activities in state-owned facilities.

II. CHCQ Budget Projections

Current Year 2021-22

The 2021 Budget Act appropriated \$389.1 million to CDPH/CHCQ. CDPH projects a revised 2021-22 expenditure authority of \$398.8 million, which is a \$9.6 million increase from the 2021 Budget Act. The increase is due to various baseline adjustments.

Budget Year 2022-23

For 2022-23, CDPH estimates expenditures will total \$432.9 million, which is an increase of \$43.7 million or 11.2 percent compared to the 2021 Budget Act. This change is due to \$18.4 million increase of the one-year extension to the contract with LAC, \$4 million for the Health Facilities Oversight BCP, and various baseline adjustments.

Table 1 compares the 2021 Budget Act with the 2022-23 November Estimate for the current year and budget year.

Table 1
Comparison of 2021 Budget Act with 2022-23 November Estimate

Funding Source (\$ in thousands)	2021 Budget Act	CY 2021-22 2022-23 November Estimate	CY 2021-22 Change from 2021 Budget Act to 2022-23 November Estimate	CY 2021-22 Percent Change from 2021 Budget Act 2022-23 November Estimate	BY 2022-23 2022-23 November Estimate	BY 2022-23 Change from 2021 Budget Act to 2022-23 November Estimate	BY 2022-23 Percent Change from 2021 Budget Act to 2022-23 November Estimate
State Operations Appropriations Summary:							
0001 - General Fund transfer to fund 3098	\$669	\$892	\$223	33.3%	\$1,290	\$621	92.8%
<i>General Fund transfer to fund 3098</i>	\$3,700	\$3,700	\$0	0.0%	\$3,700	\$0	0.0%
0890 - Federal Trust Fund	\$101,522	\$104,099	\$2,577	2.5%	\$107,165	\$5,643	5.6%
0942 - Special Deposit Fund							
Internal Departmental Quality Improvement Account	\$3,624	\$3,669	\$45	1.2%	\$3,671	\$47	1.3%
State Health Facilities Citation Penalty Account	\$2,144	\$2,144	\$0	0.0%	\$2,144	\$0	0.0%
Federal Health Facilities Citation Penalty Account	\$552	\$559	\$7	1.3%	\$559	\$7	1.3%
0995 - Reimbursements	\$12,914	\$13,396	\$482	3.7%	\$13,416	\$502	3.9%
3098 - Licensing and Certification Program Fund	\$260,834	\$267,124	\$6,290	2.4%	\$298,000	\$37,166	14.2%
<i>Less Transfer from General Fund 0001</i>	-\$3,700	-\$3,700	\$0	0.0%	-\$3,700	\$0	0.0%
3151 - Internal Health Information Integrity Quality Improvement Account	\$0	\$0	\$0	0.0%	\$0	\$0	0.0%
Total State Operations Appropriations	\$382,259	\$391,883	\$9,624	2.5%	\$426,245	\$43,986	11.5%
Local Assistance Appropriations Summary:							
0942 - Special Deposit Fund							
Federal Health Facilities Citation Penalty Account	\$6,843	\$6,843	\$0	0.0%	\$6,575	-\$268	-3.9%
3098 - Licensing and Certification Program Fund	\$45	\$45	\$0	0.0%	\$45	\$0	0.0%
Total Local State Appropriations	\$6,888	\$6,888	\$0	0.0%	\$6,620	-\$268	-3.9%
Total Appropriations	\$389,147	\$398,771	\$9,624	2.5%	\$432,865	\$43,718	11.2%
Headquarters	497.2	497.2	0.0	0.0%	503.2	6.0	1.2%
Field Operations							
Supervisors	155.0	155.0	0.0	0.0%	163.0	8.0	5.2%
Surveyors*	628.9	628.9	0.0	0.0%	652.9	24.0	3.8%
Support	147.8	147.8	0.0	0.0%	155.8	8.0	5.4%
Center Positions	1428.8	1428.8	0.0	0.0%	1474.8	46.0	3.2%
Public Health Staff**	7.5	7.5	0.0	0.0%	19.1	11.6	154.7%
Grand Total Positions***	1436.3	1436.3	0.0	0.0%	1493.9	57.6	4.0%

*Surveyors include (HEFN, AGPA, SI, Consultants)

**Public Health Staff include Information Technology Services Division, Office of Legal Services, and Administration Support for Surveyors

***3.0 Positions were redirected outside of CHCQ to support Public Health

In 2020-21, CHCQ requested an additional 115.6 positions to complete mandated workload, including conducting initial licensing and change of service surveys to increase access to care, timely completion of complaints and facility-reported incidents to improve customer service and mitigate future backlogs, conducting periodic re-licensing surveys in facilities as required in statutes, and continuation of effort to meet federal survey requirements. CHCQ is phasing in these 115.6 positions over a three-year period, with 20 positions starting on July 1, 2020, 40 positions starting on July 1, 2021, and the remaining 55.6 positions starting July 1, 2022. As of July 2021, the vacancy rate is 11.8 percent for Health Facility Evaluator Nurses (HFENs), which is an increase of 8.1 percentage points since the beginning of the COVID-19 pandemic in February 2020. This increase is due in part to these newly authorized positions, but also because of increased retirements and separations. CHCQ surveyors play an essential role in the COVID-19 response, and the newly established Recruitment Outreach & Onboarding Unit within CHCQ is implementing new recruitment efforts to address this urgent need.

CHCQ will not be requesting additional surveyor positions for 2022-23.

In 2019-20 CHCQ executed a new three-year contract with LAC that moves toward a pay-for-performance model. The contract costs include a total of 491 positions comprising of 317 Health Facilities Evaluator Nurse positions and 174 support and supervisor positions. This is an increase of 172 Health Facility Evaluator Nurse positions, or 118 percent, to enable LAC to accomplish 100 percent of the mandated workload in Los Angeles County. CHCQ and LAC are phasing in these positions over the course of three years by hiring approximately 14 new Health Facility Evaluator positions per quarter. The total amount of the contract is \$65.5 million in 2019-20, \$86.5 million in 2020-21, and \$105.6 million in 2021-22. In response to the COVID-19 pandemic, LAC and CHCQ agreed to flexible workload parameters for year two of the contract. COVID-19 activities conducted included: mitigation plan and infection control onsite surveys and visits, daily outbreak monitoring and risk exposure assessments, attending trainings and discussions, and collaboration with multiple emergency agencies (e.g., National Guard, Health Corps, County Emergency Management Services). For 2022-23, CHCQ has requested a one-year amendment to the LAC contract for funding for approximately \$124 million, an increase of \$18.4 million over the amount in 2021-22. (Note: This is currently a placeholder amount, as the final amount and terms of the contract are still pending negotiation with LAC.) Later in 2021-22, CHCQ will begin negotiations on a new three-year contract with LAC that will begin in 2023-24.

