



California (FY 16-17) Budget: Primary Care Workforce Funding FAQ

General Questions

1. How much funding was included in California's FY 16-17 Budget for primary care workforce?

The enacted California FY 16-17 Budget, signed by Governor Brown on June 27, included a \$100 million commitment to support and expand primary care residency programs and help recruit physicians to practice in medically underserved areas. Absent this funding, California's primary care residency programs would have faced more than \$60 million in cuts due to the expiration of federal and private foundation grants. The \$100 million investment will be appropriated to the Office of Statewide Health Planning and Development (OSHPD) over three years, the majority of which will pass through the Song-Brown Workforce Training Program, with the initial \$33.3 million in California's FY16-17 Budget.

The \$100 million is intended to be allocated in the following ways:

- \$60 million to support existing primary care residency programs.
- \$17 million to support existing Teaching Health Center (THC) primary care residency programs.
- \$10 million to expand residency slots at existing primary care programs.
- \$10 million to create new primary care residency programs.
- \$2 million to support increased OSHPD staffing and administration.
- \$1 million to augment the State Loan Repayment Program.

2. What was CaliforniaHealth+ Advocates' involvement in this workforce investment?

CaliforniaHealth+ Advocates worked in coalition with the California Medical Association (CMA) and California Academy of Family Physicians (CAFP) to advocate for this new investment. We were joined in our coalition by the California Hospital Association, Osteopathic Physicians and Surgeons of California, Planned Parenthood, American College of Physicians, and California Children's Hospital Association.

3. Where can I learn more about California's FY 16-17 Budget?

California's enacted budget can be found by following these links:

- Budget Website: <http://www.ebudget.ca.gov/>
- Health and Human Services Budget - Summary: <http://www.ebudget.ca.gov/2016-17/pdf/Enacted/BudgetSummary/HealthandHumanServices.pdf>
- Health and Human Services Budget – Detailed: <http://www.ebudget.ca.gov/2016-17/Enacted/StateAgencyBudgets/4000/agency.html>

Residency Funding

4. When will the new primary care residency funding become available?

The total funds commitment will be appropriated to OSHPD over three years (FY 16-17, FY 17-18, FY 18-19). The recently signed FY 16-17 budget includes the initial \$33 million commitment. The expenditure authority for these funds remains in place for six years.

These funds will not be available until the California Department of Health Care Services (DHCS) receives federal approval for the recently extended Hospital Quality Assurance Fee. This fee was created six years ago to draw down federal matching funds to backfill Medi-Cal hospital expenditures. It was renewed as part of the State Budget, but still requires federal approval. California Primary Care Association (CPCA) and its partners will be working closely with the Department of Health Care Services (DHCS) and OSHPD to provide any support we can to expedite this process. We are hopeful federal approval will happen before January 1, 2017. The exact timing of the fee's renewal may affect the Song-Brown Funding cycle.

In August 2016, OSHPD released an initial timeline of implementation-related activities to ensure they are fully prepared to administer these funds. Please [click here](#) to see OSHPD's implementation plan.

5. Who will administer these new funds?

The Song-Brown Commission, also known as the California Healthcare Workforce Policy Commission, will administer these funds. CHWPC is a 15-member citizen advisory board that provides expert guidance and statewide perspectives on health professional education issues, reviews applications and recommends contract awards to the Director of OSHPD. The CHWPC meets at least four times annually and receives administrative support from OSHPD.

The Song-Brown Health Care Workforce Training Act (Song-Brown Program) was established in 1973 under the Health and Safety Code Section 128200-128241 of the California Health and Safety Code to increase the number of family physicians to provide needed medical services to the people of California. The Song-Brown Program does this by providing grant funds to family physician residency, primary care residency (general internal medicine, general pediatrics and general obstetrics-gynecology), nurse practitioner, physician assistant, and registered nurse training programs committed to increasing the number and improving the distribution of these professionals in underserved areas of the state.

6. How much of these funds will go to support existing residency programs?

California's investment in primary care residency includes \$87 million dedicated to supporting existing residency programs. Of this \$87 million, \$60 million will be directed to existing support that the Song-Brown Program is currently providing to over 50 residency programs. Additionally, of the \$87 million, \$10 million is to support existing programs that expand their number of residency slots. The remaining \$17 million will be explicitly dedicated to support California's six existing teaching health centers.

7. How much of these fund will go to support new residency programs?

In addition to the \$87 million dedicated to supporting existing residency programs, California's investment in primary care residency includes \$10 million dedicated to supporting new residency programs. It is the intent that these funds are used to provide awards that are larger than those awards provided to existing

residency programs. These larger awards are to account for residency development and accreditation costs.

8. How can my health center access these funds?

Currently, the Commission has a robust application process and funding meeting schedule. We expect that the Commission will continue to utilize these processes and meeting schedule for the dissemination of these new funds. CPCA and its partners will meet with the Commission to discuss any necessary changes in process or timeline. Our intent is to build a stronger working relationship with the commission to guarantee that health centers and their partners are well positioned to access these new funds.

