



**FY 2026-27 CAO RECOMMENDED OPERATIONAL PLAN**  
**HEALTH AND HUMAN SERVICES AGENCY**  
**JUNE 2026**



**COUNTY OF SAN DIEGO**  
HEALTH AND HUMAN SERVICES AGENCY

# AGENDA



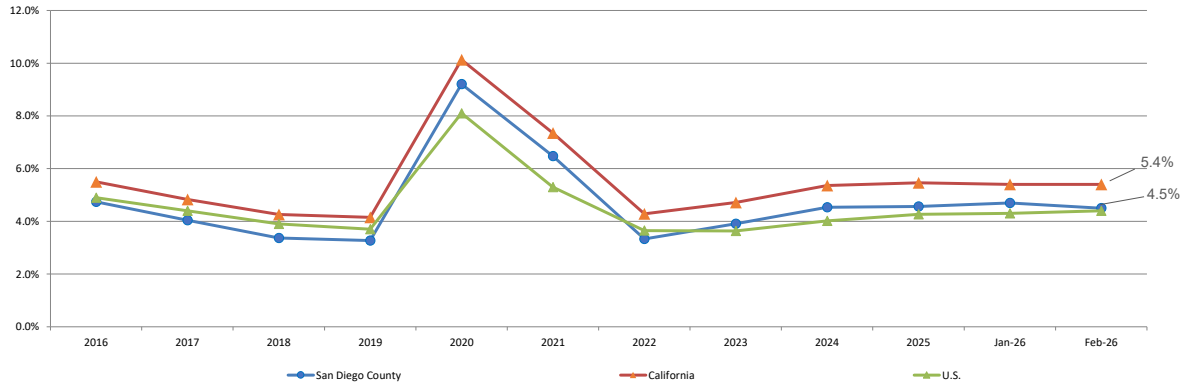
- Economic Updates
- State Budget
- Planning Environment and Budget Strategies
- FY 2026-27 CAO Recommended Budget for HHSA
- Upcoming Budget Events
- Q&A



# UNEMPLOYMENT



### Unemployment Rate 2016 through February 2026 Comparison

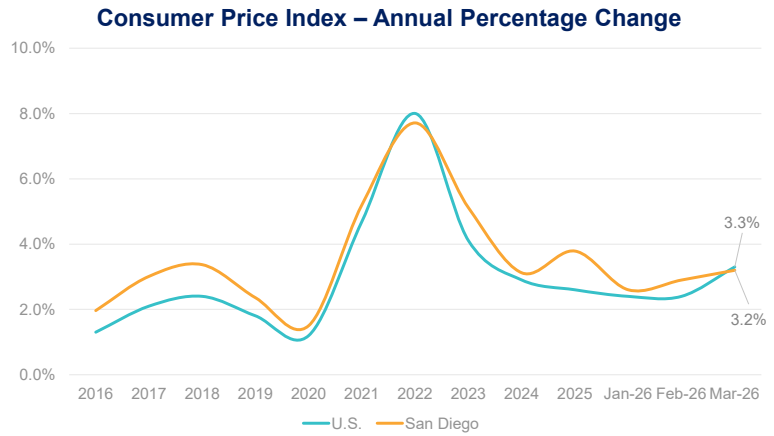


Sources: California Employment Development Department, US Bureau of Labor Statistics. Non-seasonally adjusted figures; 2016–February 2026 actuals.