Complaint Completion Timelines

Amendments to Health and Safety Code sections 1420 (3), (4), and (5) of subdivision (a) mandate CHCQ to complete investigations of complaints within specified timeframes. CHCQ must complete all long-term health care facility complaints received on or after July 1, 2018, within 60 days of receipt of the complaint.

As of Q2 of 2020-21, CHCQ completed 63 percent of long-term health care facility complaints within 60 days of receipt. In the previous six months CHCQ closed 4,218 complaints. As of Q2 of 2020-21, there are approximately 17,406 open complaints. CHCQ had redirected resources to address these open complaints with the goal of having them completed by the

end of calendar year 2021. However, since COVID-19, workload priorities have shifted. The backlog has climbed, but still remains lower than its previous peak.

CHCQ will continue to make every effort to improve compliance with mandated completion timelines for long-term health care facility complaints. However, regardless of staffing levels, there will always be unanticipated delays to complaint completion timeframes due to criminal investigation holds, obtaining death certificates, witness interview scheduling, and other extenuating circumstances.

Los Angeles County Monitoring and Performance

LAC and CHCQ negotiated a three-year contract, effective July 1, 2019, which includes quantity metrics and penalties for failure to meet those metrics. The contract also contains quality and customer service metrics. The current contract will allow LAC to hire the staff necessary to move towards timely completion of 100 percent of the workload.

As an important new step in bridging the relationship between LAC and CHCQ, a new LAC Contract Manager position was created in 2018-19. This position serves as the official liaison for the State to partner with LAC to ensure that high quality and quantity standards are mutually met. CHCQ will continue to enhance many of the oversight actions that it implemented in the prior contract period. These actions include, but are not limited to:

- Maintaining the Los Angeles County Monitoring Unit to provide oversight and monitoring of LAC's performance. This unit will conduct on-site review, observation, data analysis, and audits. CHCQ will use the audits and analysis to measure LAC's performance in the new performance-based contract starting in 2023-24.
- Performing concurrent on-site quality reviews of surveys with LAC staff using a state observation survey analysis process and providing targeted training to address identified issues.
- Performing audits of the quality, prioritization, and principles of documentation for complaint investigations.
- Providing written feedback to LAC's management regarding identified concerns and requiring corrective action plans when appropriate.
- Increase the frequency of direct face-to-face meetings between CHCQ's LAC monitor and LAC Leadership and staff.

Los Angeles County Supplemental License Fee

Assembly Bill (AB) 1810 (Chapter 34, Statutes of 2018) adopted an amendment to Health and Safety Code section 1266(g): Commencing in 2018-19 fiscal year, the department may assess a supplemental license fee on facilities located in the County of Los Angeles for all facility types set forth in this section. This supplemental license fee shall be in addition to the license fees set forth in subdivision (d). The department shall calculate the supplemental license fee based upon the difference between the estimated costs of regulating facility types licensed in the County of Los Angeles, including, but not limited to, the costs associated with the department's contract for licensing and certification activities with the County of Los Angeles and the costs of the department conducting the licensing and certification activities for facilities located in the County of Los Angeles. The supplemental license fees shall be used to cover the costs to administer and enforce state licensure standards and other federal compliance activities for facilities located in the County of Los Angeles, as described in the annual report. The supplemental license fee shall be based upon the fee methodology published in the annual report described in subdivision (d).

Internal Departmental Quality Improvement Account (IDQIA) Project Update

Since 2010-11, the Legislature has appropriated moneys in the IDQIA to be expended for internal CHCQ improvement activities as follows:

Fiscal Year	Budget Change Proposal (BCP) Description
2010-11	BCP 002/HQ-03: 2010-11 \$18,000; 2011-12 \$393,811 and 2012-13 \$299,677 for the partial costs of 1.5 positions for the Health Facility Self-Reporting Web Portal. BCP 058/HQ-05 for contracts for quality improvements within L&C.
2012-13	BCP 002/HQ-06: 2012-13 \$333,000; 2013-14 \$333,000; and 2014-15 \$334,000 for implementation of quality improvement activity in the L&C Program. This activity will initiate and support ongoing efforts aimed at reducing preventable medical and medication errors and their associated health care costs in licensed health care facilities.
2013-14	November Estimate: \$1.2 million; and 2014-15 \$1.2 million to prevent infections in California's acute care hospitals, to improve the quality of data used by customers for making health care decisions, and to continue funding eight contractor positions in the Healthcare Associated Infections (HAI) Program's Infection Preventionist (IP)Liaison Unit.
2014-15	BCP 000/HQ-01: \$1.4 million to expand the work related to the L&C Program Evaluation project. In order to meet CMS benchmarks, CHCQ used a contractor, Hubbert Systems Consulting, to evaluate ways to improve internal business practices and quality improvement efforts to achieve timely fulfillment of the L&C Program's state licensing and federal certification workload. BCP 000/HQ-04: \$201,000 for a contract with UC Davis for an independent research analysis and report that describes the extent to which the federal certification standards are or are not sufficient as a basis for state licensing standards as required by SB 543 (Chapter 722, Statutes of 2013).
2015-16	BCP 004/HQ-03: \$2 million to implement projects recommended by Hubbert report. These funds were used to purchase hardware and software to develop internal and external performance dashboards, automate key business practices, and streamline data collection from regulated entities. Further, CHCQ executed contracts to improve hiring, onboarding, and retention practices. CHCQ also used the funds to contract with a project manager/change consultant.

Fiscal Year	Budget Change Proposal (BCP) Description
2016-17	4265-015-BCP-DP-2016-GB: \$2 million to execute two contracts to implement recommendations from the Hubbert report. These funds were used to enhance the Centralized Applications Branch's Information Technology (IT) systems, replace the Health Facilities Consumer Information System with Cal Health Find, and complete contracted services for project and change management, recruitment, and onboarding and retention.
2017-18 – 2019-20	4265-007-BCP-2017-GB: \$2 million to execute quality improvement projects and contracts (\$2 million in 2017-18, \$2 million in 2018-19, and \$2 million in 2019-20). These funds were used for contracted services for leadership training programs, facilitation of stakeholder forums, project and change management, recruitment, and onboarding and retention. Further, CHCQ executed several multi-year purchase orders for IT service contracts, such as Adobe Experience Manager maintenance and enhancements, and data architecture consulting services. Additionally, CHCQ is using these funds to complete an automated licensing application system as required by Assembly Bill (AB) 2798 (Chapter 922, Statutes of 2018), as well as a Program Flex online application portal. CHCQ will continue to use these funds to contract for innovative recruitment and retention services and technological enhancements in the coming years.
2020-21 – 2022-23	4265-202-BCP-2020-MR: \$3 million to execute quality improvement projects and contracts (\$3 million in 2020-21, 2021-22, and 2022-23). These funds have been used to obtain expert level IT consulting assistance in support of business services and technical operations, including the development of the Risk and Safety Solutions mobile survey app for COVID mitigation surveys, Complaint and FRI investigations, and state licensing surveys. The consulting firm will provide skilled resources to aid with solution development and platform operations.