9. My health center does not have an accredited residency program, but is considering starting one. Can these funds help me?

Yes. Once your program is accredited, you can apply for Song-Brown funding. In fact, as a newly accredited residency program, you can apply for funding specifically dedicated to new residency programs (\$10 million). CPCA and its partners will meet with the Commission to determine processes and timelines for the dissemination of these funds.

10. My health center is one of California's existing teaching health center (THC) sites. How can I access these new funds?

Many of California's current THCs already receive Song-Brown grants and should continue to use the current annual application process. In the coming months, CPCA and its partners will meet with the Commission to determine if new processes or timelines will be developed for funding awards relating to the new teaching health center dedicated funding (\$17 million).

11. My health center partners with a local hospital's or academic institution's accredited residency program. Can these funds help me?

Yes. Many of your hospital or academic partners may already receive support from the Song-Brown program and/or may be eligible to access new funds. To see if your training partner is currently receiving program funds, please follow these links:

[Family Medicine \(FM\) Residency Programs](#)
[Primary Care Residency \(PCR\) Programs](#)

If your residency program partner currently receives Song-Brown funds, or you believe they may be eligible for funds, we encourage you to talk with them about how these funds can be distributed to best support your health center/residency partnership.

12. My health center has a nurse practitioner residency program, can these funds be used to support nurse practitioner training?

While the Song-Brown Program does provide grants to nurse practitioner, physician assistant, and registered nurse training programs, these new funds will not be directed towards these programs.

13. Where can I go to learn more about the Song-Brown Commission?

To learn more about the Song-Brown Program and its Commission, please visit (<http://www.oshpd.ca.gov/HWDD/Song-Brown-Program.html>). On this site, you can learn about the current application process as well as find a full list of all residency programs currently receiving funding.

14. Does CPCA have any resources to help support a health center that is considering launching a residency program?

CPCA is in the early stages of developing resources and training to support health centers that are developing residency programs. We are vetting potential partners for these efforts. As you consider your future residency path, CPCA staff is also available to link you with current THC leaders. Training and resource inquires can be directed to Nataly Diaz, Senior Program Coordinator (ndiaz@cpca.org or 916.503.9115).

Loan Repayment Funding

15. When will the new State Loan Repayment Program (SLRP) funding become available?

The total commitment of \$1 million in new general funds will be appropriated to OSHPD over three years (FY 16-17, FY 17-18, FY 18-19). The recently signed FY 16-17 budget includes the initial \$333,000 commitment.

As noted above, the amount appropriated will not be available until the State receives federal approval for extension of the Hospital Quality Assurance Fee.

16. In addition to the \$1 million general fund commitment, I understand that there is additional new SLRP funding from County Medical Services Program (CMSP). Is this true?

Yes, the County Medical Services Program (CMSP) Governing Board committed more than \$4 million to fund expansion of the SLRP and the Allied Health Loan Repayment program (AHLRP). These funds will only be accessible to community clinics and health centers located in one of the 35 primarily rural California counties participating in CMSP. These funds must be distributed by June 30, 2020.

17. My health center is a CMSP participating county. How do I access the CMSP SLRP and/or AHLRP funds?

These funds will be administered by OSHPD's SLRP and AHLRP programs through a service agreement with CMSP. CMSP and OSHPD representative are in discussions now to support the overall program development, including OSHPD's role and any new processes necessary for the distribution of these funds.

18. When can my health center start accessing these CMSP SLRP funds?

We do not have a specific date at this time. This provision of the budget will only become operative upon OSHPD's receipt of funding from the CMSP Governing Board. CMSP is hopeful this new funding will be distributed using OSHPD's existing timelines for SLRP and AHLRP implementation. We will update members as we learn more.

19. Does my health center need to be a Certified Eligibility Site to participate in the SLRP?

Yes, your community clinic or health center site must be listed on the SLRP Certified Eligibility Site list to participate in the program. To see if your site is one of the nearly 400 currently eligible sites, please [click here](#).

Applications to become certified are accepted year-round. You can complete an application using OSHPD's [CalREACH](#) (Responsive Electronic Application for California's Healthcare) web portal. If you need technical assistance with the portal, please contact the CalREACH Help Desk at 1-866-449-1425 or azhelpdesk@agatesoftware.com.

20. How does AB 2048 (Gray) impact my health centers participation in the SLRP?

Provisions contained in AB 2048 are expected to go into effect in January 2017. This bill would require OSHPD to include all federally qualified health centers (FQHC) located in California on the program's Certified Eligible Site List. As part of the clinician application process for the program, the bill would require program sites to agree to provide matching funds. Until the provisions of this bill are implemented, health centers should continue to utilize the CES application process referenced above.

21. Where can I go to learn more about California's State Loan Repayment Program?

To learn more about California's State Loan Repayment Program (SLRP), please visit the [California SLRP website](#) (<http://www.oshpd.ca.gov/HWDD/SLRP.html>). CPCA staff are also available to answer any program questions you may have. Inquires can be directed to Nataly Diaz, Senior Program Coordinator (ndiaz@cpc.org or 916-503.9115).