# INFLATION

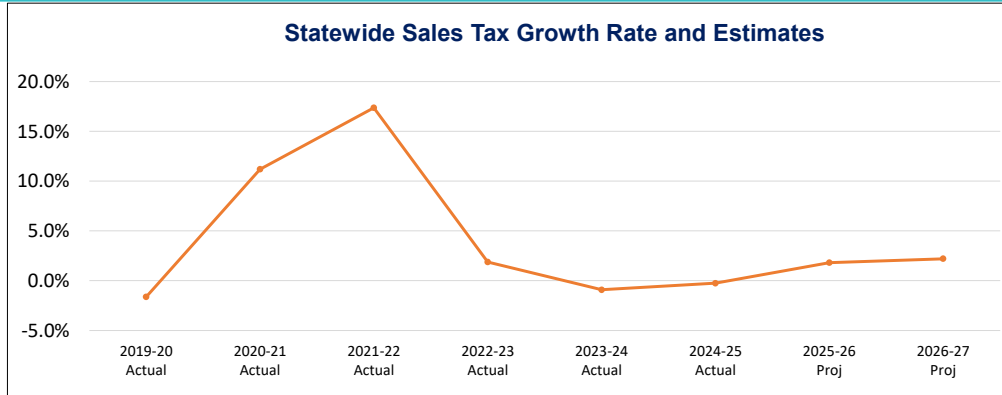


- Consumer Price Index (CPI) has been increasing since the start of 2026.
- U.S. CPI increased 2.2% year-over-year.
- Inflation in San Diego rose 1.4% over two months and increased 3.2% year-over-year.



Source: Bureau of Labor Statistics. Non-seasonally adjusted figures as of March 2026.

# STATEWIDE SALES TAX



Sales tax drives HHSA realignment revenue: \$815.2M, 23.2% of HHSA's Total Budget

Sources: State Controller's Office Half-Percent Sales Tax for Public Safety for actuals from FY2019-20 to FY2024-25. HdL 4Q25 Prop 172 Report for FY2025-26 to FY2026-27 growth estimates. Fiscal Year 2025-26 Adopted Operational Plan for HHSA realignment and budget.

# STATE BUDGET HIGHLIGHTS



## H.R. 1 impacts

- Limited one-time Funding
- 2026-27: 44,000 disenrollment
- 2029-30: 1.3 million



