

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 07/23)

Fiscal Year 2024-2025	Business Unit Number 4140	Department Department of Health Care Access and Information
Hyperion Budget Request Name 4140-050-BCP-2025-GB		Relevant Program or Subprogram 3835 – Health Care Workforce

Budget Request Title

Health Facilities and Clinics: Clinical Placements: Nursing (AB 1577)

Budget Request Summary

The Department of Health Care Access and Information (HCAI) requests 1.0 permanent position and budget expenditure authority of \$170,000 in 2025-26 and ongoing from the Health Data and Planning Fund to implement AB 1577 (Chapter 680, Statutes of 2024) to develop and support a program that will track, receive and post written justifications from health facilities and clinics regarding nursing clinical placement opportunities, and other compliance activities.

Requires Legislation (submit required legislation with the BCP) <input type="checkbox"/> Trailer Bill Language <input type="checkbox"/> Budget Bill Language <input checked="" type="checkbox"/> N/A	Code Section(s) to be Added/Amended/Repealed	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), the approval date, and the total project cost.

Project No. N/A **Project Approval Document:** N/A

Approval Date: N/A **Total Project Cost:** N/A

If proposal affects another department, does other department concur with proposal? ☐ Yes ☐ No

Attach comments of affected department, signed and dated by the department director or designee.

Prepared By Chris Perry	Date 1/10/2025	Reviewed By Libby Abbott	Date 1/10/2025
Department Director Elizabeth Landsberg	Date 1/10/2025.	Agency Secretary Darci Delgado.	Date 1/10/2025

DEPARTMENT OF FINANCE USE ONLY

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

Principal Program Budget Analyst Joseph Donaldson	Date submitted to the Legislature 1/10/2025
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A. Problem Statement

HCAI requests 1.0 permanent position and budget expenditure authority of \$170,000 for 2025-26 and ongoing thereafter from the Health Data and Planning Fund. The position is necessary for HCAI to implement the required activities in AB 1577, including the development and support of a program that will track, receive and post written justifications on the HCAI website from health facilities and clinics explaining their inability to provide clinical placement support to California community college and CSU nursing programs.

HCAI History in Clinical Placements for Nursing Programs

HCAI was in the process of negotiating a contract with the Foundation for California Community College (FCCC) for statewide implementation of their Centralized Clinical Placement System (CCPS). The FCCC launched the CCPS as a pilot program that began in the Bay Area in 2005, intended to build on existing regional consortia to aggregate school and clinical provider information. The CCPS is an online tool that centralized communication to enable schools and clinical providers to rapidly match placement needs to provider availability. Currently, 43 California Community Colleges, ten California State University (CSU) campuses, and four University of California (UC) campuses already use CCPS. HCAI's statewide expansion aimed to streamline the request and assignment process for clinical placements, expand the availability of clinical experiences, engage with non-traditional clinical agencies (such as private clinics and Public Health Offices), and aggregate data to identify gaps in availability and inform policy decisions. The statewide implementation of the CCPS is no longer in process because of budget reductions in the FY 2024-25 Budget for HCAI's nursing initiatives.

Relevant Legislation

AB 1015 (Chapter 591, Statutes of 2021) Required the Board of Registered Nursing to annually collect, analyze, and report information related to the number of clinical placement slots that are available and the location of those clinical placement slots within the state, including, but not limited to, information concerning the total number of placement slots a clinical facility can accommodate and how many slots the programs that use the facility will need. The bill required the board to post the annual report on its website.

The activities required in AB 1577 are new to HCAI and do not have a resource or workload history.

B. Justification

HCAI requests 1.0 position and budget expenditure authority of \$170,000 for 2025-2026 and ongoing thereafter from the Health Data and Planning Fund to track, receive, and post written justifications on HCAI's website from health care facilities and clinics explaining their inability to provide clinical placement support to Community college and CSU nursing programs.

One (1.0) Associate Government Program Analyst (AGPA) position is necessary to implement and administer AB 1577 and coordinate with the health facilities and clinics to ensure compliance with the statutory requirements.

C. Departmentwide and Statewide Considerations

A lack of clinical placements is a significant structural barrier in the training pipeline for lower income nursing students. The current clinical placement process disadvantages students attending nursing programs at CSUs and community colleges by disproportionately filling slots with higher-cost private nursing programs typically attended by higher-income nursing

students. AB 1577 seeks to increase the availability of placements that could be accessed by students who could otherwise provide a more diverse and culturally competent nursing workforce. Disadvantaged communities suffer the nursing shortage most acutely with the current workforce distribution. Demand for nurses in underserved areas is greatest largely because health facilities serving those areas are not as competitive when recruiting compared to better resourced facilities in higher income areas. This proposal allows HCAI to support the intent of AB 1577 to provide California with more RNs from more diverse backgrounds to address the medical staffing shortage felt most acutely in disadvantaged areas.

