

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/17)

Fiscal Year 2019-20	Business Unit 0530	Department California Health and Human Services Agency	Priority No. CHHS-02
Budget Request Name 0530-004-BCP-2019		Program 0280-CALIFORNIA HEALTH AND HUMAN SERVICES	Subprogram OFFICE OF THE SECRETARY

Budget Request Description
 Reorganization of the Office of the Secretary

Budget Request Summary

The Health and Human Services Agency requests six (6) permanent positions and \$873,000 General Fund in 2019-2020 and \$823,000 General Fund in 2010-2021 and ongoing to reorganize the Office of the Secretary.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>		Department CIO	Date
For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), and the approval date.			
Project No.		Project Approval Document:	Approval Date:
If proposal affects another department, does other department concur with proposal? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>Attach comments of affected department, signed and dated by the department director or designee.</i>			
Prepared By	Date	Reviewed By	Date
Department Director	Date	Agency Secretary	Date

Department of Finance Use Only

Additional Review: ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ CALSTARS ☐ Dept. of Technology

PPBA	Original Signed By: Yang Lee	Date submitted to the Legislature MAY 14 2019
------	--	---

A. Budget Request Summary

The Health and Human Services Agency requests six (6) permanent positions and \$873,000 General Fund in 2019-2020 and \$823,000 General Fund in 2010-2021 and ongoing to reorganize the Office of the Secretary.

B. Background/History

On March 6, 2019, Governor Gavin Newsom appointed Dr. Mark Ghaly to serve as Secretary of the California Health and Human Services Agency. In this role, Dr. Ghaly oversees California's largest Agency which includes many key departments that are integral to supporting the implementation of the Governor's vision for a California for all.

The Health and Human Services Agency oversees Departments and other state entities that work with county and local partners to delivery an array of health and social programs and services to California's vulnerable and at-risk residents. Dr. Ghaly works across State government, along with County, City, and private sector partners, to ensure the most vulnerable Californians have access to the resources and services they need to lead healthy, happy, and productive lives.

The Secretary leads the policy and budget development for 12 Departments and five Offices, which includes over 30,000 employees and a total annual budget of approximately \$160 billion. Under the Secretary's leadership, the Health and Human Services Agency intends to prioritize its resources to achieve the following priorities:

Build a Healthy California for All

- Create a system in which every Californian, regardless of origin or income, has access to high quality, affordable health insurance coverage;
- Ensure all Californians have meaningful access to preventative health, behavioral health, and chronic disease services; and
- Reduce the rate of growth of health care costs in California through implementing approaches such as bulk purchasing of prescriptions drugs, moving toward single-payer principles and other strategies that emerge out of the Healthy California for All Commission.

Integrate Health and Human Services

- Enhance the accessibility and quality of California's mental health and substance use disorder systems as manifest by increasing the availability of community-based outpatient prevention and treatment service capacity and stabilizing and expanding the overall number of community-based placements, locked and unlocked, for individuals who require residential support on their road to greater independence;
- Integrate clinical, financial, and system structures among physical health, mental health, substance use disorder services, social services and developmental services to facilitate seamless care delivery; and
- Address upstream social determinants, including early childhood trauma, that drive disease and worsen health and economic disparities.

Improve the Lives of California's Most Vulnerable

- Reduce homelessness, especially chronic homelessness, by focusing on building up the supply of permanent supportive housing and the support services needed by those we house;

- Expand diversion and re-entry services so that anyone released from an incarcerated setting has a service access plan and the main behavioral health treatment setting for those with serious mental illness stops being our jails by default;
- Improve outcomes for children in foster care, including a focus on rates of educational achievement and family permanency; and
- Address the needs of our growing aging population including issues such as care, support, housing and transportation for our most vulnerable seniors.

In addition to the above outlined priorities, the Health and Human Services Agency is charged with leading the Governor's health and human services agenda, including advancing proposals to lower prescription drug costs, providing health coverage to young undocumented adults through Medi-Cal, expanding nutrition benefits to Supplemental Security Income recipients, developing a Master Plan on Aging, and helping to put California on a path toward single-payer health care, among other priorities.

C. State Level Considerations

This proposal will authorize the resources necessary to implement the Governor's vision for health and human services.