## Affordable Housing

- Impact fee prohibition



## Indigent care and Proposition 36

- No funding



## IHSS

- \$200 million cost shift to counties remains



## HHAP homelessness

- Remains \$500 million



## Mobile Crisis Response Teams

- No change to optional Medi-Cal benefit

# PLANNING ENVIRONMENT



## KEY ELEMENTS



Economic  
uncertainty



Federal/State  
policy impacts



Operational  
Efficiencies



Resource  
Recalibration

# HHSA BUDGET STRATEGY



LIVE WELL  
SAN DIEGO

Operational Efficiencies

Resource Recalibration

Maximize Alternative Funding

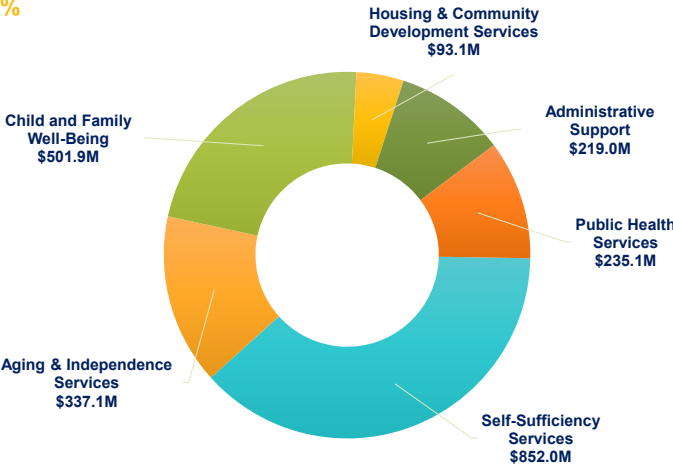
Employ Revenue Stabilization Strategies

# HHSA FY2026-27 RECOMMENDED BUDGET BY DEPARTMENT



## \$2.2 BILLION RECOMMENDED BUDGET

-\$1.3 billion / -36.3%

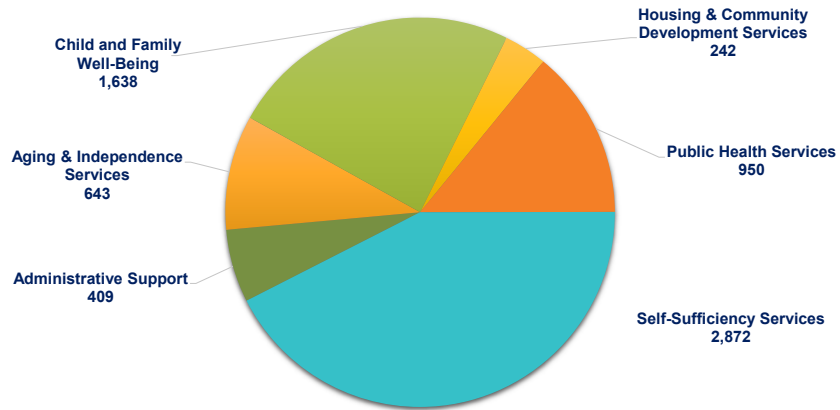


# HHSA STAFFING BREAKDOWN



**6,754 TOTAL STAFF**

**+11 / +0.2%**



# FY2026-27 CAO RECOMMENDED BUDGET



## BUDGET BY DEPARTMENT: \$2.2 BILLION

DEPARTMENT	FY26-27 CAO RECOMMENDED		CHANGE FROM FY25-26 ADOPTED TO FY26-27 CAO RECOMMENDED	
	FTE	BUDGET (in millions)	FTE	BUDGET
Administrative Support	409.00	\$219.0	(47.00)	\$8.3
Aging & Independence Services	643.00	\$337.1	(8.00)	\$24.9
Behavioral Health Services	0.00	0.0	(1,332.50)	(\$1,257.2)
Child and Family Well-Being	1,638.00	\$501.9	(23.00)	\$12.9
Housing and Community Development Services	242.00	\$93.1	(2.00)	(\$39.9)
Public Health Services	950.00	\$235.1	(31.00)	(\$32.1)
Self-Sufficiency Services	2,872.00	\$852.0	122.00	\$8.5
<b>TOTAL</b>	<b>6,754.00</b>	<b>\$2,238.2</b>	<b>(1,321.50)</b>	<b>(\$1,274.6)</b>

# HHSA KEY INCREASES & CONTINUED INVESTMENTS



COUNTY OF SAN DIEGO  
HEALTH AND HUMAN SERVICES AGENCY



## Vulnerable Populations

### CalFresh, CalWORKs, Medi-Cal and General Relief: \$852M

- +\$24M for H.R.1 staffing and administration
- +\$4.2M to support mandated General Relief cash assistance

### In-Home Supportive Services (IHSS): \$248.7M

- +\$16.5M wage increases for In-Home Supportive Services (IHSS)
- +\$2.7M for the San Diego Veterans Independence Service at Any Age (SD-VISA)

### Child and Family Well-Being: \$502M

- +\$2.0M for Family Connection Hub and the Community Response Guide

12



## Housing and Homelessness: \$93M

- Continued \$16 million investments for the Regional Homeless Assistance (RHAP) and Inclement Weather Program
- Opening 60 Sleeping Cabins on Troy Street
- \$3.4 million Housing our Youth
- \$1.6 million in sustaining the LGBTQ+ Innovative Housing program
- \$2.8 million in Shallow Rental Subsidy Program for Seniors
- \$3 million in Tenant Legal Services



## Community Health

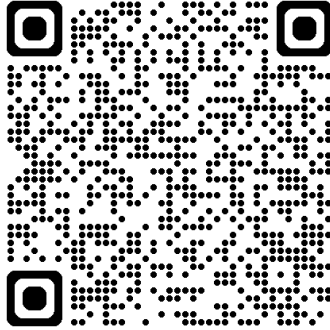
- Public Health Services: \$235.6M
  - Prevent spread of disease
  - Six Public Health Centers
  - Beach water testing
  - Tijuana River Valley sewage crisis health education and monitoring
  - Data systems integration

# UPCOMING BUDGET EVENTS: KEY DATES



Highlight community sessions and hearings

## [County Budget 2026 - 27 | Engage San Diego County](#)



Info on dates, materials, op plan, summaries...

## CLOSING REMARKS AND Q&A



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Introduce others on the team