

September 4, 2025

CHA Position: **Vote NO on SB 660**

To: The Honorable Members of the California State Assembly

From: Mark Farouk, Vice President, State Advocacy

SB 660 (Menjivar) — Oppose Unless Amended

Hospitals and health systems have been at the forefront of data exchange, investing significant resources in health information exchange and participating in state, federal, and national initiatives toward its advancement. Data exchange should maintain patient privacy, advance seamless care transitions, and reduce disparities in care.

Senate Bill (SB) 660 sets forth enforcement mechanisms related to compliance with the Data Exchange Framework's (DxF's) requirements. The bill also outlines that the Department of Health Care Access and Information will convene a DxF advisory committee, but places limitations on who can participate. Although the recent amendments in SB 660 — primarily removing the DxF Governing Board and its responsibilities — are steps toward a more balanced and collaborative approach to data exchange in California, the California Hospital Association (CHA), on behalf of nearly 400 hospitals and health systems, opposes SB 660 unless amended because:

- The bill would impose enforcement mechanisms that should be deferred until additional policies, procedures, and technical specifications are developed — as set forth in Assembly Bill 133 (2023).
- Arbitrary limits for the advisory committee do not allow for the breadth of data exchange participants to inform future policies, procedures, and technical specifications.
- The bill does not acknowledge the costs of compliance. Given that 53% of California's hospitals are already operating with negative margins — with small or rural hospitals facing even greater constraints — and that hospitals are subject to spending caps instituted by the Office of Health Care Affordability, an extended compliance timeline should be considered for rural hospitals and those experiencing financial distress.

SB 660 would impose unrealistic enforcement mechanisms and additional costs on California's hospitals and health systems — including public hospitals — just as they are facing threats at both the federal and state levels.

For these reasons, CHA urges your NO vote on SB 660.