





### President's Message



The California Hospital Association (CHA) is pleased to present the 2018 *Report on Legislation*. Developed to summarize the year's most significant health care-related bills, the report also serves as a tool for hospitals to ensure they comply with the new laws. We recommend that you share it with your leadership team so they can take the necessary steps to implement new requirements.

This was a very successful legislative session for hospitals.

Our most important victory was stopping a bill that would have established a rate-setting process to determine provider reimbursement without understanding the underlying drivers of health care costs. CHA worked hard to alert lawmakers that California hospitals stood to lose an estimated \$18 billion in revenues, and the number of hospitals losing money on operations could have doubled. We made sure elected officials understood the impact of these cuts on patients and hospital employees in their communities.

Among our other achievements this year were preventing additional fines on hospitals for nurse staffing ratio violations, speeding up application processing by the California Department of Public Health, stopping a requirement that hospitals obtain attorney general permission before reducing a service or closing a facility, and securing the Governor's veto on a bill that would have created major barriers to expanding community paramedicine and alternate destination programs.

Despite our accomplishments, more challenges await. When the new two-year legislative session begins in January, we will continue to represent our members vigorously, ensuring that elected officials appreciate the complexities of health care issues and that they understand what hospitals are for.

With the support of our members — along with the Regional Associations, constituency groups, allied organizations, hospital trustees, CEOs, volunteers, employees and others — we look forward to continuing this year's success.

Carmela Coyle, President & CEO

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#### 2018 Report on Legislation

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### Key Successes

In 2018, CHA's advocacy goals included protecting the interests of California hospitals and their patients, educating elected officials about health care issues, and promoting the right solutions to today's complex health delivery and financing problems. Among many successes this year, CHA was instrumental in stopping a bill that would have established a rate-setting commission to determine hospital reimbursement. In addition, CHA sponsored a bill to ensure faster processing of hospital applications by the California Department of Public Health; blocked a bill that would have required hospitals to obtain the attorney general's permission to close a facility or reduce services; and stopped an attempt to impose additional penalties for nurse staffing ratio violations. Following is a summary of these and other high-priority bills from the second year of the 2017-18 legislative session.

#### **Rate Regulation**

#### CHA-opposed bill defeated

#### ► AB 3087 (Kalra, D-San Jose)

CHA stopped AB 3087, which would have established a commission to set commercial reimbursement rates for hospitals and other providers. The bill would have jeopardized the financial viability of many California hospitals, and presented a simplistic — and dangerous — solution to the complex problems surrounding health care payment. AB 3087 was held in the Assembly Appropriations Committee.

#### **CDPH Application Processing Delays**

#### CHA-sponsored bill enacted

#### ▶ AB 2798 (Maienschein, R-San Diego)

CHA sponsored AB 2798 to assist hospitals that have experienced significant delays in California Department of Public Health (CDPH) approval of new or expanded services. The bill requires CDPH to process all hospital applications within 100 days. In addition, CDPH must approve an application to expand an existing service within 30 business days; if it does not do so, the service is deemed licensed for 18 months, allowing CDPH time to complete its review. AB 2798 also requires CDPH to fully automate the application process and develop an assistance unit to help hospitals with the process.

#### **Attorney General Oversight**

#### CHA-opposed bill defeated

#### ► AB 2874 (Thurmond, D-Richmond)

AB 2874 would have required hospitals to obtain the attorney general's permission to close a facility or reduce services. CHA blocked the bill because those decisions are better left to hospital governing bodies. AB 2874 failed passage in the Assembly.

#### **Penalties for Nurse Staffing Ratio Violations**

#### CHA-opposed bill defeated

#### ► SB 1288 (Leyva, D-Chino)

CHA vigorously opposed SB 1288, which would have required the California Department of Public Health to assess an additional penalty structure for nurse staffing ratio violations without regard to patient harm, setting the first penalty at \$15,000 and subsequent penalties at \$30,000. CHA urged Governor Brown to veto this harmful bill, which ran counter to comprehensive penalty regulations already in place. In his veto message, the Governor noted that "hospitals are best evaluated in a comprehensive manner."

#### **Alternate Destinations**

#### CHA-opposed bill defeated

#### ► AB 3115 (Gipson, D-Carson)

CHA asked the Governor to veto AB 3115, which purported to extend California's current community paramedicine projects statewide, but in reality put burdensome requirements on alternate destination facilities. As a result of the bill's conditions, all but one sobering center in California would have been excluded from accepting individuals through alternate destination programs. Not only did Governor Brown veto this bill, but he also directed the Office of Statewide Health Planning and Development to extend the existing pilot programs "without the restrictions contained in this bill."