D. Justification

Part 1: Reorganization of the Office of Program and Fiscal Affairs

The Health and Human Services Agency proposes to rename the Office of Program and Fiscal Affairs to the Office of Policy and Strategic Planning. The Office would consist of two Deputy Secretaries, one responsible for health services and the second for human services. See Attachment 1 for current organizational structure and Attachment 2 for proposed organizational structure.

The Office will be guided by the following principles:

1. Integrate health and human services to ensure the delivery of programs and services are person-centered;
2. Utilize data to inform budget and policy development, while iterating to improve the efficacy of programs; and
3. Establish partnerships and create environments that encourage smart risk—fail fast, fail often.

As part of the reorganization, the Health and Human Services Agency is requesting one (1) new Assistant Secretary position at a Career Executive Assignment Level B. The Assistant Secretary would be responsible for policy development specific to the Agency's work related to single-payer and coverage expansions. This position will work alongside four (4) existing Assistant Secretary positions on policy development. Two (2) other and existing Assistant Secretary positions will be responsible for the development of the budget.

Additionally, the Health and Human Services Agency is requesting two (2) Associate Government Program Analysts to support the two Assistant Secretaries that will be responsible for the entire budget development process. These two positions will be responsible in helping coordinate the budget development process across 12 Departments and five (5) Offices; aid the Assistant Secretary in prioritizing and vetting budget proposals; and preparing the Agency senior leadership for internal and external budget discussions.

The reorganization will ensure that new and existing resources are leveraged to most effectively and efficiently deliver on the Secretary's priorities and the Governor's vision.

Part 2: Establishment of an Office of Enterprise Data Analytics

The Health and Human Services Agency is requesting one new position to serve as the Director of Enterprise Data Analytics to work with Departments to source, analyze and act upon data from multiple government and public sector partners to improve decision making and reform services.

This function and capability will help Health and Human Services Agency, and its Departments, implement tried and tested ways of doing more and better with less. This would include designing shared services, intelligently coordinating the actions of different teams, and predicting and preventing problems from happening in the first place.

The Office will deliver on the following objectives:

- *Institutionalizing analytics as a service improves knowledge management across policy areas.* By building analytics into the Agency's institutional architecture, outside any single policy area or operating vertical, the Office creates capacity for leveraging analytical insights in one domain across other institutional functions and subject areas.
- *Operational focus and rapid prototyping ensures high-value service delivery.* Because of the "actionable" posture of its analytics work, the Office will prioritize projects that have a high likelihood of resulting in changes that optimize city processes. The Office will provide CHHS Departments an experimental sandbox where failure and rapid iteration are built into the analytics process.
- *Analytical excellence within government drives civic engagement externally.* The Office will not only be a center of excellence for the use of data within government, it will also serve as a model for connecting government-transparency initiatives with data-literacy efforts, empowering those outside of government to use public data to take action on their own behalf.

The Office Director will:

- Oversee a comprehensive data management strategy to ensure consistency and standards for data collection, formats, hygiene, sharing, integrations and storage across CHHS;
- Increase the accessibility to data for analysis and analytics, reporting, and open data publishing;
- Manage the reliable and consistent creation of linkages and workflows between databases and APIs to support the Agency's technology enterprise and open government efforts;
- Lead efforts to improve data quality across CHHS and its Departments; and
- Advise departments, consultants, and a variety of stakeholders on strategies to integrate with and better utilize CHHS enterprise data and open data.

Part 3: Establishment of a Southern California Office of the Secretary

The Health and Human Services Agency is requesting two (2) new positions that will be based in Southern California to assist the Secretary in executing on the Governor's vision. This will include an Office Technician and a Staff Services Manager I. These resources will allow the Agency to have access to other partners including state, county and local government entities, philanthropic partners, and private sector partners who are all based in Southern California.

E. Outcomes and Accountability

As outlined above, the resources outlined in this proposal would allow the Secretary and the Health and Human Services Agency delivery on the Governor's priorities.

F. Analysis of All Feasible Alternatives

Below are two options that could be considered as part of the assessment of this proposal.

Option 1: Approve the Proposal

Pro: Approval of the proposal would allow the Health and Human Services Agency to achieve the above outlined priorities and meet the requirements of the Governor's agenda for health and human services.

Con: Would require General Fund resources.

Option 2: Do Nothing

Pro: No additional General Fund resources would be required.