Federal Civil Monetary Penalties Account Projects

CMS may impose monetary penalties against skilled nursing facilities (SNFs), nursing facilities (NFs), and dually certified SNF/NF for either the number of days or for each instance a facility is not in substantial compliance with one or more Medicare and Medicaid participation requirements for Long-Term Care Facilities (Code of Federal Regulations (CFR) 42 Part 488.430). Portions of these Civil Money Penalty (CMP) Funds collected from nursing homes are returned to the states in which CMPs are imposed. State CMP funds may be reinvested in SNFs to support CMS-approved activities that benefit nursing home residents that protect or improve their quality of life.

All states must submit to CMS an acceptable plan for the use of CMP funds for the upcoming calendar year. The plan must include available fund balances, current obligations, and plans for solicitation and review of future projects. CMS uses data from the California CMP state plan to ensure that federal CMPs are being properly distributed. If states are unable to adequately plan for the use of their CMP funds, then CMS may withhold future disbursements of CMP funds until the state has submitted an acceptable plan to comply with this section.

Per Item 4265-115-0942 of the 2021 Budget Act, the Department of Finance (Finance) may augment the budget authority for the Federal Health Facilities Citation Penalties Account upon request from CHCQ when a project is approved by CMS. Additionally, the 2020 Budget Act authorized an additional \$6 million a year for three years to fund existing projects and provide funding for new projects this year.

In April of 2020, CMS announced that CMP funds could be used for facilities to purchase communicative technology for SNF residents to attend telehealth appointments and communicate with friends and family. CHCQ received approximately 484 grant applications for this initiative from April 2020 to July 2021. CHCQ has approved approximately \$2.1 million of these grants for facilities in need of these resources.

In September of 2020 CMS announced that CMP funds could be used for facilities to purchase materials such as tents and Plexiglas dividers, to promote outdoor visitation for SNF residents. CHCQ received approximately 307 grant applications for this initiative from September 2020 to present. CHCQ has approved approximately \$1.2 million of these grants for facilities in need of these resources.

Approved CMP grants include:

Fiscal Year	Approved CMP Grants
2013-14	CHCQ executed a three-year contract with the California Culture Change Coalition to reduce antipsychotic medication in SNFs in California.
2015-16	CHCQ executed a three-year contract with the California Association of Health Facilities (CAHF) for the Music and Memory program for improving dementia care.
2017-18	CHCQ executed a four-year contract with CAHF for a project to improve dietary services in California nursing homes.
2018-19	<p>CHCQ executed a three-year contract with CAHF for the Volunteer Engagement project.</p> <p>CHCQ executed a two-year contract with Quality Care Health Foundation for the Certified Nursing Assistant (CNA) Training Kickstarter Project.</p>
2019-20	<p>CHCQ has executed contracts for following proposals:</p> <ul style="list-style-type: none"> • Using AI-Enabled Cameras to Reduce Falls for Residents with Dementia • Nurse Leadership • California Wound Care Excellence Program for SNFs • iNSPIRE • A Person-Centered Approach to Reducing Transfer, Discharge, and Eviction <p>CHCQ has approved 317 applications from Skilled Nursing Facilities and over \$1.7 million in grant funding for communicative technology.</p>
2020-21	<p>CHCQ is developing contracts for the following proposal:</p> <ul style="list-style-type: none"> • Tobin & Associates LifeBridge <p>CHCQ has executed contracts for the following proposals:</p> <ul style="list-style-type: none"> • University of California Irvine Infection Prevention • SNF Clinic • LifeBio • Pilgrim Place – Make it Home • Memory Care Buddies • In-Person Visitation Grants • Communicative Technology Grants

Fiscal Year	Approved CMP Grants
2021-22	<p>CHCQ is developing contracts for the following three proposals:</p> <ul style="list-style-type: none"> • LeadingAge CA's The Java Project • LITA Memory Care Buddies • LifeBridge <p>CHCQ is currently reviewing these applications below</p> <ul style="list-style-type: none"> • The Java Project: Addressing Social Isolation and Loneliness COVID-19 and Beyond (extension expanding to 97 homes and is a separate application) • Central Gardens 2.0 • Outdoor Rehab Gym and Visit Location • Masonic Home

III. Resource Estimate Methodology/Key Drivers of Cost

The CHCQ Estimate projects the workload associated with all programmatic functions and the corresponding number of positions needed to perform these functions.

CHCQ determines workload based on the following cost drivers:

- **Facility Count** – The number of health care facilities to survey or investigate.
- **Activity Count** – The number of pending and projected activities for CHCQ staff to perform. CHCQ projects the number of new and renewal licensing and certification surveys and complaint/Facility Reported Incident (FRI) investigations CHCQ will conduct in 2022-23. Some activities must occur on a specified frequency. The Estimate includes the workload associated with the number of pending complaints and facility-reported incidents the program anticipates will remain from prior years that it will complete in the budget year.
- **Standard Average Hours** – The number of hours needed to complete an activity. CHCQ calculates this number for each activity by facility type based on the actual average time spent on the activity by facility type in the past three years.

To estimate the workload for each activity by facility type, CHCQ uses the following formulae:

- Complaint/FRI and other variable workload hours = Standard average hours x projected activity count.
- Survey workload hours = Standard average hours x facility count x required frequency.

CHCQ then calculates the amount of additional time associated with non-survey functions (e.g., federal and state training, meetings, etc.) to calculate the overall time required by surveyor staff. Finally, CHCQ uses the total number of surveyors to calculate the number of supervisors and administrative positions needed to support these staff.

IV. Assumptions

New Assumptions/Premises

Budget Change Proposal-Los Angeles County Contract

Background: CHCQ is responsible for regulatory oversight of licensed health care facilities and health care professionals to assess the safety, effectiveness, and quality of health care for all Californians. CHCQ evaluates health care facilities for compliance with state and federal laws and regulations, and CDPH contracts with the Los Angeles County Department of Public Health (LAC) to certify health care facilities located in Los Angeles County.

Approximately one third of licensed and certified health care facilities in California are located in Los Angeles County, and 25 percent of complaints and facility-related incidents received statewide each year are generated in Los Angeles County. For over 30 years, CDPH has contracted with LAC to perform federal certification and state licensing surveys and investigate complaints and facility-related incidents for approximately 4,300 health care facilities in the Los Angeles County area.

