

MEDICAL BOARD STAFF REPORT

DATE REPORT ISSUED: January 14, 2026
 ATTENTION: Members, Midwifery Advisory Council
 SUBJECT: Presentation and Discussion of Licensed Midwife
 Fund Condition
 STAFF CONTACT: Marina O'Connor, Deputy Director

REQUESTED ACTION

To discuss the state of the Licensed Midwife Fund Condition.

BACKGROUND

The Medical Board of California (Board) and the Department of Consumer Affairs (DCA) staff carries out the administrative, cashiering, licensing, and enforcement functions for the Licensed Midwifery Program (Program). The costs for these services are charged to the Medical Board Fund and then paid back directly from the Midwifery Fund. Services provided to the Program by other state agencies are paid directly out of the Licensed Midwifery Fund. All revenue collected from Licensed Midwife application and licensing fees are deposited directly into the Licensed Midwifery Fund.

The Licensed Midwifery fund is structurally imbalanced (expenditures exceed revenues) and requires a fee increase to prevent insolvency. The last increase to the Licensed Midwife application and renewal fees was effective January 1, 2022, and increased the license application fee from \$300 to \$450 and the renewal fee from \$200 to \$300. Following this fee increase, Program expenditures continued to exceed revenues, and the Licensed Midwifery Fund is currently projected to be insolvent by Fiscal Year 2029-2030.

ATTACHMENTS: Licensed Midwifery Fund Analysis of Fund Condition – Fiscal Year 2026-27 Governor’s Budget – Status Quo
 Licensed Midwifery Fund Analysis of Fund Condition – Fiscal Year 2026-27 Governor’s Budget – Proposed Fee Increase

**0755 - Licensed Midwifery Fund
Analysis of Fund Condition
(Dollars in Thousands)**

Prepared 1.10.2026

**2026-27 Governor's Budget
Status Quo**

| | Actuals 2024-25 | CY 2025-26 | BY 2026-27 | BY +1 2027-28 | BY +2 2028-29 | BY +3 2029-30 | BY +4 2030-31 | BY +5 2031-32 | BY +6 2032-33 |
|--|--------------------|---------------|---------------|------------------|------------------|------------------|------------------|------------------|------------------|
| BEGINNING BALANCE | \$ 231 | \$ 186 | \$ 115 | \$ 82 | \$ 45 | \$ 7 | \$ -31 | \$ -69 | \$ -107 |
| Prior Year Adjustment | \$ -48 | \$ -32 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Adjusted Beginning Balance | \$ 183 | \$ 154 | \$ 115 | \$ 82 | \$ 45 | \$ 7 | \$ -31 | \$ -69 | \$ -107 |
| REVENUES, TRANSFERS AND OTHER ADJUSTMENTS | | | | | | | | | |
| Revenues | | | | | | | | | |
| Delinquent fees | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 |
| Renewal fees | \$ 70 | \$ 66 | \$ 72 | \$ 72 | \$ 72 | \$ 72 | \$ 72 | \$ 72 | \$ 72 |
| Other regulatory fees | \$ 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other regulatory licenses & permits | \$ 16 | \$ 17 | \$ 19 | \$ 19 | \$ 19 | \$ 19 | \$ 19 | \$ 19 | \$ 19 |
| Income from surplus money investments | \$ 10 | \$ 5 | \$ 5 | \$ 1 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Totals, Revenues | \$ 98 | \$ 89 | \$ 97 | \$ 93 | \$ 92 | \$ 92 | \$ 92 | \$ 92 | \$ 92 |
| TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS | \$ 98 | \$ 89 | \$ 97 | \$ 93 | \$ 92 | \$ 92 | \$ 92 | \$ 92 | \$ 92 |
| TOTAL RESOURCES | \$ 281 | \$ 243 | \$ 212 | \$ 175 | \$ 137 | \$ 99 | \$ 61 | \$ 23 | \$ -15 |
| Expenditures: | | | | | | | | | |
| 1111 DCA (State Ops) | \$ 88 | \$ 120 | \$ 120 | \$ 120 | \$ 120 | \$ 120 | \$ 120 | \$ 120 | \$ 120 |
| 9900 Statewide Gen Admin Exp (Pro Rata) (State Ops) | \$ 7 | \$ 8 | \$ 10 | \$ 10 | \$ 10 | \$ 10 | \$ 10 | \$ 10 | \$ 10 |
| TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS | \$ 95 | \$ 128 | \$ 130 | \$ 130 | \$ 130 | \$ 130 | \$ 130 | \$ 130 | \$ 130 |
| FUND BALANCE | | | | | | | | | |
| Reserve for economic uncertainties | \$ 186 | \$ 115 | \$ 82 | \$ 45 | \$ 7 | \$ -31 | \$ -69 | \$ -17 | \$ -15 |

| | | | | | | | | | |
|--------------------------|-------------|-------------|------------|------------|------------|-------------|-------------|-------------|--------------|
| Months in Reserve | 17.4 | 10.6 | 7.6 | 4.2 | 0.6 | -2.9 | -6.4 | -9.9 | -13.4 |
|--------------------------|-------------|-------------|------------|------------|------------|-------------|-------------|-------------|--------------|

NOTES:
 1. Assumes workload and revenue projections are realized in CY and ongoing.
 2. Includes prior year actuals.
 3. Expenditures static.
 4. Includes projected prior year adjustment in 2025-26.