Con: The Health and Human Services Agency would not be able to deliver on the Governor's agenda for health and human services.

G. Implementation Plan

The Health and Human Services Agency would immediately begin the process to recruit and hire the above outlined individuals to completely staff the Office and begin delivering on the Governor's vision.

H. Supplemental Information

Please see attachments:

Attachment 1: Current Structure of the Office of Program and Fiscal Affairs

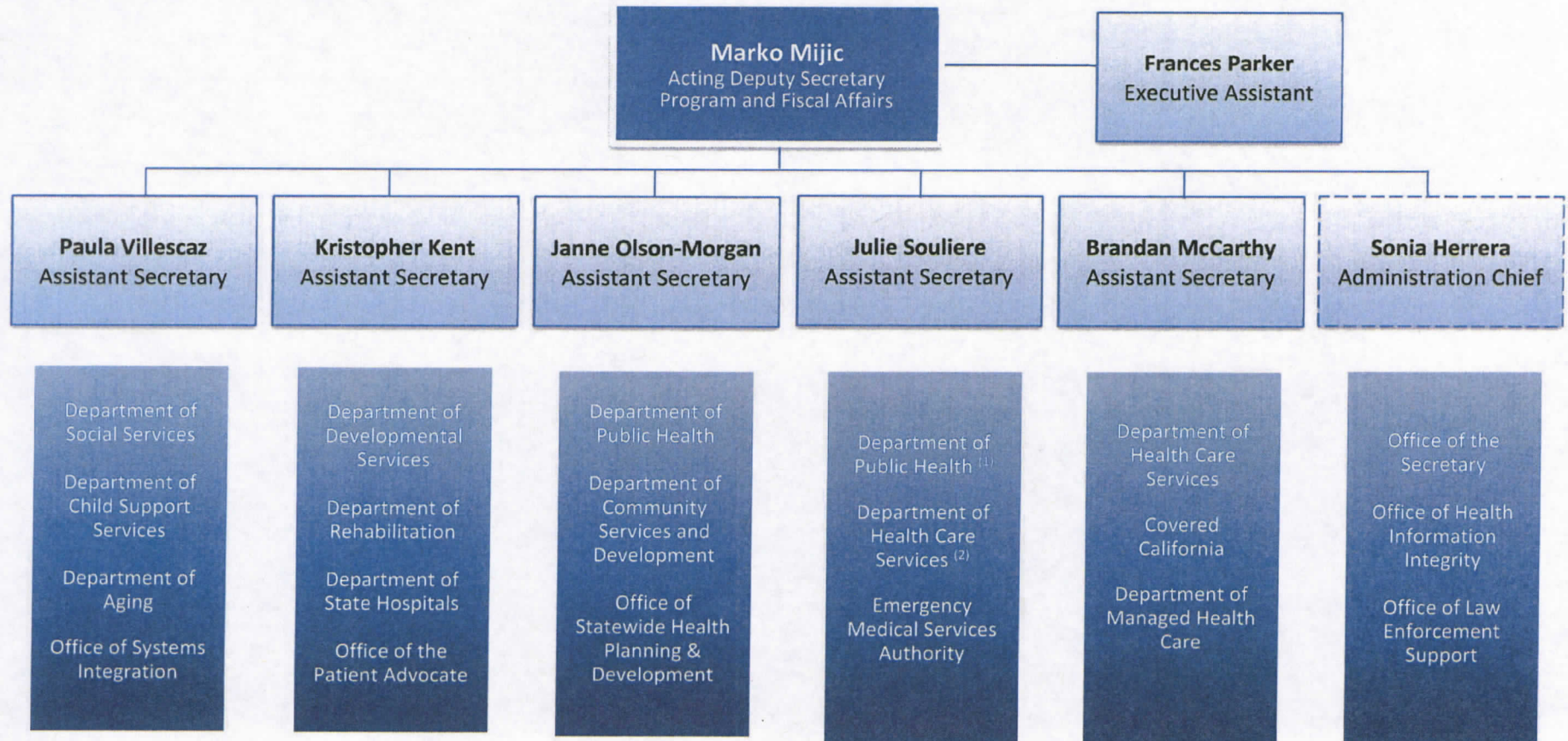
Attachment 2: Proposed Structure of the Office of Policy and Strategic Planning

Attachment 3: Fiscal Detail Sheet

I. Recommendation

The Health and Human Services Agency recommends approval of this proposal as written.

