Date of Hearing: April 23, 2024

ASSEMBLY COMMITTEE ON HUMAN SERVICES
Alex Lee, Chair
AB 2795 (Arambula) – As Amended March 21, 2024

**SUBJECT**: CalWORKs Indian Health Clinic Program

**SUMMARY**: Establishes the the California Work Opportunity and Responsibility to Kids (CalWORKs) Indian Health Clinic Program (grant program) to provide grant funding to Indian Health Clinics (IHCs) providing substance abuse, mental health treatment services, and other related services authorized under CalWORKs. Specifically, **this bill**:

1) Requires the first semiannual prospective payment, in an amount equal to not more than 50% of the total grant, to be processed for payment to the grantee following the enactment of the annual Budget Act and upon formal execution of the grant by the state, and is contingent upon both of the following:

    a) A written request for payment from the grantee; and,

    b) The grantee's timely and accurate submission, and the California Department of Social Services' (CDSS') approval, of the progress reports required under the grant, budget expenditure reports, and an annual reconciliation report, from the prior year.

2) Requires, based upon the grantee's timely and accurate submission of progress reports and budget expenditure reports from the grant year, and satisfactory performance under the grant, the processing of a second semiannual prospective payment of not more than 40% of the total grant to be processed by CDSS for payment to a grantee no earlier than January 1 during the term of the grant year. Requires the processing of the grantee's second semiannual prospective payment by CDSS to be contingent upon both of the following:

    a) A written request for payment from the grantee; and,

    b) The grantee's timely and accurate submission, and CDSS's approval, of progress reports and budget expenditure reports.

3) Requires any remaining amount, which must be at least 10% of the total grant award, to be retained by CDSS, pending satisfactory submission by the grantee of all progress reports required by the grant, budget expenditure reports, and an annual reconciliation report for the grant year. Requires payment of the withheld amount to be processed by CDSS for payment to the grantee contingent upon both of the following:

    a) A written request for payment from the grantee; and,

    b) The grantee's timely and accurate submission, and CDSS' approval, of all progress reports required under the grant, budget expenditure reports from the grant year, the annual reconciliation report for the grant year, and satisfactory performance under the grant.

**EXISTING LAW**:

1) Permits CDSS to provide funding to IHCs to provide substance abuse and mental health treatment services, and other related services authorized under the CalWORKs program to CalWORKs applicants and recipients and tribal Temporary Assistance for Needy Families (tribal TANF) applicants and recipients living in California. (Welfare and Institutions Code [WIC] § 10553.15)

2) Requires CDSS make an annual allocation of appropriated funds to all eligible federally recognized American Indian tribes with reservation lands or rancherias located in this state that administer a program pursuant to the federal Welfare Reform Act. (WIC § 10553.25)

3) Requires the Department of Health Care Services to establish a program for American Indians and their families, consisting of all of the following:

    a) Studies of the health and health services available to American Indians and their families throughout the state.

    b) Technical and financial assistance to local agencies concerned with the health of American Indians and their families. and,

    c) Coordination with similar programs of the federal government, other states, and voluntary agencies. (Health and Safety Code [HSC] § 124575)

4) Declares that the health status of many American Indians in California is not adequate and legislative intent to insure that in addition to funding provided pursuant to the American Indian Health Service program, sufficient funding is provided to American Indians from other programs in order to substantially improve their access to health services. These programs include, but are not limited to, the following:

    a) Rural health services;

    b) Mental health services;

    c) Developmental disability programs;

    d) Maternal and child health programs;

    e) Alcoholism programs;

    f) Programs for the aging; and,

    g) Environmental health programs. (HSC § 124590)

5) Defines "Indian" as:

    a) Identified as an Indian on the rolls maintained by the Bureau of Indian Affairs;

    b) Identified as an Indian on the rolls maintained by an Indian tribe, band, or other organized group of Indians in any state;

c) A descendant in the first or second degree of any person identified at any time on a roll referred to in subsection (a) or (b);

d) Declared to be a member of a tribe or a descendant in the first or second degree of a member of a tribe by the tribal council of his or her tribe; or,

e) A descendant in any degree from a member of a tribe which has been declared to be terminated by the United States government. However, any person qualifying under this subsection must be at least one quarter Indian blood. (California Code of Regulations, Title 17 § 1500)

Federal law:

6) Grants certain states, including California, criminal jurisdiction over Indians on reservations and allows civil litigation that had come under tribal or federal court jurisdiction to be handled by state court. (Public Law § 83-280)

**FISCAL EFFECT**: Unknown, this bill has not been analyzed by a fiscal committee.

**COMMENTS**:

**Background:** *Disparities in Health Outcomes for Natives.* Disparities faced by Native or Indigenous communities are deeply rooted and multifaceted, stemming from a combination of historical, social, economic, and cultural factors. These disparities manifest in various ways, including lower life expectancy, higher rates of chronic diseases, and increased mortality from specific causes such as heart disease, cancer, diabetes, and unintentional injuries.