Description of Change: CDPH/CHCQ requests expenditure authority of 18.4 million in 2022-23 and annually thereafter from the State Department of Public Health Licensing and Certification Program Fund (3098) to fund an extension to the LAC contract. (Note: This is currently a placeholder amount, as the final amount and terms of the contract are still pending negotiation with LAC.)

Discretionary?: Yes

Reason for Adjustment/ Change: CDPH seeks to extend the term of the current contract by one year. The extended contract in 2022-23 totals \$124 million, including \$18 million funded by federal resources (Fund 0890) and \$106 million funded by Fund 3098. CDPH has \$91.4 million in current year Fund 3098 expenditure authority for contractual services and must augment the current Fund 3098 contract budget by \$18.4 million over the 2021-22 budget levels. The increased funding is necessary to fund salary and benefit increases for LAC staff who are required to complete mandated state licensure and federal re-certification workload on behalf of CDPH per the terms of the contract. Per Health and Safety Code §166 (g), facilities in Los Angeles county will pay for the costs associated with the department's contract for licensing and certification activities within the county. Accomplishment of the contracted workload is necessary to ensure the safety and health of patients in licensed and certified facilities. If this request is not approved, the LAC contract extension will not be fully funded, and LAC will not be able to pay for the staff necessary to complete the contracted workload. This will result in increased vacancies to offset the insufficient funding, fewer complaints being addressed timely, greater backlogs of open complaints, and the potential loss of future CMS grant awards due to lack of compliance.

CDPH will hold LAC accountable for producing timely and accurate work. This proposal will ensure facilities in Los Angeles County receive services commensurate to facilities not located in Los Angeles County. If LAC does not meet the workload outlined in the contract's quantity, quality, and customer service performance metrics, CDPH will withhold funding according to the terms of the contract.

Fiscal Impact (Range) and Fund Source(s): CDPH/CHCQ requests expenditure authority of \$18.4 million in 2022-23 and annually thereafter from the State Department of Public Health Licensing and Certification Program Fund (3098) to fund an extension to the LAC contract.

Budget Change Proposal- Health Facilities Oversight

Background: CHCQ is responsible for regulatory oversight of licensed health care facilities and health care professionals to assess the safety, effectiveness, and quality of health care for all Californians. In addition to conducting periodic inspections and complaint/FRI investigations of health care facilities to determine compliance with federal and state laws and regulations, CHCQ also fulfills this role by conducting surveillance activities for Healthcare-Associated Infections, management of license ownership of facilities and nursing home administrators, and analysis of survey data.

Healthcare-Associated Infection Section

The Healthcare-Associated Infections Program (HAI) improves quality of care and patient safety through the prevention of infections in California health care facilities. HAI accomplishes this through assistance with prevention activities, outbreak and high concern pathogen response, development of infection prevention recommendations, and implementation of mandatory public reporting of healthcare-associated infection data.

Nursing Home Administrators Program

Nursing Home Administrators (NHA) are licensed individuals charged with ensuring the safety and wellbeing of the vulnerable populations that live within Skilled Nursing Facilities. Most Nursing Home Administrators qualify for the nursing home administrator licensing exam after completing an Administrator-in-Training (AIT) Program as defined in Health and Safety Code Section 1416.55. An AIT Program is approved by the Nursing Home Administrator Program (NHAP) if the program will be conducted by a NHAP approved Preceptor (PRE) as defined in Health and Safety Code Section 1416.57. Each approved program is individualized for each AIT applicant and is directly supervised by the PRE.

Description of Change:

CHCQ requests \$3.7 million from Fund 3098 in FY22-23 for resources to increase infection prevention and 2 positions and \$284,000 in FY22-23 and ongoing to provide quality assurance in Nursing Home Administrator training.

Discretionary?: Yes

Reason for Adjustment/ Change:

Healthcare-Associated Infection Section (\$3.7 million)-Funding is necessary to provide a sustainable and permanent HAI prevention and response capability in Skilled Nursing Facilities and facilities regulated by other departments, such as DHCS. The HAI program has ten permanently funded IP positions. Although these positions can be supplemented by CDC-funded temporary IPs, the HAI program is not free to deploy those IPs as needed. Instead, IPs funded via CDC grants must fulfill activities in accordance with the purpose of the grant. This leaves HAI with an insufficient number of IPs to provide coordinated, mission-critical infection prevention and control support to all of California's 61 Local Health Departments

(LHDs). In FY 2020-21, CHCQ and UC Davis executed a contract amendment to provide an additional six Infection Preventionists (IPs). CHCQ absorbed the cost of this amendment in its existing authority. This proposal provides funding to right-size that amendment and fund an additional six IPs through FY 2022-23. These additional resources will allow CHCQ to continue offering expanded IP services throughout the state.

Nursing Home Administrators Program (\$284,000, 2 positions)-The NHAP is currently not monitoring AIT programs effectively to be able to evaluate PREs based on their AIT's examination success and failure history as is required in Health and Safety Code Section 1416.57(F). The NHAP has a revolving population that ranges from 110 to 130 AITs in a program at any given time. Between 2018-19 and 2019-20, NHAP saw a 125 percent increase in the number of complaints and reports of inappropriate training. As a result, NHAP took disciplinary action against NHAs and denied AIT applications because of substantiated complaints. The NHAP has a revolving population that ranges from 110 to 130 AITs in a program at any given time. These extra positions will provide NHAP with the opportunity to proactively monitor the AIT programs to ensure AIT's are trained appropriately, thereby increasing the safety of all patients within the Skilled Nursing Facilities community.

Fiscal Impact (Range) and Fund Source(s): CHCQ requests \$3.7 million from Fund 3098 in FY22-23 for resources to increase infection prevention and 2 positions and \$284,000 in FY22-23 and ongoing to provide quality assurance in Nursing Home Administrator training

Existing (Significantly Changed) Assumptions/Premises

CHCQ has no existing (significantly changed) assumptions/premises.

Unchanged Assumptions/Premises

CHCQ has no unchanged assumptions/premises.

Discontinued Assumptions/Premises

CHCQ has no discontinued assumptions/premises.

