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GAVIN NEWSOM
Governor

Memorandum

DATE: March 18, 2024

FROM: Susan Fanelli, California Department of Public Health (CDPH)

TO: Local Health Department Directors and Health Officers

RE: **Hepatitis C Virus (HCV) Allocations – Fiscal Year 2024-25 through Fiscal Year 2027-28**

The purpose of this memo is to detail funding updates to new and existing State General Fund allocations to local health jurisdiction (LHJs) to support HCV prevention and control activities effective July 1, 2024.

Background

The 2019 Budget Act (AB 74, Chapter 23, Statutes of 2019) appropriated \$4.5 million to CDPH to administer funding to LHJs for HCV control and prevention activities. This investment was made ongoing (annually) as part of 2020 Budget Act (AB 80, Chapter 12, Statutes of 2020). The 2023 Budget Act (AB 102, Chapter 38, Statutes of 2023) provided an additional \$9 million investment on a one-time basis with funds available for encumbrance or expenditure until June 30, 2028.

[California Health and Safety Code \(HSC\) 122440](#) specifies parameters for both the ongoing and one-time investments, including allowable uses and required activities of the funding. HSC 122440(a)(1)(C) further specifies:

“No less than 50 percent of the funds allocated to local health jurisdictions shall be provided to, or used to support activities in partnership with, community-based organizations for purposes consistent with this section, provided that there are community-based organizations in the jurisdiction that are able to provide these activities and demonstrate expertise, history, and credibility working successfully in engaging the most vulnerable and underserved individuals living with, or at high risk for, HCV infection.”

Allocation Updates

CDPH met with the Executive Committees of the County Health Executives Association of California (CHEAC) and the California Conference of Local Health Officials (CCLHO) between February 9 and March 8, 2024, to finalize funding plans for the next budget cycle beginning July 1, 2024, for the following HCV funding sources that will have the same workplan:



- **\$4.5 Million HCV Prevention and Collaboration Funds** (annual, ongoing, Fiscal Year 2024-25 through Fiscal Year 2027-28). The goal for funding is to ensure all LHJs that currently receive ongoing HCV investments retain their funding. For this next cycle of funding, the award floor is increased from \$175,000 to \$200,000.
- **\$9 Million HCV Prevention and Collaboration Funds** (one-time, available for encumbrance or expenditure until June 30, 2028). The goal for funding is to increase the number of LHJs funded with a focus on LHJs with significant HCV impact.

During the meeting and subsequent discussions, the following decisions were made:

- Funds for both allocations will be allocated to eligible LHJs based on 2022 poverty (50%) and population (50%) estimate after applying an increased floor of \$200,000 per fiscal year. See attached Excel file with additional information about methods.
- **\$4.5 Million HCV Prevention and Collaboration Eligibility:**
 - **All currently funded LHJs were eligible based on criteria used in 2019**, which at the time included 2016 LHI population, cases (excluding prison population and cases as reported by California Department of Corrections and Rehabilitation (CDCR)) and racial disparities or rising rates of HCV in 15-29 year olds. Because the floor increased to \$200,000, one LHI had to be moved to the \$9M allocations. San Bernardino most closely matched the overage amount and was moved to the \$9M allocations.
 - The following LHJs are included in the \$4.5M allocation: Alameda, Humboldt, Kern, Long Beach, Los Angeles, Marin, Monterey, Orange, Riverside, Sacramento, San Diego, San Francisco, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Shasta, Sonoma, and Ventura.
- **\$9 Million HCV Prevention and Collaboration Eligibility:**
 - After close review of HCV case registry data, the eligibility criteria was simplified in comparison to 2019 allocations, and was determined based on 2022 chronic HCV cases and rates (excluding prison population and cases) and is as follows:
 - **LHI has at least 200 cases of chronic HCV cases.** This added the following LHJs to the \$9M allocations: Contra Costa, Fresno, Merced, Solano, and Stanislaus
 - **LHI has a rate above the state rate (56.765 cases per 100,000 population) AND at least 75 chronic HCV cases.** This added the following LHJs to the \$9M allocations: El Dorado, Imperial, and Mendocino
 - **LHI has a rate more than four times the state rate.** This was added to include a very high case rate just under the 75 case threshold above, which adds Lassen
 - **Currently funded LHJs not included in \$4.5 Million.** San Bernardino was added to ensure continuity of currently funded LHJs as described above.
- To streamline administration of both funding investments and ensure continuity of LHI and CBO services, both the one-time \$9M and ongoing \$4.5M allocations will have the same end date of June 30, 2028. Therefore, in fiscal year 2026-2027, CDPH will analyze updated HCV registry data and reassess the funding formula, considering all LHJs for potential eligibility in collaboration with CHEAC and CCLHO. This collaboration will seek to understand the impact of this funding, review eligibility and allocations, and ensure ample time for LHJs to plan for any funding changes.

Final funding allocations are shown in Tables 1 and 2 below.

CDPH Contact for LHJs

For additional information or questions about these funding allocations, LHJs may contact STDLHJContracts@cdph.ca.gov.

Table 1: \$4.5 Million HCV Prevention and Collaboration Allocations, FY 2024-25 through FY 2027-28

LHJ	Annual Allocation	Rounded Total Amount LHJs Must Use to Support CBOs*
Alameda HD**	201,662	100,831
Humboldt	200,081	100,041
Kern	200,540	100,270
Long Beach	200,247	100,124
Los Angeles HD**	382,471	191,236
Marin	200,100	100,050
Monterey	200,208	100,104
Orange	235,947	117,974
Riverside	223,791	111,896
Sacramento	207,369	103,685
San Diego	239,450	119,725
San Francisco	200,371	100,186
San Joaquin	200,379	100,190
San Luis Obispo	200,133	100,066
San Mateo	200,282	100,141
Santa Barbara	200,230	100,115
Santa Clara	205,964	102,982
Santa Cruz	200,129	100,065
Shasta	200,093	100,047
Sonoma	200,199	100,100
Ventura	200,354	100,177
Total	4,500,000	2,250,000

* 50% of HCV Prevention & Collaboration funds must support CBOs via direct funding or in-kind support (HSC 122440(a)(1)(C)).

** HD=Health Department. Alameda HD excludes Berkeley. Los Angeles HD excludes Long Beach and Pasadena.

*** Final awards rounded to the nearest dollar. One dollar was added to the smallest award (Humboldt) to correct for rounding errors.

Table 2: \$9 Million HCV Prevention and Collaboration Allocations, FY 2023-24 through FY 2027-28

LHJ	Total One-Time Allocation	Rounded Total Amount LHJs Must Use to Support CBOs*	LHJ Award, Rounded Annualized Over Four Years**
Contra Costa	953,828	476,914	238,457
El Dorado	824,096	412,048	206,024
Fresno	995,361	497,681	248,840
Imperial	837,337	418,669	209,334
Lassen	805,426	402,713	201,356
Mendocino	816,742	408,371	204,185
Merced	855,454	427,727	213,863
San Bernardino	1,154,705	577,353	288,676
Solano	863,012	431,506	215,753
Stanislaus	894,039	447,020	223,509
Total	9,000,000	4,500,000	2,250,000

* 50% of HCV Prevention & Collaboration funds must support CBOs via direct funding or in-kind support over the total funding period (HSC 122440(a)(1)(C)).

** Funds will be available once allocations agreement is signed. Included 4-year annualization since agreements will not likely be executed before FY 2024-25.