



LASSEN COUNTY

Health and Social Services Department

H6

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- ☐ **Housing & Grants**
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- ☐ **Behavioral Health**
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- ☒ **Public Health**
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- ☐ **Community Social Services**
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Date: April 08, 2025

To: Tom Neely, Chairman
Lassen County Board of Supervisors

From: Danielle Sanchez, Interim Director
Lassen County Public Health

Subject: Public Health Grant Funding

Background:

On March 24, 2025, the California Department of Public Health (CDPH) received notice from the Centers for Disease Control and Prevention (CDC) that it intends to immediately end a significant amount of state and local public health funding. Although this funding was initially awarded during COVID-19, it also now supports, with prior federal approval, respiratory virus and vaccine preventable disease monitoring, testing and response, immunizations and vaccines for children, and health disparities efforts. This funding also supports the public health work and data systems improved during the pandemic, including continued response to COVID-19 disease and other respiratory and vaccine-preventable diseases that require similar resources.

CDPH estimates that these grant terminations will result in a loss of at least \$840 million of federal funding. More than \$330 million of these funds were targeted at supporting public health efforts at the local level. There are also local health departments that are directly funded by the federal government that would increase this statewide total amount at risk.

The CDPH received termination notices for three federal grants on 3/25/25:

1. Epidemiology & Laboratory Capacity - includes 14 individual supplemental and expansion grants. (Termination notices have currently been received for five of these supplements of which Lassen County only participated in two of the five terminated.)
2. Immunization and Vaccines for Children, and
3. CDC Health Disparities Grant.

These grants were scheduled to end between May 31, 2026 & July 31, 2027, depending on the grant, prior to this announced termination.

Lassen County Public Health (LCPH) received the following general information regarding the reduction in Public Health Grants:

- The Federal Notice of Award communications of the terminations stated that: “The end of the pandemic provides cause to terminate COVID-19 related grants and cooperative agreements. These grants and cooperative agreements were issued for a limited purpose: to ameliorate the effects of the pandemic. Now that the pandemic is over, the grants and cooperative agreements are no longer necessary as their purpose has run out.”
- The notices further specify that no additional activities can be conducted, no additional costs may be incurred and unobligated award balances will be de-obligated by CDC, as of the issue date of the NOA 03/24/25 with closeout reports to be submitted within 30 days.
- These grants affect public health expenditures across multiple health conditions, as previously approved by the federal government – not limited to COVID-19.
- For the ELC grant specifically, Heluna Health is the bonafide fiscal agent and receives funds directly from CDC. Heluna Health then provides funds to CDPH as a subrecipient. CDPH pays Local Health Jurisdictions (LHJs) directly based on reimbursements from Heluna Health, and LHJs are also considered subrecipients of Heluna Health.

I am including a chart which was provided with the above information that details the impacted grants and programs. LCPH is working diligently on preparations of our final invoicing on these grants to meet the required deadlines. Our current staff will not be impacted by the reduction of these grants however moving into the budget meetings for Fiscal Year 2025/2026 we will need to analyze our staff percentages and reassign their program funding to ensure we can continue with our current staffing levels.

To further elaborate, when this supplemental funding was received, Public Health was very careful to not earmark these funds to specifically fund full time positions. We allowed our staff to time study to the various grant funding streams which we then billed towards the grant. One significant impact this loss of ELC funding will have is with the Lassen County Adult Detention Facility (ADF). We earmarked approximately \$1.5 million dollars to assist with the HVAC System at the ADF. Unfortunately, even after reaching out to the state to advocate for the project it was ultimately denied. LCPH will continue efforts to find additional funding to help support this project.

Lassen County Public Health will continue to provide community education, support and services to the people of Lassen County.

Fiscal Impact:

Unknown

Action Requested:

1) Receive Report; 2) Provide Direction to Staff

Impacted Grants and Programs:

Epi Lab Capacity (ELC) includes 14 individual supplemental and expansion grants. Termination notices have currently been received for five of these supplements (including the two largest grants):