California Health and Human Services Agency
Office of Program and Fiscal Affairs
Current Organizational Structure



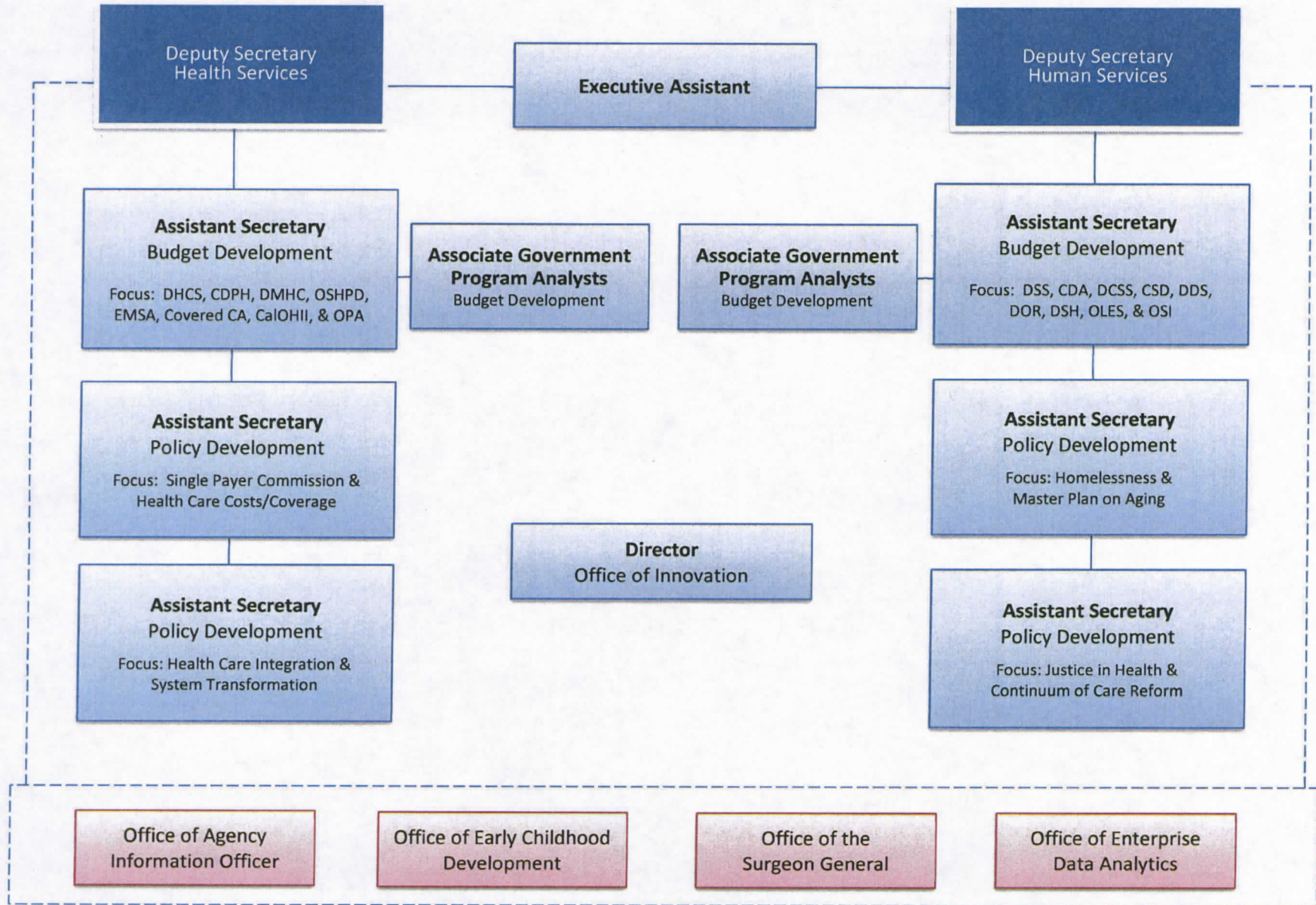
Health and Human Services Advisory Committees

California Child Welfare Council- *Paula Villescaz*
State Council on Developmental Disabilities- *Kristopher Kent*
Olmstead Advisory Committee- *Kristopher Kent*
Alzheimer's Disease Advisory Committee- *Janne Olson-Morgan*

(1) Emergency Preparedness Office; Center for Health Statistics and Informatics; and the Center for Infectious Diseases.