Historical Trauma: Centuries of colonization, forced relocation, loss of land, and cultural suppression have left lasting impacts on the health and well-being of Indigenous peoples. Historical trauma has resulted in a loss of traditional practices, cultural disconnection, and intergenerational trauma, which can affect health outcomes.

Socioeconomic Factors: Native or Indigenous communities often face disproportionate poverty, inadequate access to education, limited employment opportunities, and substandard housing conditions. These socioeconomic determinants of health can contribute to higher rates of chronic diseases and poorer health outcomes.

Healthcare Access and Quality: Many Indigenous communities experience barriers to accessing healthcare, including geographic isolation, lack of healthcare facilities, transportation challenges, and limited health insurance coverage. Additionally, cultural and linguistic barriers can impede effective communication and healthcare delivery.

Discrimination and Bias: Discrimination and bias, both within the healthcare system and in society at large, contribute to disparities in health outcomes for American Indian and Alaska Native populations. Cultural insensitivity, stereotypes, and racism can undermine trust in healthcare providers and deter individuals from seeking care.

Cultural Factors: Traditional beliefs, practices, and cultural norms can influence health behaviors, healthcare utilization, and treatment preferences within Indigenous communities.

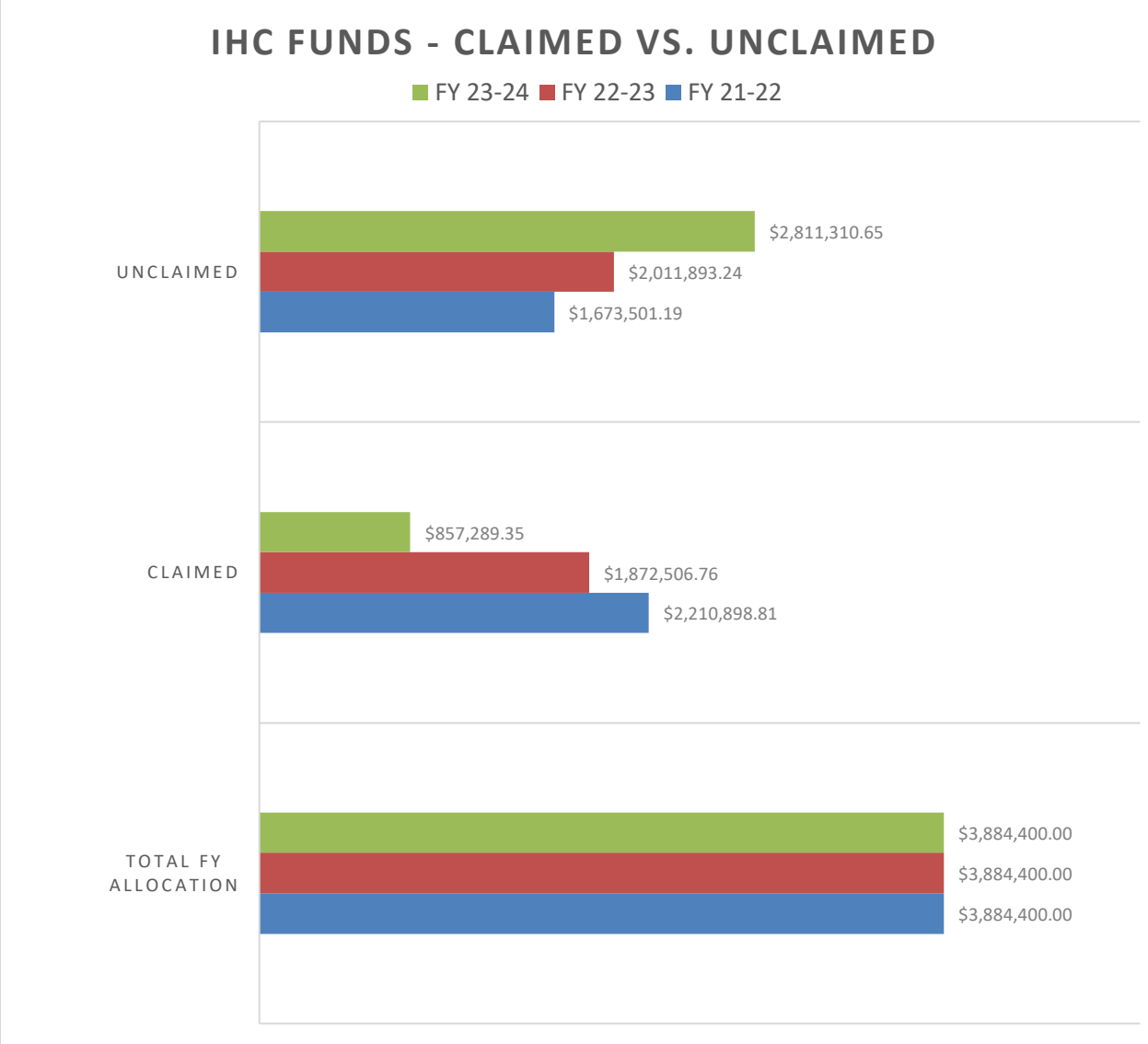
Culturally appropriate approaches to healthcare delivery and health promotion are essential for addressing the unique needs of these populations.

