

# LEGISLATIVE UPDATE



Week of February 19, 2024

## State Issues

State Budget  
Picture Worsens

The Legislative Analysts' Office has updated its estimates for the State's revenue and the results on the State's deficit picture is stark. Earlier this month, the LAO announced that state had collected \$24 billion less in revenue than the Governor's January Budget package projected. After some analysis, they announced this week that those revenue shortfalls result in a \$15 billion increase to the deficit that has to be addressed in the upcoming budget discussions. While in January the LAO projected the state had a \$58 budget hole to fill – their new estimate is \$73 billion.

The LAO has developed a list of one-time or temporary spending that could be withdrawn or reduced to help achieve those savings. You can find the list [here](#). There are some LAO-proposed cuts in the health space – including investments in behavioral health, public health and the health care workforce.

Budget Subcommittee hearings on both the Senate and Assembly side pick up their regular weekly schedules starting next week.

Informational  
Hearing on the  
Health Care  
Workforce  
(continued)

This week, the Assembly Health Committee held an informational hearing on the Diversity in California's Health Care Workforce. You can access the agenda [here](#) and the background paper [here](#). All of the materials from each of the presenters, including their bios, can be found on the Committee's website via this [link](#).

The hearing had three panels: 1) Perspectives on the Need for Greater Diversity in CA's Health Care Workforce; 2) Current Efforts to Increase Workforce Diversity in CA; and 3) Increasing Diversity in Health care Workforce Education and Training.

The common theme was clear – we don't have enough providers statewide – period. We don't have enough providers that look like the patients they serve. We don't have enough behavioral health providers, and we don't have enough in certain parts of the state. While there are many efforts the state and others are working on – including more than \$1 billion in investments from the state in recent budgets -- we are in the midst of a crisis and there's not a simple or quick fix.

All this is important because it has a direct and meaningful impact on Californian's health. Per the Committee Backgrounder: "... greater diversity among health professionals is associated with improved access to care for people who are racial and ethnic minorities, enhanced provider choice and patient satisfaction, better patient-provider communication, and better educational experiences for students while in training. In addition, it is well-documented.

(more)

<p>Informational Hearing on the Health Care Workforce</p>	<p>that physicians from minority backgrounds are more likely to practice in Health Profession Shortage Areas and to care for minority, Medicaid, and uninsured people than their counterparts. By 2030, communities of color will make up over 65% of California’s population, yet they are severely under-represented in the health workforce and educational pipeline. Latinos are California’s largest single ethnic group and are projected to reach 41.5% of the population by 2030. Given that these groups will make up the majority of California’s working-age population, action is needed to ensure that more of them become health professionals.”</p> <p>It is important to note that it seems like a record number of bills have been introduced this year to take steps to address the crisis, including bills allowing Community Colleges to award certain bachelor’s degrees; requiring the state to explore interjurisdictional compacts for several provider types; making it easier for providers trained out of the country to get licensed; and many others. This might just be the year where some of the political roadblocks to increasing the provider capacity may get addressed.</p>
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