



OFFICE OF THE GOVERNOR

OCT 04 2021

To the Members of the California State Senate:

I am returning Senate Bill 682 without my signature.

This bill would require the California Health and Human Services Agency (CHHS) to convene an advisory workgroup to develop and implement a plan to reduce racial disparities in childhood chronic diseases by at least 50 percent by December 31, 2030.

My Administration is strongly supportive of closing the health disparity gap among youth and agrees with the intent of this bill. California must set measurable goals and take meaningful action to reduce disparities in chronic conditions affecting children of color. However, because the bill places performance measures and targets into state statute, it restricts the vital flexibility necessary to account for shifting health equity priorities over the next decade.

The bill is also duplicative of efforts already underway, creating unnecessary bureaucratic burden instead of material change. The Department of Health Care Services (DHCS) is analyzing various sources of race/ethnicity data to establish a road map with specific, measurable, attainable, relevant, and time-based goals to reduce racial and ethnic health disparities in Medi-Cal. The 2021 state budget provided historic investments for CHHS to further reorient the administration of its programs using this data to launch an online Health Equity Dashboard. Furthermore, DHCS and the Department of Managed Health Care (DMHC) are collaborating on the establishment and enforcement of health equity and quality standards for full-service and behavioral health plans, which



will include annual benchmark standards for assessing equity and quality in health care delivery that will be enforced by the DMHC. These efforts, coupled with CalAIM and managed care plan procurement, will hold Medi-Cal managed care plans accountable for providing quality and equitable care to the state's most vulnerable populations.

I look forward to continuing the work within my Administration, with the Legislature, and with affected communities to address racial disparities in health care, especially as they pertain to children of color, in a manner that is meaningful, effective, and responsive to the latest data and health equity priorities.

Sincerely,



Gavin Newsom