

CAPITOL OFFICE
1021 O STREET, SUITE 8720
SACRAMENTO, CA 95814
TEL (916) 651-4017
FAX (916) 651-4917

California State Senate

SENATOR
JOHN LAIRD

SEVENTEENTH SENATE DISTRICT



March 19, 2024

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The Honorable Gregg Hart
Chair, Joint Legislative Audit Committee
1020 N Street, Room 107
Sacramento, CA 95814

RE: Office of AIDS Audit Request

Dear Chair Hart and Honorable Members of the Joint Legislative Audit Committee:

I respectfully request the Joint Legislative Audit Committee authorize an audit to examine the Office of AIDS' implementation of state programs, services, and activities related to HIV/AIDS. I am joined in this request by the undersigned Senators.

Located within the Department of Public Health, Center for Infectious Diseases, the Office of AIDS (OA) is comprised of the Division Office, and six branches; Support, Surveillance, Research & Evaluation; HIV Care; HIV Prevention, AIDS Drug Assistance Program; and AIDS Drug Assistance Program and Evaluation and Informatics. The office works collaboratively with state and federal agencies, local health jurisdictions, universities, and community based-organization to ensure that efforts to combat the HIV/AIDS epidemic are targeted and effective. While the office's mission is one of great significance and importance the office has a troubled past.

Throughout 2021, the Sacramento Bee chronicled how former state workers within the OA were caught in a multimillion-dollar embezzlement scheme. According to news reports these actions included, "expenses at Disneyland, as well as expenses for hotels, suites at San Francisco Giants games, cruises, Sacramento Kings tickets, other sporting events and a yacht rental for her daughter's birthday party." While those responsible for the fraud have been charged and sentenced, it is disturbing these public servants were able to commit such a shameful crime. The money used for their personal slush fund should have gone to direct services related to HIV/AIDS.

This gross abuse by OA staff is even more disturbing given LGBTQ people generally are also known to receive poor quality of care due to stigma, lack of healthcare providers' awareness, and insensitivity to the unique needs of this community. While people with HIV confront many of the same challenges that are common in the population, they also face a unique set of challenges because of their HIV status:

- People with HIV are more likely than their HIV-negative counterparts to have multiple comorbidities including certain cancers, cardiovascular disease, fractures, and hepatitis C.
- People with HIV face a number of behavioral health challenges in addition to physical illnesses, including depression, anxiety, and substance use disorders. Research finds that older people with HIV have rates of depression up to five times greater than their HIV-negative peers.
- People living with HIV face structural inequities, including pronounced social isolation and higher rates of poverty than their non-positive peers, along with systemic barriers to accessing culturally competent aging services and supports.

An audit of the OA is needed to assess the effectiveness of the office when it comes to coordinating state programs, services, and activities relating to HIV/AIDS. The audit's scope will include, but it not limited to, the following:

1. Determine whether OA has fully corrected past auditor and reviewer findings and implemented relevant recommendations made over the past 5 years.
2. Identify and evaluate OA's oversight efforts to ensure that allocations to health jurisdictions and community based organization (CBO) services are being spent appropriately and directly on activities and services related to HIV/AIDS.
 - a. Identify and evaluate the factors OA uses to determine how much a health jurisdiction or community based organization will receive.
 - b. Determine how OA determines whether a health jurisdiction or community based organization is efficiently using their allocation.
 - c. Evaluate any enforcement process or mechanism, or consequences OA uses when there are deficiencies with these allocations.
3. Within the HIV Care Branch, identify the utilization rates for each service provided under Housing Plus Project (HPP) for beneficiaries in the three counties where it is available (Kern, San Joaquin, and Santa Clara). Identify the methodology used for selecting the three counties.
 - a. Determine the extent to which OA collects, reviews, and uses the results of this program.
 - b. According to a past audit conducted by the State Auditor (2020-002), OA may have provided benefits to ineligible individuals. Determine whether OA now has sufficient controls and oversight to ensure that only eligible beneficiaries participate in HPP.
4. Determine whether CBOs are using funds appropriately for outreach and education activities. To the extent practical, determine whether outreach and education activities are appropriately targeted to maximize impact in vulnerable communities.
5. Evaluate OA's enforcement process or mechanism when health jurisdictions or CBOs do not adequately deliver services.
 - a. Determine the extent to which OA has terminated allocations to CBOs. If this has occurred, why?

- b. For any CBOs with terminated allocations, determine whether than can be reconsidered as a partner.
6. Determine whether OA sufficiently coordinates with health jurisdictions and community based organizations to inform individuals about the benefits and services supported by OA.
7. Following shameful theft by former OA staff, it is my understanding that in 2022 the entire administrative procedure for monitoring and overseeing fiscal transactions with contractors has been improved.
 - a. Determine what improved procedures have been implemented and how have these new procedures made transactions more efficient.
 - b. Determine whether any discrepancies been uncovered with these new procedures and what additional oversight or review have been implemented.
8. Determine whether OA's allocation and allocation methodology via the HIV Surveillance Program are equitable.
9. Identify and evaluate the oversight and responsibilities the California Planning Group (within the OA) has when it comes to ensuring coordinating state programs, services, and activities relating to HIV/AIDS. Determine whether this can be strengthened or improved.
10. Identify the biggest burden and challenges that affects delivery of services or programs administered by OA.
11. Conduct a survey of health jurisdictions and CBOs regarding various related matters, including ways they believe OA could improve. Follow up with OA and others at the State Auditor's discretion.

Thank you for your consideration. For any questions relating to this request, please contact me directly or my Legislative Director, Michelle Reyes at 916-651-4017 or michelle.reyes@sen.ca.gov.

Sincerely,

John Laird
State Senator
17th Senate District

Toni G. Atkins
State Senator
Senate President pro Tempore Emeritus
39th Senate District

Scott Wiener
State Senator
11th Senate District