



**CALIFORNIA
HOSPITAL
ASSOCIATION**

*Providing Leadership in
Health Policy and Advocacy*

June 7, 2019

TO: CHA Members
FROM: Carmela Coyle, President & CEO
SUBJECT: Weekly Advocacy Review

Member Advocacy Call

June 11, 8:30 a.m.

Dial-In: (800) 882-3610 Passcode: 5010912#

*Please **mute** your phone once you
have been connected to the call by entering 61#.
Enter 60# to un-mute your phone for comments/questions.*

FEDERAL

Federal Update (O'Rourke)

Surprise billing remains a focal point in Congress. The House Energy & Commerce Health Subcommittee will hold a hearing on surprise medical bills on June 12. CHA looks forward to the public release of Congressional Budget Office scores of several surprise medical billing proposals.

CHA continues to engage members of the California congressional delegation on this important issue.

For additional information, contact Anne O'Rourke at (202) 488-4494 or aorourke@calhospital.org.

Regulatory Update (Keefe)

CHA will host a member forum on the federal fiscal year 2020 inpatient prospective payment system proposed rule on Tuesday, June 11 at 10 a.m. (PT). Please [register online](#) by June 10 at noon (PT).

The Department of Veterans Affairs (VA) issued its [final rule](#) implementing the criteria for determining when covered veterans may elect to receive necessary hospital, medical, and extended care services from non-VA entities or providers under the Veterans Community Care Program.

For additional information, contact Alyssa Keefe at (202) 488-4688 or akeefe@calhospital.org.

STATE

Legislative Update (Scott)

This week bills moved to the second house, where committee hearings began June 3. However, the Legislature is primarily focused on budget deliberations as it works toward its June 15 deadline to pass the budget.

On June 3, CHA issued an [Advocacy Alert](#) asking hospital leaders to write to their assemblymember and urge opposition to Senate Bill (SB) 227 (Leyva, D-Chino), which would create an unreasonable and duplicative penalty system for hospitals that do not meet nurse staffing ratios, imposing mandatory fines of \$30,000/\$60,000 per infraction. **These redundant, punitive penalties are one important reason CHA opposes SB 227.** The deadline to submit letters is 5 p.m. (PT) on June 11. Please email your letter to Dawn Vicari, CHA legislative assistant, at dvicari@calhospital.org. SB 227 will be heard in the Assembly Health Committee June 25.

Legislative action for key bills:

- CHA-opposed, unless amended **AB 962** (Burke, D-Inglewood) would require hospitals with operating expenses of \$25 million or more to annually submit a report to the Office of Statewide Health Planning and Development on their minority; women; lesbian, gay, bisexual, transgender (LGBT); and veteran-owned business procurement efforts. Requires the report to include the hospital's supplier diversity policy statement, outreach and communications strategy, and information about which procurements are made to minority, women, LGBT, and veteran-owned businesses. Would impose civil penalties for a failure to submit the report. Passed the full Assembly May 29.
- CHA-opposed **AB 1014** (O'Donnell, D-Long Beach) would require a hospital to provide at least 180 days' notice before reducing or eliminating the level of emergency services, closing the facility, or closing or relocating a supplemental service. Passed the full Assembly May 13. Will be heard in Senate Health Committee on June 12.
- CHA-opposed **AB 1611** (Chiu, D-San Francisco) addresses hospital "surprise" billing and would prohibit hospitals — as a condition of their licensure — from balance billing all patients, including those with federally regulated coverage. The bill would establish a default rate for non-contracted emergency and post-stabilization services at the average contracted rate paid by the specific health insurer for the same or similar services in the same geographic area or the reasonable and customary value of hospital services, including prevailing provider rates charged and paid by both commercial and governmental payers in the general geographic area in which the services were rendered. AB 1611 passed the full Assembly May 30.
- CHA-sponsored **SB 758** (Portantino, D-La Cañada Flintridge) would require hospitals to submit a report to the Office of Statewide Health Planning and Development (OSHPD) describing the services provided in each building of the acute care inpatient hospital, in order to help OSHPD implement existing seismic safety regulations and standards. To be heard in Assembly Health Committee.

Information on additional priority health care-related bills is available at www.calhospital.org/legislative-update.

State Budget (Glaser)

We are in the final week of the state budget process, with the Legislature required to send the Governor a final budget no later than June 15. There are still many differences between the proposed budgets from the Senate, Assembly, and the Governor, and it is the job of the budget conference committee to reconcile those differences. Budget negotiations between the administration and the Legislature are intense. See today's [CHA News article](#) for more details; an update will also be provided on next week's call.