0755 - Licensed Midwifery Fund
 Analysis of Fund Condition
 (Dollars in Thousands)

Prepared 1.10.2026

2026-27 Governor's Budget

Initial and Renewal Fees @ \$1,260 (effective 1/1/2028)

Initial and Renewal Fees @ \$1,570 (effective 1/1/2030)

| | Actuals 2024-25 | CY 2025-26 | BY 2026-27 | BY +1 2027-28 | BY +2 2028-29 | BY +3 2029-30 | BY +4 2030-31 | BY +5 2031-32 | BY +6 2032-33 |
|--|--------------------|---------------|---------------|------------------|------------------|------------------|------------------|------------------|------------------|
| BEGINNING BALANCE | \$ 231 | \$ 186 | \$ 115 | \$ 82 | \$ 158 | \$ 81 | \$ 43 | \$ 44 | \$ 45 |
| Prior Year Adjustment | \$ -48 | \$ -32 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Adjusted Beginning Balance | \$ 183 | \$ 154 | \$ 115 | \$ 82 | \$ 158 | \$ 81 | \$ 43 | \$ 44 | \$ 45 |
| REVENUES, TRANSFERS AND OTHER ADJUSTMENTS | | | | | | | | | |
| Revenues | | | | | | | | | |
| Delinquent fees | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 |
| Renewal fees | \$ 70 | \$ 66 | \$ 72 | \$ 72 | \$ 72 | \$ 72 | \$ 72 | \$ 72 | \$ 72 |
| Renewal fees increase (effective 1/1/2028 & 1/1/2030) | \$ - | \$ - | \$ - | \$ 104 | \$ 208 | \$ 242 | \$ 277 | \$ 277 | \$ 277 |
| Other regulatory fees | \$ 1 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Other regulatory licenses & permits | \$ 16 | \$ 17 | \$ 19 | \$ 19 | \$ 19 | \$ 19 | \$ 19 | \$ 19 | \$ 19 |
| Other regulatory licenses & permits increase (effective 1/1/2028 & 1/1/2030) | \$ - | \$ - | \$ - | \$ 9 | \$ 18 | \$ 22 | \$ 27 | \$ 27 | \$ 27 |
| Income from surplus money investments | \$ 10 | \$ 5 | \$ 5 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 | \$ 1 |
| Totals, Revenues | \$ 98 | \$ 89 | \$ 97 | \$ 206 | \$ 318 | \$ 357 | \$ 396 | \$ 396 | \$ 396 |
| TOTALS, REVENUES, TRANSFERS AND OTHER ADJUSTMENTS | \$ 98 | \$ 89 | \$ 97 | \$ 206 | \$ 318 | \$ 357 | \$ 396 | \$ 396 | \$ 396 |
| TOTAL RESOURCES | \$ 281 | \$ 243 | \$ 212 | \$ 288 | \$ 476 | \$ 438 | \$ 439 | \$ 440 | \$ 441 |
| Expenditures: | | | | | | | | | |
| 1111 DCA (State Ops) | \$ 88 | \$ 120 | \$ 120 | \$ 120 | \$ 120 | \$ 120 | \$ 120 | \$ 120 | \$ 120 |
| Estimated Increase Shared Services to MBC (effective 7/1/2028) | \$ - | \$ - | \$ - | \$ - | \$ 250 | \$ 250 | \$ 250 | \$ 250 | \$ 250 |
| 9900 Statewide Gen Admin Exp (Pro Rata) (State Ops) | \$ 7 | \$ 8 | \$ 10 | \$ 10 | \$ 25 | \$ 25 | \$ 25 | \$ 25 | \$ 25 |
| TOTALS, EXPENDITURES AND EXPENDITURE ADJUSTMENTS | \$ 95 | \$ 128 | \$ 130 | \$ 130 | \$ 395 | \$ 395 | \$ 395 | \$ 395 | \$ 395 |
| FUND BALANCE | | | | | | | | | |
| Reserve for economic uncertainties | \$ 186 | \$ 115 | \$ 82 | \$ 158 | \$ 81 | \$ 43 | \$ 44 | \$ 45 | \$ 46 |
| Months in Reserve | 17.4 | 10.6 | 7.6 | 4.8 | 2.5 | 1.3 | 1.3 | 1.4 | 1.4 |

NOTES:

1. Assumes workload and revenue projections are realized in CY and ongoing.
2. Includes prior year actuals.
3. Expenditures static, plus estimated 2028-29 (Shared Services Increase).
4. Includes projected prior year adjustment in 2025-26.