#### **Homeless Patient Discharges**

#### CHA-opposed bill amended

#### ▶ SB 1152 (Hernandez, D-Azusa)

CHA effectively amended SB 1152 to fix many of the bill's problematic requirements related to discharging homeless patients. As a result of CHA's advocacy, the final bill presents fewer challenges for hospital implementation than the original draft. Under SB 1152, hospitals must include a detailed homeless patient discharge planning policy and process as part of their discharge policy. However, CHA requested a veto because SB 1152 also contains a provision stating that a local government, such as a city or a county, may enact an ordinance with stricter requirements for discharging homeless patients. In its amended form, SB 1152 was signed by the Governor.

#### 2020 Seismic Mandate Extension

#### CHA-sponsored bill enacted

#### ▶ AB 2190 (Reyes, D-Grand Terrace)

CHA sponsored AB 2190, which allows specified hospitals to obtain a limited extension of the 2020 seismic mandate. It allows a maximum extension to Jan. 1, 2025, for buildings that are being rebuilt to the higher standard, and a completion deadline of July 1, 2022, for buildings that are being replaced or retrofitted. The bill also allows hospitals to remain open and operational during this period, and includes benchmarks and penalties — such as fines of up to \$5,000 per day — to ensure the hospitals stay on track.

#### **Medical Lab Technician Scope of Practice**

#### CHA-supported bill enacted

#### ► AB 2281 (Irwin, D-Thousand Oaks)

CHA's advocacy resulted in the Governor's signature on AB 2281, which expands the scope of practice for medical laboratory technicians in California to include certain moderately complex tasks. The bill aligns California law with federal scope of practice for these professionals and enables hospitals to improve efficiencies and productivity by more effectively integrating them into the laboratory workforce.

#### **Privacy and Personal Information**

#### CHA-amended legislation passed

#### ► SB 1121 (Dodd, D-Napa)

CHA successfully worked with Assemblymember Dodd to secure several amendments to a hastily drafted bill — AB 375 (Chau, D-Arcadia) — that would have imposed onerous requirements on personal information held by investor-owned health care entities. AB 375 enacted the California Consumer Privacy Act of 2018 (CCPA), effective Jan. 1, 2020. The law gives consumers the right to prevent a business from sharing their information and require a business to delete information about them. Non-profit organizations are exempt. In addition, information subject to the Confidentiality of Medical Information Act (CMIA) and information held by covered entities and subject to the Health Insurance Portability and Accountability Act (HIPAA) are exempt. However, AB 375 included errors that required clean-up legislation — SB 1121 — clarifying the HIPAA/CMIA exemptions and adding exemptions for clinical research undertaken pursuant to a HIPAA waiver, as well as for information held by business associates.

#### **Hospital Contracting**

#### CHA-opposed bill defeated

#### ▶ SB 538 (Monning, D-Carmel)

CHA successfully opposed SB 538, which would have prohibited certain contract provisions between hospitals and payers, including prohibiting hospitals from requiring multiple facilities in their system to be included in a contract. This would have fragmented the delivery of health care services, resulting in higher costs for patients and decreased access to high-quality coordinated care. SB 538 was not heard in the Assembly Health Committee at the author's request.

#### **Patient Insurance Premiums**

#### CHA-opposed bill defeated

#### ▶ SB 1156 (Leyva, D-Chino)

CHA successfully opposed SB 1156, which would have created an arbitrary rate-setting system for providers and undermined programs that pay for health insurance for certain patients. Among other provisions, the bill would have required financially interested entities that plan to pay a patient's insurance premiums to inform the patient of financial assistance and annually inform the patient of all available health coverage options including Medicare, Medi-Cal, individual market and employer plans. At CHA's request, Governor Brown vetoed the bill.

# Legislative Summary

Following are brief descriptions of bills enacted during the second year of the 2017–18 legislative session that directly impact hospitals. The full text of each new law is available at http://leginfo.legislature.ca.gov/. Each measure is categorized by subject and indicates which hospital team members should take necessary steps to come into compliance (see legend at bottom of each page). In addition, the laws are indexed by author, bill number and staff role. Urgency bills are listed with the dates they became effective. All other measures will take effect Jan. 1, 2019.

#### **Bioethical Issues**

End of Life Option Act

#### ▶ AB 282 (Jones-Sawyer, D-Los Angeles) ●

AB 282 allows terminally ill adults, under conditions outlined in the End of Life Option Act, to obtain and take a drug to aid them in dying. Penal Code Section 401 makes it a felony to aid, advise or encourage a person to commit suicide. AB 282 clarifies that a person whose actions comply with the End of Life Option Act cannot be prosecuted under Penal Code Section 401.