V. Appendix A: Fiscal Summary**Fiscal Summary**Comparison of 2021-22 Budget Act to 2022-23 November Estimate
(\$ in thousands)

	A 2021-22 Budget Act	B 2022-23 November Estimate	C=B-A Request
I. BUDGET ITEMS			
A. Headquarters			
1. Headquarters	75,812	75,812	-
2. Health Facilities Oversight	-	3,984	3,984
Headquarters Sub-total	\$ 75,812	\$ 79,796	\$ 3,984
B. Field Operations			
1. Licensing & Certification (L&C)	155,866	155,866	-
2. Los Angeles County (LAC)	105,643	124,043	18,400
3. State Facilities Unit (SFU)	5,670	5,670	-
Field Operations Sub-total	\$ 267,179	\$ 285,579	\$ 18,400
C. Partial Year Adjustment	37,649	58,983	21,334
D. Statewide Cost Allocation Plan	8,507	8,507	-
E. Grand Total	\$ 389,147	\$ 432,865	\$ 43,718
II. FUND SOURCES			
State Operations			
A. General Fund (0001)	669	1,290	621
<i>General Fund Transfer to State Department of Public Health Licensing and Certification Program Fund (Fund 3098)</i>	3,700	3,700	-
B. Federal Trust Fund (0890)	101,522	107,165	5,643
C. Special Deposit Fund (0942)			
1. Internal Departmental Quality Improvement Account (IDQIA)	3,624	3,671	47
2. State Citation Penalty Account	2,144	2,144	-
3. Federal Citation Penalty Account	552	559	7
D. Reimbursement (0995)	12,914	13,416	502
E. Internal Information Integrity Quality Improvement Account (3151)	-	-	-
F. State Department of Public Health Licensing and Certification Program Fund (Fund 3098)	260,834	298,000	37,166
<i>Less transfer from the General Fund (0001)</i>	(3,700)	(3,700)	-
Local Assistance			
G. Special Deposit Fund (0942)	-	-	-
1. Federal Citation Penalty Account	6,843	6,575	(268)
H. State Department of Public Health Licensing and Certification Program Fund	45	45	-
I. Grand Total	\$ 389,147	\$ 432,865	\$ 43,718

VI. Appendix B: Position Summary

Comparison of 2021-22 Budget Act to 2022-23 November Estimate

	2021-22 Budget Act	2022-23 November Estimate Workload Analysis	2022-23 Budget Change Proposals	Total 2022-23 November Estimate	Request
TOTAL CENTER POSITIONS	1,436.3	1,491.9	2.0	1,493.9	2.0
Headquarters					
CHCQ Executive Management and Branch Chiefs	20.0	20.0	-	20.0	-
Performance Improvement Management Office	6.0	6.0	-	6.0	-
Centralized Applications Branch	95.0	95.0	-	95.0	-
Healthcare Workforce Branch	91.8	91.8	2.0	93.8	2.0
Investigations Branch	91.8	91.8	-	91.8	-
Emergency Preparedness Disaster Response Section	7.0	7.0	-	7.0	-
Fiscal Management Branch	22.0	23.5	-	23.5	-
Recruitment Resources Section	20.0	20.0	-	20.0	-
Training Section	20.8	20.8	-	20.8	-
Business Operations Branch	23.3	23.3	-	23.3	-
Healthcare Associated Infections Program	24.6	24.6	-	24.6	-
Standards Interpretation Branch	36.0	36.0	-	36.0	-
Public Policy & Legislative Branch	21.0	21.0	-	21.0	-
CHCQ Informatics Branch	18.0	20.5	-	20.5	-
Headquarters Total	497.2	501.2	2.0	503.2	2.0
Field Operations					
State Facilities Section					
Supervisor	11.0	11.0	-	11.0	-
Surveyor	49.0	49.0	-	49.0	-
Support	11.0	11.0	-	11.0	-
Life Safety Code					
Supervisor	5.0	5.0	-	5.0	-
Surveyor	19.0	19.0	-	19.0	-
Support	7.0	7.0	-	7.0	-
Field Office					
Supervisor	139.0	147.0	-	147.0	-
Surveyor	560.9	584.9	-	584.9	-
Support	129.8	137.8	-	137.8	-
Field Operations Total	931.6	971.6	-	971.6	-
Public Health Staff					
Administration	3.0	9.0	-	9.0	-
Information Technology Services Division	4.5	10.1	-	10.1	-
Office of Legal Services	-	-	-	-	-
Public Health Total	7.5	19.1	-	19.1	-
Total Field Operations Surveyors*	628.9	652.9	-	652.9	-

*Surveyors (HFEN, AGPA, SI, Consultants)

VII. Appendix C: Detailed Assumptions

1. Methodology:

To estimate the workload for each facility type, CHCQ uses the following general formulae:

- Planned workload = Standard average hours x facility count x required frequency (if applicable).
- Unplanned workload = Historical data and applying linear regression to project unplanned workload with possible adjustments from subject matter experts knowledgeable of the specific workload.

CHCQ continues to analyze ratios of survey to follow-up/revisits to accurately project workload demand.

CHCQ then estimates the positions needed to accomplish the workload. Specifically, the formulae for estimating positions are:

Surveyor positions (for complaints, facility-reported incidents, and other non-periodic workload):

- Surveyor = $([\text{standard average hour} \times \text{activity count}] / \text{non-survey factor}) / 1,800$ hours.

Surveyor positions (for surveys):

- Surveyor = $([\text{standard average hour} \times \text{facility count} \times \text{mandated frequency rate}] / \text{non-survey factor}) / 1,800$ hours.

Supervisor and support staff positions:

- Supervisors = one supervisor to six Surveyors.
- Support staff for state and federal workload = one support staff to six Surveyors and supervisors.

2. Health Care Facility Counts:

A health care facility means any facility or building that is organized, maintained, and operated for the diagnosis, care, prevention, and treatment of human illness, physical or mental, including convalescence and rehabilitation and including care during and after pregnancy, or for any one or more of these purposes, for one or more persons, to which the persons are admitted for a 24-hour stay or longer.

- CHCQ counts health care facilities by facility type (e.g., SNFs, general acute care hospital, home health agency, etc.), and facilities opened as of a point-in-time of the current fiscal year as reported by the CMS' ASPEN for certified facilities, and facilities open as of July 2021 as reported in the Electronic Licensing Management System.
- CHCQ counts only active and open main facilities and skilled nursing distinct part facilities for purposes of this Estimate.
- For some facility types, there may be a difference in the number of licensed facilities versus the number of certified facilities. This is because some facilities are licensed only or certified only. Additionally, there may be minor discrepancies due to the use of different data sources required by the CMS, and/or the timing of data reconciliation activities.

CHCQ updated facility counts as of July 2021.