*CalWORKS Indian Health Clinic Program.* Currently through a Memorandum of Understanding (MOU), CDSS and each of the 36 IHCs enter into an agreement to carry out duties as described in 1) in existing law above. The current MOU is authorized through 2027. The goal of the program is to assist adult program participants to secure or retain employment or successfully complete employment and training programs. Under the program, IHCs provide culturally relevant mental health and/or substance use services and other needed services to eligible Native American California residents who are applying for or participating in the CalWORKs or tribal TANF programs. IHCs provide services necessary for participants to obtain or retain employment, or to participate in county CalWORKs or tribal TANF welfare-to-work (WTW) activities. According to CDSS, services provided by IHCs may include:

- Outreach to and identification of Native Americans who are receiving or may be eligible for CalWORKs or tribal TANF.
- Preliminary screening of individuals for mental health, substance abuse other issues.
- Transportation of individuals to County Welfare Departments (CWDs) to apply for CalWORKs cash assistance and/or participate in WTW activities or to determine the need for an evaluation for mental health, substance abuse services or other services.
- Transportation of individuals to the evaluation for mental health, substance abuse, or other services conducted by local agencies, if necessary.
- Work with CWDs and the local mental health, alcohol or other drug, or other social services agencies, if necessary, in the development of the CalWORKs or tribal member's WTW plan.
- Provision of culturally appropriate individual or group mental health and/or substance abuse treatment services necessary for Native Americans to obtain and sustain employment.
- Provision of individual or group services and/or make referrals to more intensive treatment services offered by the CWD or by county alcohol and drug programs, and other program services.
- Provision of culturally relevant Native American Medicine and Traditional Health healing services and/or practices.
- Integration of individuals into the CalWORKs or the tribal TANF program.

*Indian Health Clinic Operating Struggles.* IHCs currently report operating hardships due to being short-staffed, a lack of resources, and an inability to transport clients. Currently, the MOUs governing the existing program through CDSS are reimbursed after services are given and not given money upfront. Additionally, MOUs require reporting twice annually which can be burdensome when already short staffed. The current MOU states, "The Semi-Annual Report and Semi-Annual Claim Form must be submitted to CDSS within 90 calendar days following the end of the reporting period. Incomplete or inaccurate reports will be returned to the IHC for correction and payment will be released only when the report accurately captures the data as

required by the CDSS." The following graph shows the total amount allocated for Indian Health Clinics, how much was claimed, and how much was left on the table. There is no one specific reason for the large number left on the table; however, proponents of this bill attribute this to the burdenson reporting.




*This bill* aims to ease access to this program by giving prospective payments rather than the above described existing practice.

**Author's Statement:** According to the Author, "Eligible members of tribal communities should receive equitable access to safety net programs. Indian Health Clinics (IHC) were created to provide tribal communities with resources to overcome poverty, mental health, and substance abuse. IHCs help adults secure and retain employment, provide referrals to mental health and substance abuse treatment programs, assist with legal and law enforcement needs, and provide counseling services focused on suicide prevention, domestic violence, anger, or stress.

IHCs participating in the Indian Health Clinic Program can be reimbursed by the California Department of Social Services (DSS) through the California Work Opportunity and

Responsibility to Kids (CalWORKs) and tribal Temporary Assistance for Needy Families (TANF). Each IHC is currently able to draw from $107 thousand allocated per year per clinic. However, significant administrative reporting requirements and significant staff shortages, leave smaller IHC grantees unable to access appropriated funds.

AB 2795 models the Indian Health Clinic Program, administered by DSS, after the similarly named Indian Health Program, administered by the Department of Health Care Services (DHCS), which provides direct grant funding to Tribal communities with significantly fewer reporting requirements."

**Equity Implications:** Natives born today have a life expectancy that is 5.5 years less than the all other races in the United States population (73.0 years to 78.5 years, respectively). Natives continue to die at higher rates than other Americans in many categories, including chronic liver disease and cirrhosis, diabetes mellitus, unintentional injuries, assault/homicide, intentional self-harm/suicide, and chronic lower respiratory diseases. (Indian Health Service, 2019)

This bill seeks to ensure Native Americans have access to health programs that align with legislative intent.

**RELATED AND PRIOR LEGISLATION:**

***AB 1279 (Committee on Budget), Statutes of 2008, Chapter 759,*** permited the CDSS director provide funding to Indian health clinics to provide substance abuse and mental health treatment services, and other related services authorized under the CalWORKs program to CalWORKs applicants and recipients and TANF applicants and recipients living in California.

**REGISTERED SUPPORT / OPPOSITION**:

**Support**

California Rural Indian Health Board, INC. (Sponsor)
Indian Health Council, INC.
Karuk Tribe
Lake County Tribal Health Consortium
Mathiesen Memorial Health Clinic
Pit River Health Services
Quartz Valley Indian Reservation
Redwood Valley Little River Band of Pomo Indians
Riverside-San Bernardino County Indian Health, INC.
Sonoma County Indian Health Project
Southern Indian Health Council, INC.
Toiyabe Indian Health Project, INC.

**Opposition**

None on file.

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