Minors: Consent for treatment

#### ► AB 3189 (Cooper, D-Elk Grove)

AB 3189 allows a minor who is 12 years of age or older and who states he or she is injured as a result of intimate partner violence to consent to medical care for the injury and collection of medical evidence. However, this does not apply when the minor is an alleged victim of rape or sexual assault (existing law continues to apply in those cases). If the nature of the injuries triggers a report to local law enforcement, the treating health care practitioner must inform the minor that the report will be made and attempt to contact the minor's parent or guardian and inform him or her of the report, unless the parent or guardian is the suspect.

Advance Health Care Directive

#### ► AB 3211 (Kalra, D-San Jose)

AB 3211 revises the wording of California's Advance Health Care Directive form related to organ and tissue donation to make it more understandable. The bill does not make any changes to the substance of the law. Advance directives made using old forms will continue to be valid.

#### Clinics

Primary care clinics

#### ▶ AB 2204 (Gray, D-Merced) ■

AB 2204 extends, from 30 to 40 hours per week, the limit on the number of hours an intermittent primary care clinic can operate and still be exempt from licensure. Under existing law, a licensed primary care clinic is permitted to operate an off-site clinic for up to 30 hours per week without obtaining a separate license. Intermittent clinics can range from a small one-provider clinic that is open just a few hours per week to larger school-based health centers that may operate up to 30 hours per week.

Clinic payment rates

#### ▶ AB 2428 (Gonzalez Fletcher, D-San Diego) ● ■

AB 2428 allows a federally qualified health center or rural health clinic that adds an additional licensed location to its primary care clinic license to elect to have the Medi-Cal reimbursement rate for the additional location determined in accordance with existing rates or to have one prospective payment system rate, as specified, for all locations that appear on the license. The bill also allows a primary care clinic to simply notify the California Department of Health Care Services of an additional location rather than enrolling it as a separate provider.

#### **District Hospitals**

Health care districts: Information posting

#### ► AB 2019 (Aguiar-Curry, D-Winters) ●

AB 2019 requires health care districts to post specified information on their websites, including their budget, board members, board meeting schedule and grant funding details. It also requires that health care districts using the design-build procurement process to construct housing set aside at least 20 percent of the units for low-income households, with some exceptions, and requires health care districts to notify their local agency formation commission when filing for bankruptcy.

Special districts:
Board member compensation

#### ► AB 2329 (Obernolte, R-Big Bear Lake)

AB 2329 increases — from five to six — the number of monthly meetings for which a hospital district board member may be compensated, and allows the board to increase the compensation by no more than 5 percent annually. If the district compensates its members for more than five meetings per month, it must annually adopt a written policy describing why more than five meetings per month are necessary to effectively operate the district.

West Contra Costa Healthcare District

#### ► SB 522 (Glazer, D-Orinda) ●

SB 522 implements a recommendation from a 2016 local agency formation commission study on governance options for the West Contra Costa Healthcare District. The bill dissolves the existing board of directors and requires the Board of Supervisors of Contra Costa County to either serve as the district board or appoint a new board. Because board members will be appointed rather than elected, this change will save the district approximately \$450,000 in election costs every two years.

#### **Emergency Services**

Measuring and reporting ambulance patient offload time

#### ► AB 2961 (O'Donnell, D-Long Beach)

AB 2961 requires local emergency medical services agencies (LEMSAs) to submit quarterly data on ambulance patient offload time to the Emergency Medical Services Authority (EMSA). EMSA is then required to calculate ambulance patient offload time — by LEMSA jurisdiction and by each facility in that jurisdiction — and report its findings semi-annually to the Commission on Emergency Medical Services.

Traumatic Brain Injury Program

#### ► SB 398 (Monning, D-Carmel)

SB 398 makes a number of changes to the Traumatic Brain Injury Program, including extending the sunset date from July 1, 2019, to July 1, 2024; requiring the Department of Rehabilitation (DOR) to seek all available sources of funding; and deleting the requirement that DOR submit a home- and community-based services waiver application to the federal Centers for Medicare & Medicaid Services.

#### **Health Care Coverage**

Short-term, limited-duration health insurance

#### ► SB 910 (Hernandez, D-Azusa)

SB 910 prohibits a health insurer from issuing, amending, selling, renewing or offering a policy of short-term, limited-duration health insurance in California.