(2) Division for Mental Health and Substance Use Disorder Services

California Health and Human Services Agency
Office of Policy and Strategic Planning
Proposed Organizational Structure



0530-004-BCP-2019-MR

	CY	BY	BY+1	BY+2	BY+3	BY+4
Positions						
Permanent	0.0	6.0	6.0	6.0	6.0	6.0
Temporary	0.0	0.0	0.0	0.0	0.0	0.0
Exempt	0.0	0.0	0.0	0.0	0.0	0.0
Board	0.0	0.0	0.0	0.0	0.0	0.0
Total Positions	0.0	6.0	6.0	6.0	6.0	6.0
Salaries and Wages						
Earnings - Permanent	0	449,000	449,000	449,000	449,000	449,000
Earnings - Temporary	0	0	0	0	0	0
Earnings - Statutory/Exempt	0	0	0	0	0	0
Overtime, Holiday, Other	0	0	0	0	0	0
Total Salaries and Wages	\$0	\$449,000	\$449,000	\$449,000	\$449,000	\$449,000
Staff Benefits						
Dental Insurance	0	3,000	3,000	3,000	3,000	3,000
Disability Leave	0	0	0	0	0	0
Health Insurance	0	49,000	49,000	49,000	49,000	49,000
Life Insurance	0	1,000	1,000	1,000	1,000	1,000
Medicare Taxation	0	7,000	7,000	7,000	7,000	7,000
OASDI	0	28,000	28,000	28,000	28,000	28,000
Retirement	0	129,000	129,000	129,000	129,000	129,000
Unemployment Insurance	0	1,000	1,000	1,000	1,000	1,000
Vision Care	0	0	0	0	0	0
Workers' Compensation	0	0	0	0	0	0
Staff Benefits - Other	0	20,000	20,000	20,000	20,000	20,000
Total Staff Benefits	0	238,000	238,000	238,000	238,000	238,000
Total Personal Services	\$0	\$687,000	\$687,000	\$687,000	\$687,000	\$687,000
Operating Expenses and Equipment						
General Expense	0	37,000	7,000	7,000	7,000	7,000
Printing	0	1,000	1,000	1,000	1,000	1,000
Communications	0	25,000	25,000	25,000	25,000	25,000
Postage	0	1,000	1,000	1,000	1,000	1,000
Insurance	0	0	0	0	0	0
Travel	0	5,000	5,000	5,000	5,000	5,000
Training	0	11,000	11,000	11,000	11,000	11,000
Facilities Operations	0	43,000	23,000	23,000	23,000	23,000
Utilities	0	0	0	0	0	0
Consulting and Professional Services	0	0	0	0	0	0
Departmental Services	0	0	0	0	0	0
Consolidated Data Centers	0	24,000	24,000	24,000	24,000	24,000
Information Technology	0	39,000	39,000	39,000	39,000	39,000
Central Administrative Services	0	0	0	0	0	0
Office Equipment	0	0	0	0	0	0
Other	0	0	0	0	0	0
Unclassified/Special Adjustment	0	0	0	0	0	0
Total Operating Expenses and Equipment	\$0	\$186,000	\$136,000	\$136,000	\$136,000	\$136,000
Total Budget Request	\$0	\$873,000	\$823,000	\$823,000	\$823,000	\$823,000
Fund Source - State Operations						
General Fund	0	873,000	823,000	823,000	823,000	823,000
Federal Funds	0	0	0	0	0	0
Other/Special Funds	0	0	0	0	0	0
Reimbursements	0	0	0	0	0	0
Total State Operations Expenditures	\$0	\$873,000	\$823,000	\$823,000	\$823,000	\$823,000
Fund Source - Local Assistance						
General Fund	0	0	0	0	0	0
Federal Funds	0	0	0	0	0	0
Other/Special Funds	0	0	0	0	0	0
Reimbursements	0	0	0	0	0	0
Total Local Assistance Expenditures	\$0	\$0	\$0	\$0	\$0	\$0