Supplemental Grant	Total Amt Granted	Purpose	Unexpended Fund Balance	Staffing Estimates	Description and Impact
<u>Epi Lab Capacity (ELC)</u> includes 14 individual supplemental and expansion grants. Termination notices have currently been received for five of these supplements (including the two largest grants):					
ELC Expansion	\$1.8B	To support infectious disease testing, surveillance, and response activities.	\$600M	60 state staff 110 Heluna Health	Impacts funding for the CalCONNECT system used for disease investigation activities at the state and local level for infectious diseases including Tuberculosis, MPox, HIV and other sexually transmitted diseases, and monitor cases of novel infections including Avian flu, Ebola and Marburg. Affects funding for subject matter expertise and capacity in infectious diseases epidemiology, surveillance and control activities, including critical laboratory functions and response to future outbreaks.
ELC Enhancing Detection	\$499M	To provide resources to support a broad range of testing, epidemiologic	\$81M	0	Affects funding for future statewide disease surveillance system planned to replace the legacy 2010 CalREDIE surveillance system that does not include Los Angeles or San Diego.

		surveillance, and laboratory activities			
ELC Coronavirus Aid Relief and Economic Security Act (CARES)	\$41.8M	To provide support to expand capacity in epidemiology and surveillance and lab capacity.	\$4M	16 Heluna Health	Affects local level and 16 staff who have been funded through October 2025.
ELC Infection Prevention Control	\$3.6M	Training for infection prevention control activities.	\$1.6M	0	Infection control training activities for healthcare facilities and local health depts and subject matter expertise for infection prevention control in health care settings.
ELC SHARP 2 \$1.8M	\$1.8M	Establish a bed tracking system and onboard all hospitals in CA	\$1.8M	0	Affects funding for services related to startup implementation of hospital bed capacity/tracking system now required by statute.
Immunization and Vaccines for Children: CDC-RFA-IP19-1901					
Immunization and Vaccines for Children (VFC)	\$1.08B	Programs and systems to address vaccine-preventable disease surveillance and response to outbreaks. Vaccine management system, digital vaccine records, system for setting up clinical	\$153M	65 UCSF and Heluna Health	Affects funding for Vaccine Management System – including Digital Vaccine Record, system for setting up clinical vaccines appointment, and vaccine ordering system including all Vaccines for Children vaccines, which provides

		vaccine appointments, vaccine ordering system.			vaccines for approximately half of CA children. Planned upgrades to the CAIR system (Immunization Registry).
Health Disparities Grant					
Health Disparities Grant*	\$32.5 M	The grant was provided to build equity infrastructure at the state and local public health department level.	\$4.72M	17 state staff	Impacts funding for LHJ Health Equity positions (Health Equity Officers & Health Equity Leads) and programs supported by state Equity Technical Assistance specialists including collaboration on LHJ equity workplans, and State Health Equity Plan. Impacts support for equity work in partnership with Tribes and AIAN to address health disparities and equitable recovery. LHJ equity leads rely on Office of Health Equity Technical Assistance (OHE EQTA) for resources and guidance on creating mutually beneficial relationships with tribal government to address the needs of the AIAN population.

*Note: CDPH also received notification of termination of the Respiratory Viral Network Grant. CDPH is a subrecipient for this grant and the notice was received from Heluna Health. This is a small-scale grant (\$75K total) with only \$15K remaining unspent.

Grant Name and Description	Ending Date	Total Amount	Unexpended Funds Balance Lost	Impact
SUBG & MHBG CRRSAA: funding distributed to counties and the other part used for statewide contracts that support substance use disorder services, including prevention, treatment, recovery support.	3/14/25	\$238,465,012	\$5,501,231	While services should have been completed, DHCS was still in the process of drawing down funds.
		\$108,247,196	\$0	
SUBG ARPA: funding distributed to counties and the other part used for statewide contracts that support substance use disorder services, including prevention, treatment, recovery support AND MHBG ARPA: funding to counties and statewide contracts for services benefiting children with SED and adults with SMI.	Scheduled to end on 9/30/25	\$205,947,056	\$51,368,556	County payments and contracts holding ARPA funds will be affected \$77M of unobligated funds in SUBG & MHBG ARPA that we had set for certain state contracts for technical assistance including Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT), Proposition 1: Behavioral Health Transformation (BHT) and other contracts such as Workforce, Crisis Care Mobile Units, Naloxone Distribution Project, and First Episode Psychosis Training).
		\$186,972,433	\$62,266,264	
COVID-19 Mitigation grant: dedicated to testing and mitigation resources for individuals with mental health and substance use disorders, with a single contractor managing the project.	Scheduled to end on 9/30/25	\$6,894,734	\$382,352	Majority of the funds have been expended but will be slightly affected.

*All of the numbers are broad estimates and subject to change once DHCS gets a better look into each contract and determine rendered services with contractors & counties.