Small employer health care coverage groups

#### ▶ SB 1375 (Hernandez, D-Azusa) ■

SB 1375 prohibits employer group health benefit plans from being issued, marketed or sold to a sole proprietorship or partnership that does not have employees, instead requiring that only individual health benefit plans are sold to such entities. It also revises the definition of "eligible employee" — for purposes of all small employer health plan contracts and health insurance policies — to exclude sole proprietors or their spouses, as well as partners or their spouses.

#### **Health Facility Licensing**

Outpatient mental health services

#### ▶ AB 417 (Limón, D-Santa Barbara) ●

AB 417 applies specifically to Aurora Vista del Mar psychiatric hospital, which was severely damaged in the Thomas Fire in December 2017. The hospital was able to resume providing outpatient services to the community immediately after the fire. However, because these services were part of an acute psychiatric hospital license, the California Department of Public Health (CDPH) could not permit the resumption of outpatient services while all inpatient beds were in suspense. This bill allows CDPH to permit the outpatient services — which were approved and operational as supplemental services before the wildfire — to reopen while the inpatient services are suspended.

Laundry processing

#### ► AB 2679 (O'Donnell, D-Long Beach) ■

AB 2679 requires hospitals to adopt and implement, by Jan. 1, 2020, a laundry processing policy that follows current infection control standards from the Centers for Disease Control and Prevention and the Centers for Medicare & Medicaid Services. This bill allows greater flexibility related to temperature and wash times compared to existing regulations, which require using water that is 160 degrees for at least 24 minutes.

CDPH: Centralized Applications Unit

#### ▶ AB 2798 (Maienschein, R-San Diego) ■ ●

AB 2798 requires the California Department of Public Health (CDPH) to process all hospital applications within 100 days. In addition, CDPH must approve an application to expand an existing service within 30 business days; if it does not do so, the service is deemed licensed for 18 months, allowing CDPH time to complete its review. AB 2798 also requires CDPH to fully automate the application process and develop an assistance unit to help hospitals with the process.

#### **Health Personnel**

Medical laboratory technicians: Scope of practice

#### ► AB 2281 (Irwin, D-Thousand Oaks)

AB 2281 expands the scope of practice for medical laboratory technicians (MLTs) in California to allow them to perform specific moderately complex tasks such as microscopic urinalysis, blood smear reviews and ABO/Rh antibody screening. AB 2281 aligns California law with federal scope of practice for MLTs.

Student direct access to physical therapy

#### ▶ AB 2423 (Holden, D-Pasadena)

AB 2423 allows physical therapists to provide services to students as part of an individualized education plan or an individualized family service plan pursuant to the federal Individuals with Disabilities Education Act without obtaining physician approval of a treatment plan within 45 days or 12 visits, if the student does not have a medical diagnosis.

Certified nursing assistant training programs

#### ► AB 2850 (Rubio, D-Baldwin Park)

AB 2850 makes certified nursing assistant (CNA) programs more accessible by allowing students to use online and distance learning for a portion of the classroom learning. Additionally, AB 2850 allows nurses with clinical experience caring for older adults to be CNA instructors.

Respiratory therapy

#### ▶ SB 1003 (Roth, D-Riverside) ■ ●

SB 1003 prohibits any state agency, except for the Respiratory Care Board of California, from defining or interpreting the practice of respiratory care, or developing standardized procedures or protocols, unless authorized or required by state or federal law. The bill authorizes the board to adopt regulations delineating basic, intermediate and advanced respiratory tasks and services and the required education and training for each. The bill offers an opportunity to modernize the role of respiratory therapists in the state.

#### **Health Plan Licensing**

Mergers and consolidations

#### ▶ AB 595 (Wood, D-Santa Rosa)

AB 595 requires health plans to notify and receive approval from the Department of Managed Health Care (DMHC) of any merger or consolidation with another entity. It requires DMHC to hold public hearings on the proposed merger or consolidation and obtain an independent analysis of the market impact. It also grants DMHC the authority to conditionally approve or entirely disapprove the transaction if, based on its findings, it determines the transaction would "substantially lessen competition."

Unfair payment patterns

#### ► AB 2674 (Aguiar-Curry, D-Winters)

AB 2674 requires the Department of Managed Health Care (DMHC) to annually review complaints filed by health care providers against health plans alleging unfair payment patterns. This bill authorizes DMHC to conduct an audit or enforcement action if the review indicates a possible unfair payment pattern. The first review must take place by July 1, 2019.