3. Health Care Facility List:

- Adult Day Health Centers
- Alternative Birthing Centers
- Acute Psychiatric Hospitals
- Chronic Dialysis Clinics
- Chemical Dependency Recovery Hospitals
- Congregate Living Health Facilities
- Community Clinic/Free Clinic/Community Mental Health Center
- Correctional Treatment Centers
- General Acute Care Hospitals
- Home Health Agencies
- Hospice
- Hospice Facilities
- Intermediate Care Facilities
- Intermediate Care Facilities—Developmentally Disabled (DD):
DD—Habilitative; DD—Nursing
- Pediatric Day Health/Respite Care
- Psychology Clinics
- Referral Agencies
- Rehabilitation Clinics
- Skilled Nursing Facilities
- Surgical Clinics

4. Survey Activities:

CHCQ bases licensing survey activities on state mandated requirements. Surveyors perform the following state licensing activities:

- Re-licensure
- Re-licensure – Follow-up
- Initial Licensure
 - Including outstanding pending initial licensure applications.
- Initial Licensure – Follow-up
- Complaint Investigations Facility-Reported Incident Investigations – State
- Field Visits
 - Including Change of Ownership, Change of Location, Bed Change, Services Change.
- Review Medical Error Plan

CHCQ bases certification survey activities on the federal Centers for Medi-Cal tiered activity requirements. Surveyors perform the following federal certification activities:

- Re-certification
- Re-certification – Follow-up
- Initial Certification
- Initial Certification – Follow-up
- Life Safety Code
- Life Safety Code – Follow-up
- Complaint and Facility-Reported Investigations – Federal

- Complaint Validation
- Validation
- Validation – Follow-up
- Informal Dispute Resolution
- Federal Hearings
- Pre-Referral Hearings
- Monitoring Visits

5. Time Entry and Activity Management:

The provisions of Health and Safety Code section 1266(e) require CHCQ to capture and report workload data by category (survey activity and facility type). The Time Entry and Activity Management system captures data on the number of survey counts and the total hours spent for each survey activity to determine the standard average hours that it takes to accomplish specific workload. CHCQ is implementing Tempo, which is a new, upgraded timekeeping system that will aid in capturing this data.

6. Survey Workload:

Survey workload is either state mandated (licensing survey) or federally mandated by CMS (certification survey).

7. Standard Average Hours:

Standard average hours are the average hours each survey activity takes to complete. CHCQ used July 1, 2016, through June 30, 2019 and July 1, 2018, through June 30, 2021, closed complaints, and exited survey data to calculate standard average hours for this Estimate.

8. Complaint and Facility-Reported Incident Counts:

CHCQ bases complaint and facility-reported incident counts on the number of complaints and facility-reported incidents received between July 1, 2018, and June 30, 2021, as reported in the ASPEN database.

9. Open Complaints and Facility-Reported Incidents:

CHCQ bases the open complaints and facility-reported incidents count on all open complaints and facility-reported incidents as of June 30, 2021.

10. Received Complaints and Facility-Reported Incidents:

CHCQ bases the received complaints and facility-reported incidents count by excluding intakes with no event/time association as of June 30, 2021.

11. Annualized Workload Hours:

CHCQ determines annualized workload by the corresponding state or federal mandated survey requirements, multiplied by the standard average hours, adjusted to include non-survey administration hours.

12. Surveyor Positions:

Surveyor positions consist of HFENs, AGPAs, SIs, medical, pharmacy, dietary consultants, and life safety code analysts. CHCQ uses 1,800 functional hours per position per year for state field operations staff. The LAC contract uses 1,744 functional hours per position per year for its equivalent staff.

13. Staffing Ratios:

State Ratios:

- CHCQ computes the allocation of the Health Facilities Evaluator II Supervisor positions using a (1:6) ratio: one Health Facilities Evaluator II Supervisor for every six surveyors.
- CHCQ computes the allocation of the Health Facilities Evaluator Manager I positions using a (1:6) ratio: one Health Facilities Evaluator Manager I for every six Health Facilities Evaluator II Supervisors.
- CHCQ computes the allocation of the Program Technician II positions using a (1:6) ratio: one Program Technician II for every six of the combined surveyors and supervisors.
- CHCQ computes the allocation of the CHCQ headquarters positions using a (1:10) ratio: one CHCQ headquarters position for every ten of the combined requested positions for field-based staff.

14. CHCQ updated federal grant workload to reflect the 2021 grant.

15. Fund Sources:

- General Fund (0001)
- Federal Trust Fund (0890):
 - Title XVIII Long Term Care
 - Title XVIII Non-Long Term Care
 - Title XVIII Hospice Care
 - Title XIX Long Term Care
 - Title XIX Non-Long Term Care
 - Coronavirus Aid, Relief, and Economic Security (CARES) Act
- Special Deposit Fund (0942)
 - Internal Departmental Quality Improvement Account
 - SNF Minimum Staffing Penalty Account
 - State Health Facilities Citation Penalties Account
 - Federal Health Facilities Citation Penalties Account
- Reimbursements (0995)
- CDPH L&C Program Fund (3098)

16. Contract costs are included for executed contracts only.

17. Miscellaneous:

- CHCQ has implemented a systematic method of securing the data within the Estimate workbook and documenting management review.

Changes to Detailed Assumptions from the 2021-22 May Revision Estimate

- Item 7, updated methodology

VIII. Appendix D: Revenue and Transfer Summaries
2021-22 Revenue and Transfer Summaries

FY 2021-22 \$ in thousands	Fi\$CAL Account Code	L&C Program Fund 3098	Special Deposit Fund 0942	Federal Fund 0890	Reimbursement 0995	General Fund 0001	Total
State Department of Public Health Licensing and Certification Program Fund 3098							
Other Regulatory Licenses and Permits	4129400	\$218,786					\$218,786
Other Regulatory Licenses and Permits (Los Angeles County Supplemental)	4129400	\$42,416					\$42,416
Miscellaneous Services to the Public	4143500	\$6					\$6
Income from Surplus Money Investments	4163000	\$215					\$215
Special Deposit Fund 0942							
Internal Departmental Quality Improvement Account							
Fines & Penalties - External - Private Sector	4172220		\$1,841				\$1,841
Income from Surplus Money Investments	4163000		\$110				\$110
Federal Health Facilities Citation Penalties Account							
Fines & Penalties - External - Other	4172240		\$2,136				\$2,136
Income from Surplus Money Investments	4163000		\$84				\$84
State Health Facilities Citation Penalties Account							
Fines & Penalties - External - Private Sector	4172220		\$1,924				\$1,924
Income from Surplus Money Investments	4163000		\$48				\$48
Skilled Nursing Facility Quality and Accountability							
Fines & Penalties - External - Private Sector	4172220		\$865				\$865
Federal Fund 0890							
Title 18 Long Term Care (LTC), Project No. 93777S	4400000			\$37,414			\$37,414
Title 18 Non-long Term Care (NLTC), Project No. 31006S	4400000			\$8,555			\$8,555
Title 18 Non-long Term Care (NLTC)-Hospice, Project No. 31070S	4400000			\$413			\$413
Title 19 Long Term Care (LTC) Project No. 93779S	4400000			\$43,264			\$43,264
Title 19 Non-Long term Care (NLTC), Project No. 93780S	4400000			\$6,940			\$6,940
Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	4400000			\$2,474			\$2,474
Unscheduled	4400000			\$2,462			\$2,462
Reimbursements 0995							
Reimbursements 0995	4810000				\$10,450		\$10,450
Unscheduled	4810000				\$2,464		\$2,464
General Fund 0001							
General Fund Transfer State Facilities Section Allocation	6210000					\$3,700	\$3,700
Revenue Projection by Fund Totals			\$261,423	\$7,008	\$101,522	\$12,914	\$3,700
							\$386,567