D. Outcomes and Accountability

This proposal will provide staff needed for HCAI to comply with the reporting requirements of AB 1577. The 1.0 AGPA will track, receive and post written justifications from health care facilities and clinics on the HCAI website for five years. As this reporting program is new to HCAI, HCAI cannot project program outcomes based on historical data or similar programs.

Under AB 1577, when a facility or clinic meets with a California community college or CSU nursing program, if ultimately the clinic or facility cannot provide support with clinical placements, the facility or clinic must provide a written justification by the following January 30 or be subject to a \$1,000 penalty. AB 1577 does not include a mechanism to notify HCAI of a successful or unsuccessful outcome, and does not require health facilities, clinics, or nursing programs to report clinical placement data to track conditions, trends, or changes in the clinical placement environment. Without adequate metrics to evaluate the success or failure of these meetings or the overall needs, HCAI cannot project reporting outcomes.

E. Implementation Plan *(Provide key milestones, deliverables, and timeline for implementation)*

Timeline	Activity
July 2025 – January 2026	<ul style="list-style-type: none"> Recruit, interview and hire new position Develop program requirements Develop a process for administering the \$1,000 penalty Create a new landing page on the HCAI website where justifications will be posted
January 2026 – December 2031	<ul style="list-style-type: none"> Launch reporting program Collect written justifications submitted by Health facilities and clinics on or before the following January 30 Assess the administrative penalty to health facilities or clinics who fail to provide the written justifications within the required timeframe

F. Supplemental Information (If Applicable) *(Attach workload standards, organizational charts [both before and after resource request] and provide details to support costs including appropriate back up. Note for federal fund requests: to the extent possible, provide (1) proof of federal award, (2) information on state matching requirements and how they will be met, if applicable, and (3) compliance plans for meeting federal encumbrance/obligation and expenditure/liquidation deadlines.)*

BCP Fiscal Detail Sheet

BCP Title: Health Facilities and Clinics: Clinical Placements: Nursing (AB 1577)

BR Name:4140-050-BCP-2025-GB

Budget Request Summary

Personal Services

Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Positions - Permanent	0.0	1.0	1.0	1.0	1.0	1.0
Total Positions	0.0	1.0	1.0	1.0	1.0	1.0
Earnings - Permanent	0	80	80	80	80	80
Total Salaries and Wages	\$0	\$80	\$80	\$80	\$80	\$80
Total Staff Benefits	0	46	46	46	46	46
Total Personal Services	\$0	\$126	\$126	\$126	\$126	\$126

Operating Expenses and Equipment

Operating Expenses and Equipment	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
5301 - General Expense	0	19	19	19	19	19
5322 - Training	0	1	1	1	1	1
5324 - Facilities Operation	0	14	14	14	14	14
5346 - Information Technology	0	10	10	10	10	10
Total Operating Expenses and Equipment	\$0	\$44	\$44	\$44	\$44	\$44

Total Budget Request

Total Budget Request	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Budget Request	\$0	\$170	\$170	\$170	\$170	\$170

Fund Summary

Fund Source

Fund Source	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
State Operations - 0143 - California Health Data and Planning Fund	0	170	170	170	170	170
Total State Operations Expenditures	\$0	\$170	\$170	\$170	\$170	\$170

Fund Source	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total All Funds	\$0	\$170	\$170	\$170	\$170	\$170

Program Summary

Program Funding

Program Funding	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
3835 - Health Care Workforce	0	153	153	153	153	153
3860 - Administration	0	17	17	17	17	17
Total All Programs	\$0	\$170	\$170	\$170	\$170	\$170

Personal Services Details

Positions

Positions	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
VR00 - Various (Eff. 07-01-2025)	0.0	1.0	1.0	1.0	1.0	1.0
Total Positions	0.0	1.0	1.0	1.0	1.0	1.0

Salaries and Wages

Salaries and Wages	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
VR00 - Various (Eff. 07-01-2025)	0	80	80	80	80	80
Total Salaries and Wages	\$0	\$80	\$80	\$80	\$80	\$80

Staff Benefits

Staff Benefits	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
5150900 - Staff Benefits - Other	0	46	46	46	46	46
Total Staff Benefits	\$0	\$46	\$46	\$46	\$46	\$46

Total Personal Services

Total Personal Services	FY25 Current Year	FY25 Budget Year	FY25 BY+1	FY25 BY+2	FY25 BY+3	FY25 BY+4
Total Personal Services	\$0	\$126	\$126	\$126	\$126	\$126