#### **Home Health**

Home care aides

#### ► AB 2455 (Kalra, D-San Jose)

AB 2455 requires the state Department of Social Services (DSS), upon request, to provide certain information related to home care aides — including name, telephone number and cellular telephone number — to a labor organization in which a provider of in-home supportive services or a registered home care aide already participates. The labor organization may use this information only for employee organizing, representation and assistance activities, and may not disclose it to any other party. DSS must provide a simple opt-out procedure for registrants. This bill takes effect July 1, 2019.

#### **Homeless Patients**

Homeless patient discharge planning policy

#### ► SB 1152 (Hernandez, D-Azusa)

SB 1152 requires hospitals to include, as part of their discharge policy, a homeless patient discharge planning policy and process. The policy, among other provisions, requires the hospital to prepare the homeless patient for return to the community by connecting the patient with available community resources, treatment, shelter and other supportive services. SB 1152 also requires the hospital to offer the patient clothing if the homeless patient's clothing is weather-inappropriate, offer the patient a meal, provide the patient with an appropriate supply of medication, refer the patient to screening for infectious diseases common to the region and offer vaccinations appropriate to the patient's presenting medical condition. The bill also requires hospitals to offer the homeless patient transportation to the discharge destination, if that destination is within 30 minutes or 30 miles of the hospital. The bill requires the hospital to maintain a log of homeless patients discharged. SB 1152 contains a provision stating that it does not preempt any local ordinances that may include additional requirements.

#### Medi-Cal

Telehealth: Alcohol and drug use disorder treatment

#### ► AB 2861 (Salas, D-Bakersfield)

AB 2861 requires a drug Medi-Cal certified provider to receive reimbursement for individual counseling services provided through telehealth by a licensed practitioner or certified alcohol or other drug counselor, when medically necessary and in accordance with the Medi-Cal state plan, to the extent federal financial participation is available. It requires the Department of Health Care Services to adopt regulations by July 1, 2022, to implement this bill.

Definition of medically necessary services

#### ▶ SB 1287 (Hernandez, D-Azusa) ■ ■ ■

SB 1287 aligns state law with the federal Medicaid standard for defining a service as medically necessary. Federal regulations require coverage when the service would correct or ameliorate defects or physical and mental illnesses. The Department of Health Care Services and its contractors must update any model evidence of coverage documents, beneficiary handbooks and related material to ensure the medical necessity standard is accurately reflected, and must implement this standard by July 1, 2022.

#### **Medical Records**

#### Patient records

#### ▶ AB 2088 (Santiago, D-Los Angeles)

AB 2088 permits a minor patient to provide a written addendum of up to 250 words to his or her medical record if the patient believes the records are incomplete or incorrect. Adult patients already have this right. The health care provider must include the addendum in the patient's records and include it whenever the provider discloses the allegedly incomplete or incorrect portion of the record to any third party.

#### **Medical Staff**

Medical Board of California: Exchange of expert witness testimony

#### ▶ AB 505 (Caballero, D-Salinas) ● ●

AB 505 allows an administrative law judge to extend the time frame — from 30 to up to 100 days — for the exchange of expert witness testimony in matters brought by the Medical Board of California. While important for physicians, hospital medical staff services are not directly affected by this change.

Denial of application: Revocation or suspension of licensure

#### ► AB 2138 (Chiu, D-San Francisco) • • ■

AB 2138 limits a licensing board's ability to automatically deny an applicant with previous criminal convictions that are more than seven years old, with several enumerated exceptions. The bill continues to permit licensing boards to deny, revoke or suspend a license if the applicant or licensee has been convicted, within the preceding seven years, of a crime that is substantially related to the license for which the application is made.

International Medical Graduate
Pilot Program

#### ▶ AB 2311 (Arambula, D-Fresno) ● ■ ●

AB 2311 removes the sunset date on the UCLA International Medical Graduate pilot program, which serves a critical role in increasing the number of highly skilled physicians with the bicultural and bilingual abilities to meet the needs of patients in California, particularly those in underserved rural and inner urban committees.

Continuing education alternative

#### ▶ AB 2487 (McCarty, D-Sacramento)

AB 2487 authorizes a physician to complete a one-time continuing education course on opiate-dependent patient treatment and management as an alternative to the mandatory continuing education course on pain management and treating terminally ill and dying patients. This change helps address the need for additional providers in medication-assisted opioid treatment programs.

Disclosure of probation status

#### ► SB 1448 (Hill, D-San Mateo) ••

SB 1448 requires physicians, osteopathic physicians, podiatrists, acupuncturists, chiropractors and naturopathic doctors to notify patients in writing of their probationary status beginning in July 2019. The bill contains several exceptions, such as unconscious patients, emergency department and urgent care center patients, and unscheduled visits including consultations in inpatient facilities.