2022-23 Revenue and Transfer Summaries

FY 2022-23 \$ in thousands	Fi\$CAL Account Code	L&C Program Fund 3098	Special Deposit Fund 0942	Federal Fund 0890	Reimbursement 0995	General Fund 0001	Total	
State Department of Public Health Licensing and Certification Program Fund 3098								
Other Regulatory Licenses and Permits	4129400	\$245,907					\$245,907	
Other Regulatory Licenses and Permits (Los Angeles County Supplemental)	4129400	\$50,580					\$50,580	
Miscellaneous Services to the Public	4143500	\$6					\$6	
Income from Surplus Money Investments	4163000	\$215					\$215	
Special Deposit Fund 0942								
Internal Departmental Quality Improvement Account								
Fines & Penalties - External - Private Sector	4172220		\$1,841				\$1,841	
Income from Surplus Money Investments	4163000		\$110				\$110	
Federal Health Facilities Citation Penalties Account								
Fines & Penalties - External - Other	4172240		\$2,136				\$2,136	
Income from Surplus Money Investments	4163000		\$84				\$84	
State Health Facilities Citation Penalties Account								
Fines & Penalties - External - Private Sector	4172220		\$1,924				\$1,924	
Income from Surplus Money Investments	4163000		\$48				\$48	
Skilled Nursing Facility Quality and Accountability								
Fines & Penalties - External - Private Sector	4172220		\$865				\$865	
Federal Fund 0890								
Title 18 Long Term Care (LTC), Project No. 93777S	4400000			\$37,601			\$37,601	
Title 18 Non-long Term Care (NLTC), Project No. 31006S	4400000			\$8,598			\$8,598	
Title 18 Non-long Term Care (NLTC)-Hospice, Project No. 31070S	4400000			\$415			\$415	
Title 19 Long Term Care (LTC) Project No. 93779S	4400000			\$43,480			\$43,480	
Title 19 Non-Long term Care (NLTC), Project No. 93780S	4400000			\$6,974			\$6,974	
Coronavirus Aid, Relief, and Economic Security Act (CARES Act)	4400000			\$0			\$0	
Unscheduled	4400000			\$4,454			\$4,454	
Reimbursements 0995								
Reimbursements 0995	4810000				\$10,450		\$10,450	
Unscheduled	4810000				\$2,464		\$2,464	
General Fund 0001								
General Fund Transfer State Facilities Section Allocation	6210000					\$3,700	\$3,700	
Revenue Projection by Fund Totals			\$296,708	\$7,008	\$101,522	\$12,914	\$3,700	\$421,852

Descriptions:

General Fund – 0001. Government Code sections 16300-16315. The General Fund has existed since the beginning of the State as a political entity. It is the principal operating fund for the majority of governmental activities and consists of all money received in the Treasury that is not required by law to be credited to any other fund.

Reimbursements – 0995. This is a fund for budgetary purposes only. It is set up separately as a General Fund Special Account and is used in the schedule of appropriation for reimbursements. Reimbursement Fund 0995 is used in this purpose to capture the funding source.

General Fund for State Facilities Section – 0001. General Fund is the funding source to recoup fees for survey costs incurred in fee exempt state-owned facilities, including the state match cost of surveys performed in certified-only facilities. Funding is specifically appropriated from the General Fund in the annual Budget Act or other enacted legislation.

Federal Trust Fund – 0890. Chapter 1284, Statutes of 1978. Government Code sections 16360-16365. Section 16361 of the Government Code appropriates the fund, "...without regard to fiscal year, for expenditure for the purposes for which the money deposited therein is made available by the United States for expenditure by the state."

Title XVIII - Social Security Act, 1864(a). Medicare health insurance for the aged and disabled.

Title XIX - Social Security Act, 1902(a)(33)(B). Medicaid low-income program that pays for the medical assistance for individuals and families of low income and limited resources.

Special Deposit Fund – 0942. Government Code sections 16370-16375, and 16377 provide that the fund is appropriated to fulfill the purposes for which payments into it are made. The fund was created by Statute in 1880 and codified by the Statutes of 1907 as Section 453a of the Political Code.

State Department of Public Health Licensing and Certification Program Fund – 3098. Chapter 483, Statutes of 2007 (SB 1039), Health and Safety Code section 1266.9. This fund is created in Chapter 528, Statutes of 2006. Original Administrative Organization Code 4260 was changed to 4265 when the Department of Health Services split into two departments effective July 2007 in accordance with Chapter 241, Statutes of 2007 (SB 162). This fund, originally titled the State Department of Health Services Licensing and Certification Program Fund, was retitled to the State Department of Public Health Licensing and Certification Program Fund in Chapter 483, Statutes of 2006 (SB 1039). Its purpose is to support the Licensing and Certification Program's operation.

IX. Appendix E: Fund Condition Statements**4265 DEPARTMENT OF PUBLIC HEALTH
FUND CONDITION STATEMENT
3098 State Department of Licensing and Certification Program Fund***

	2020-21	2021-22	2022-23
BEGINNING BALANCE	\$21,252,000	\$44,426,000	\$27,897,000
Prior year adjustments	\$14,870,000	\$0	\$0
Adjusted Beginning Balance	\$36,122,000	\$44,426,000	\$27,897,000
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4129400 - Other Regulatory Licenses and Permits (125700)	\$225,833,000	\$261,201,000	\$296,487,000
4143500 - Miscellaneous Services to the Public (142500)	\$1,000	\$6,000	\$6,000
4163000 - Investment Income - Surplus Investments (150300)	\$215,000	\$215,000	\$215,000
4171400 - Escheat of Unclaimed Checks and Warrant (161000)	\$0	\$0	\$0
4170700 - Civil and Criminal Violation Assessment (164400)	\$0	\$0	\$0
Transfers and Other Adjustments:	\$0	\$0	\$0
Total Revenues, Transfers, and Other Adjustments	\$226,049,000	\$261,422,000	\$296,708,000
Total Resources	\$262,171,000	\$305,848,000	\$324,605,000
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
0840 State Controller's Office (State Operations)	\$0	\$0	\$0
4170 Department of Aging (Local Assistance)	\$400,000	\$400,000	\$400,000
4265 Department of Public Health (State Operations)	\$211,045,000	\$267,124,000	\$298,000,000
4265 Department of Public Health (Local Assistance)	\$0	\$45,000	\$45,000
8880 Financial Information System for CA (State Operations)	\$0	\$0	\$0
9892 Supplemental Pension Payments (State Operations)	\$3,179,000	\$3,179,000	\$3,179,000
9900 Statewide General Administrative Expenditures (Pro Rata) (State Operations)	\$6,821,000	\$10,903,000	\$10,903,000
Total Expenditures and Expenditure Adjustments	\$221,445,000	\$281,651,000	\$312,527,000
Less Funding Provided by the General Fund	-\$3,700,000	-\$3,700,000	-\$3,700,000
Total Expenditures	\$217,745,000	\$277,951,000	\$308,827,000
FUND BALANCE	\$44,426,000	\$27,897,000	\$15,778,000

*This fund condition statement does not align with the fund condition statement published in the 2022-23 Governor's Budget Galley due to the delay in the final reconciliation of 2020-21 year end financial statements.

