



[California State Budget Plan, 2022-23](#)

CHA Budget Priorities

The Legislature has passed a package of budget bills expected to be signed by the governor that reflects an agreement on the 2022-23 state budget. However, certain budget decisions — such as Community Assistance, Recovery and Empowerment (CARE) Court — are deferred to later this summer. Below is a brief overview of certain CHA budget priorities.

- **Rejects Community Benefits Proposal** – The governor proposed requiring nonprofit hospitals to allocate 25% of their community benefits spending to community-based organizations to address the social determinants of health. The budget agreement rejects this proposal. CHA is monitoring in case it reappears in final budget negotiations later this summer.
- **No Action on Seismic Preparedness** – The budget agreement does not include funding or statutory changes to help hospitals prepare for the state’s 2030 seismic requirements.
- **Medi-Cal for All** – The agreement approves the expansion of comprehensive Medi-Cal coverage to Californians ages 26-49, regardless of immigration status, starting no later than January 1, 2024. With this change, all undocumented residents otherwise eligible for Medi-Cal will be eligible for comprehensive coverage.
- **Behavioral Health Investments** – The agreement includes \$1.5 billion for bridge housing for individuals with serious mental illness who are experiencing homelessness. It also includes funding to implement CARE Court, which is contingent upon a final agreement on its authorizing legislation.
- **Restores State Premium Subsidies** – The American Rescue Plan (ARP) provides enhanced federal premium subsidies totaling \$1.6 billion annually for individual market coverage for 2021 and 2022. No federal action has been taken to extend these subsidies. The budget agreement includes \$304 million from the General Fund to reinstate a state premium subsidy program in place prior to the ARP, beginning in 2023.