#### **Mental Health**

Patient notification of firearm possession prohibition

#### ► AB 1968 (Low, D-Campbell)

AB 1968 — which takes effect Jan. 1, 2020 — prohibits a person who has been admitted to a designated facility on a 72-hour hold more than once in a year from owning a firearm for the rest of his or her life. Upon discharge, the facility must give the person a copy of the most recent "Patient Notification of Firearm Prohibition and Right to Hearing Form" developed by the California Department of Justice (DOJ). The DOJ must update its form in accordance with this new law and distribute it to facilities by Jan. 1, 2020.

Application for detention

#### ▶ AB 2099 (Gloria, D-San Diego) ■ ●

Under existing law, admitting facilities must require a written application stating the circumstances under which a person is placed on an involuntary 72-hour hold. AB 2099 requires a copy of the 5150 application to be treated as the original.

Community crisis response plan funding

#### ▶ AB 2112 (Santiago, D-Los Angeles)

AB 2112 requires the Department of Health Care Services (DHCS) to apply for federal grant funds under the 21st Century Cures Act to develop a community-based crisis response plan. DHCS is required to confer with stakeholders to inform proposal development and, if funding is received, submit an evaluation to the federal Health and Human Services Secretary and to the California Legislature.

Voluntary psychiatric care

#### ▶ AB 2983 (Arambula, D-Fresno) ■ ■ ●

AB 2983 prohibits a general acute care or acute psychiatric hospital from requiring, as a condition of admission, a person who voluntarily seeks care to be placed on an involuntary hold under Section 5150 of the Welfare and Institutions Code.

Early prevention and intervention

#### ► SB 1004 (Wiener, D-San Francisco)

SB 1004 requires the Mental Health Services Oversight and Accountability Commission to establish priorities for using Mental Health Services Act prevention and early intervention (PEI) funds, and develop a statewide strategy for monitoring the implementation and effectiveness of PEI programs.

Conservatorship: Serious mental illness and substance use disorders

#### ▶ SB 1045 (Wiener, D-San Francisco) ●

SB 1045 establishes a procedure by which San Diego, San Francisco and Los Angeles counties may create a new type of conservatorship for individuals who have had eight or more 72-hour involuntary holds within a 12-month period. The recommendation for conservatorship would be initiated by the county sheriff or county mental health department and investigated by an appointed county officer. It requires an exploration of less restrictive alternatives and applies only if the individual does not qualify for a conservatorship under the Probate Code or the Lanterman-Petris-Short Act. This is a pilot program that sunsets in 2024.

#### **Nutrition**

#### Plant-based meals

#### ▶ SB 1138 (Skinner, D-Berkeley) ● ● ■

SB 1138 requires general acute care hospitals, acute psychiatric hospitals, skilled-nursing facilities, intermediate care facilities, special hospitals and nursing facilities to make wholesome, plant-based meals available to patients in accordance with their physicians' orders. "Plant-based meals" are defined as entire meals that contain no animal products or byproducts, such as meat, poultry, fish, dairy or eggs.

#### **Pharmacy**

#### Controlled Substance Utilization Review and Evaluation System

#### ▶ AB 2086 (Gallagher, R-Yuba City) ■ ●

AB 2086 allows prescribers of controlled substances to review a list of patients for whom they are listed as being the prescriber in the California Department of Justice prescription drug-monitoring program.

#### Opioid prescribing requirements

#### ▶ AB 2760 (Wood, D-Santa Rosa)

AB 2760 requires a prescriber to offer a prescription for naloxone hydrochloride or similar drug to a patient when certain conditions are present and to educate the patient and/or family on overdose prevention and response. This requirement applies when the prescription dosage for the patient is 90 or more morphine milligram equivalents of an opioid medication per day; an opioid medication is prescribed concurrently with a prescription for benzodiazepine; the patient presents with an increased risk for overdose, including a history of overdose or substance use disorder or risk for returning to a high dose of opioid medication that he or she can no longer tolerate.

### Electronic transmittal of prescriptions

#### ▶ AB 2789 (Wood, D-Santa Rosa)

AB 2789 requires that all prescribers have the capability to transmit electronic prescriptions, and all pharmacies have the capability to receive those prescriptions, by Jan. 1, 2022. After that date, all prescriptions must be transmitted electronically, with specified exceptions.