**4265 DEPARTMENT OF PUBLIC HEALTH
FUND CONDITION STATEMENT
3151 Internal Health Information Integrity Quality Improvement Account**

	2020-21	2021-22	2022-23
BEGINNING BALANCE	\$1,000	\$1,000	\$1,000
Prior year adjustments	\$0	\$0	\$0
Adjusted Beginning Balance	\$1,000	\$1,000	\$1,000
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
Transfers and Other Adjustments:			
Total Revenues, Transfers, and Other Adjustments	\$0	\$0	\$0
Total Resources	\$1,000	\$1,000	\$1,000
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
4265 Department of Public Health (State Operations)	\$0	\$0	\$0
Total Expenditures and Expenditure Adjustments	\$0	\$0	\$0
FUND BALANCE	\$1,000	\$1,000	\$1,000

**4265 DEPARTMENT OF PUBLIC HEALTH
FUND CONDITION STATEMENT
0942-222 Special Deposit Fund - Internal Department Quality Improvement Account**

	2020-2021	2021-22	2022-23
BEGINNING BALANCE	\$22,344,000	\$21,850,000	\$20,132,000
Prior year adjustments	\$0	\$0	\$0
Adjusted Beginning Balance	\$22,344,000	\$21,850,000	\$20,132,000
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4172220 Fines and Penalties - External - Private Sector	1,841,000	1,841,000	1,841,000
4163000 Investment Income - Surplus Money Investment	110,000	110,000	110,000
Transfers and Other Adjustments:			
Total Revenues, Transfers, and Other Adjustments	\$1,951,000	\$1,951,000	\$1,951,000
Total Resources	\$24,295,000	\$23,801,000	\$22,082,000
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
4265 Department of Public Health (State Operations)	\$2,445,000	\$3,669,000	3,671,000
Total Expenditures and Expenditure Adjustments	\$2,445,000	\$3,669,000	\$3,671,000
FUND BALANCE	\$21,850,000	\$20,132,000	\$18,412,000

**4265 DEPARTMENT OF PUBLIC HEALTH
FUND CONDITION STATEMENT**

0942-248 Special Deposit Fund - Skilled Nursing Facility Minimum Staffing Penalty Account

	2020-21	2021-22	2022-23
BEGINNING BALANCE	\$0	\$0	\$0
Prior year adjustments	\$0	\$0	\$0
Adjusted Beginning Balance	\$0	\$0	\$0
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4172220 Fines and Penalties - External - Private Sector	\$865,000	\$865,000	\$865,000
Transfers and Other Adjustments:			
Revenue Transfer from Special Deposit Fund (0942) to Skilled Nursing Facility Quality and Accountability Special Fund (3167) per Welfare and Institutions Code 14126.022 (g)	-\$865,000	-\$865,000	-\$865,000
Total Revenues, Transfers, and Other Adjustments	\$0	\$0	\$0
Total Resources	\$0	\$0	\$0
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
4265 Department of Public Health (State Operations)	\$0	\$0	\$0
State Operations (Operating Transfers-out)	\$0	\$0	\$0
Total Expenditures and Expenditure Adjustments	\$0	\$0	\$0
FUND BALANCE	\$0	\$0	\$0

**4265 DEPARTMENT OF PUBLIC HEALTH
FUND CONDITION STATEMENT
0942-601 Special Deposit Fund - State Health Facilities Citation Penalties Account**

	2020-21	2021-22	2022-23
BEGINNING BALANCE	\$9,932,000	\$10,667,000	\$8,279,000
Prior year adjustments	\$965,000	\$0	\$0
Adjusted Beginning Balance	\$10,897,000	\$10,667,000	\$8,279,000
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4172220 Fines and Penalties - External - Private Sector	\$1,924,000	\$1,924,000	\$1,924,000
4163000 Investment Income - Surplus Money Investment	\$48,000	\$48,000	\$48,000
Transfers and Other Adjustments:			
Total Revenues, Transfers, and Other Adjustments	\$1,972,000	\$1,972,000	\$1,972,000
Total Resources	\$12,869,000	\$12,639,000	\$10,251,000
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
4170 Department of Aging			
State Operations	\$114,000	\$122,000	\$122,000
Local Assistance	\$2,088,000	\$2,094,000	\$2,094,000
4265 Department of Public Health			
State Operations	\$0	\$2,144,000	\$2,144,000
Total Expenditures and Expenditure Adjustments	\$2,202,000	\$4,360,000	\$4,360,000
FUND BALANCE	\$10,667,000	\$8,279,000	\$5,891,000

**4265 DEPARTMENT OF PUBLIC HEALTH
FUND CONDITION STATEMENT
0942-605 Special Deposit Fund - Federal Health Facilities Citation Penalties Account**

	2020-21	2021-22	2022-23
BEGINNING BALANCE	\$16,091,000	\$14,004,000	\$8,784,000
Prior year adjustments	\$0	\$0	\$0
Adjusted Beginning Balance	\$16,091,000	\$14,004,000	\$8,784,000
REVENUES, TRANSFERS, AND OTHER ADJUSTMENTS			
Revenues:			
4172240 Fines and Penalties - External - Federal	\$2,136,000	\$2,136,000	\$2,136,000
4163000 Investment Income - Surplus Money Investment	\$84,000	\$84,000	\$84,000
Transfers and Other Adjustments:			
Total Revenues, Transfers, and Other Adjustments	\$2,220,000	\$2,220,000	\$2,220,000
Total Resources	\$18,311,000	\$16,224,000	\$11,004,000
EXPENDITURES AND EXPENDITURE ADJUSTMENTS			
Expenditures:			
4170 Department of Aging			
4265 Department of Public Health			
State Operations	\$135,000	\$552,000	\$552,000
Local Assistance	\$4,172,000	\$6,888,000	\$6,620,000
Total Expenditures and Expenditure Adjustments	\$4,307,000	\$7,440,000	\$7,172,000
FUND BALANCE	\$14,004,000	\$8,784,000	\$3,832,000