#### Prescription drug costs

#### ► AB 2863 (Nazarian, D-North Hollywood)

AB 2863 requires a pharmacy to inform a customer whether the retail price for a covered prescription drug is lower than the patient's copay, unless the pharmacy automatically charges the customer the lower price. If the customer pays the retail price, a network pharmacy must submit the claim as if the customer had purchased the prescription drug by paying the copay. An insurer or health plan may require an enrollee to pay only the lower of the applicable copay or the retail price for a prescription drug.

#### Medication profiles

#### ▶ SB 1254 (Leyva, D-Chino) ■ • ■

SB 1254 requires pharmacists in hospitals with more than 100 beds to obtain an accurate medication profile of high-risk patients upon admission. If certain conditions are met, a pharmacy technician or an intern pharmacist may perform this task. The hospital is responsible for determining who is a high-risk patient and the time frame for completion of the medication profile.

#### Pharmacy continued

Automated drug delivery systems

#### ► SB 1447 (Hernandez, D-Azusa)

SB 1447 revises requirements for operating an automated drug delivery system (ADDS) and now requires each ADDS to have a separate license, except those operated by a licensed hospital pharmacy and used solely to provide medication administered to patients while in a general acute care or acute psychiatric hospital. The bill also states that an ADDS license is not required for technology used for selecting, counting, packaging and labeling drugs or devices, if it is within a secured, licensed premises area of a pharmacy.

#### **Privacy and Personal Information**

California Consumer Privacy Act of 2018

#### ▶ AB 375 (Chau, D-Arcadia) / SB 1121 (Dodd, D-Napa) ●

AB 375 was a hastily drafted bill that would have imposed onerous requirements on personal information held by investor-owned health care entities. It enacts the California Consumer Privacy Act of 2018 (CCPA), effective Jan. 1, 2020, giving consumers the right to prevent a business from sharing their information and require a business to delete information about them. Nonprofit organizations are exempt. In addition, information subject to the Confidentiality of Medical Information Act (CMIA) and information held by covered entities and subject to the Health Insurance Portability and Accountability Act (HIPAA) are exempt. However, AB 375 included errors that required clean-up legislation — SB 1121 — clarifying the HIPAA/CMIA exemptions and adding exemptions for clinical research undertaken pursuant to a HIPAA waiver, as well as for information held by business associates.

Personal information

#### ▶ SB 244 (Lara, D-Bell Gardens) ●

SB 244 prohibits local public agencies — including county and district hospitals — from using information or documents obtained for the purpose of issuing local identification cards for other purposes. The bill also authorizes the state or a city, county, city and county, or hospital district to collect information from undocumented immigrants to assess eligibility for, or to administer, public health care services. This bill prohibits this information from being disclosed except as required to administer the services; as required by law; to the state or local public health officer; or with the patient's signed, written consent. CHA worked with the author and sponsor to obtain a clarification letter evidencing the Legislature's intent that SB 244 not be interpreted to prevent a health care provider from collecting information to assess or treat patients, and that it should be interpreted in conjunction with the disclosures expressly authorized by state and federal health information privacy laws. CHA will work on clean-up legislation next year.

#### **Public Health**

Valley Fever

#### ▶ AB 1788 (Salas, D-Bakersfield) ● ■

AB 1788 allows the California Department of Public Health to develop epidemiologic reports based on the use of laboratory data, with or without clinical criteria, as the occurrence rate and spread of Valley Fever increases. The bill allows improved surveillance and monitoring, and attempts to reduce underreporting of the disease.

Valley Fever Education, Early Diagnosis and Treatment Act

#### ► AB 1790 (Salas, D-Bakersfield)

AB 1790 requires the California Department of Public Health to conduct a Valley Fever awareness campaign to communicate with local health jurisdictions, providers and the public about Valley Fever.

#### **Seismic Safety**

Hospitals: Seismic safety extension

#### ▶ AB 2190 (Reyes, D-Grand Terrace)

AB 2190 allows a specified group of hospitals to request an extension of the hospital 2020 seismic mandate. For hospitals retrofitting or replacing, an extension until July 1, 2022, may be granted. For hospitals rebuilding, an extension until Jan. 1, 2025, may be granted. Hospitals may remain open and operational during this period. The bill includes benchmarks and penalties — such as fines of up to \$5,000 per day — to ensure these hospitals stay on track.

#### **Skilled-Nursing and Long-Term Care Facilities**

Disclosure of financial interest

#### ▶ AB 1953 (Wood, D-Santa Rosa) ●

AB 1953 expands the disclosures that applicants for a skilled-nursing facility (SNF) license must make to the California Department of Public Health (CDPH) to include whether the applicant — or a general partner, director or officer of the applicant — has an ownership or control interest of 5 percent or more in a corporation, sole proprietorship or partnership that provides any service to the SNF. It would require an applicant with such interest to disclose all services provided to the SNF, the number of individuals who provide that service at the SNF and any other information requested by CDPH.

Small House Skilled Nursing Pilot Program

#### ► SB 1280 (Roth, D-Riverside)

SB 1280 extends to Jan. 1, 2026, the Small House Skilled Nursing Facilities Pilot Program. The program was established by the California Department of Public Health to provide skilled-nursing care in a home-like, noninstitutional setting and was set to sunset Jan. 1, 2020.

#### **State Budget**

Health budget trailer bill

#### ► AB 1810 (Assembly Committee on Budget)

This is the omnibus health budget trailer bill that contains legal changes necessary to implement the state's 2018-19 budget. AB 1810 establishes the Council on Health Care Delivery Systems, which will prepare an in-depth study of the components necessary to create a health care delivery system in California that provides coverage and access through a unified financing system. The bill also establishes the Health Care Cost Transparency Database to collect — from health care service plans, health insurers and other payers — data related to payments and pricing for health care services. The bill directs the Office of Statewide Health Planning and Development to establish and administer the database, and submit a report to the Legislature by July 1, 2020, identifying specific information that will need to be collected. AB 1810 also authorizes the Department of Public Health in Los Angeles County to assess a supplemental licensing fee on all health facilities in the county, including hospitals.

Proposition 56: Medi-Cal Physicians and Dentists Loan Program

#### ▶ SB 849 (Senate Committee on Budget and Fiscal Review)

SB 849 is a health budget trailer bill that contains legal changes necessary to implement the state's 2018-19 budget. SB 849 establishes the Proposition 56 Medi-Cal Physicians and Dentists Loan Repayment Act to be developed and administered by the Department of Health Care Services. The program will provide loan assistance payments to qualifying, recently graduated physicians and dentists who serve beneficiaries of health care programs.

Housing for a Healthy California Program

#### ▶ SB 850 (Senate Committee on Budget and Fiscal Review)

SB 850 contains legal changes necessary to implement various housing-related provisions of the state's 2018-19 budget. The bill splits the revenue from the first year of the real estate recording fee — which was created by SB 2 (Chapter 364, Statutes of 2017) specifically to address homelessness — between the Housing for a Healthy California Program and the Emergency Solutions and Housing Program. It also establishes emergency aid block grants and provides \$500 million in one-time funding for flexible solutions to address homelessness.

#### **Women and Children**

#### Federal funding: Maternal mental health

#### ► AB 1893 (Maienschein, R-San Diego)

AB 1893 requires the California Department of Public Health (CDPH) to investigate and apply for federal funding opportunities to support maternal mental health, including grant funding available under the federal 21st Century Cures Act. It requires CDPH to notify the Legislature by Jan. 1, 2020, of its efforts to secure and utilize this federal funding.

#### Honorary diplomas for students

#### ► AB 2109 (O'Donnell, D-Long Beach)

AB 2109 ensures that students who have been hospitalized or are receiving instruction at home due to a serious illness are able to return to school in a timely manner or attend school on days that they are not receiving treatment, and authorizes schools to grant honorary diplomas to students who are terminally ill, among other changes.

### Screening for maternal mental health conditions

#### ▶ AB 2193 (Maienschein, R-San Diego) ■ ■ ●

AB 2193 requires, by July 1, 2019, licensed health care practitioners who provide prenatal or postpartum care to screen (or offer to screen) a mother for maternal mental health conditions. It also requires health care service plans and health insurers — by July 2019 — to develop, consistent with sound clinical principles and processes, a maternal mental health program.

#### Maternal mental health program

#### ► AB 3032 (Frazier, D-Discovery Bay)

AB 3032 requires a hospital with a perinatal unit to develop and implement, by Jan. 1, 2020, a program to provide education and information to appropriate health care professionals and patients about maternal mental health conditions.

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#### **California Hospital Association**

#### **CHA's Vision**

An optimally healthy society.

#### **CHA's Mission**

Through effective leadership and member participation, CHA seeks to develop consensus, establish public policy priorities, and represent and serve hospitals and health systems. In concert with its member organizations, CHA is committed to establishing and maintaining a financial and regulatory environment within which hospitals can continue to provide high-quality patient care.

#### **CHA's Goal**

CHA's goal is for every Californian to have equitable access to affordable, safe, high-quality, medically necessary health care. Only through high ideals and practical, progressive steps can the health status of Californians be improved. This challenge must be shared by all stakeholders, including individuals, employers, health care providers, payers and government.



