

CHA 2019 Legislative Highlights

End-of-session results on important bills
for California hospitals

OUTCOMES

Expanded Coverage and Access

Advanced several key, board-approved priorities by securing, via the state budget: an expansion of Medi-Cal coverage to undocumented adults age 19-25; insurance subsidies for families earning between 400 and 600% of the federal poverty level; and a state-level individual mandate for coverage.



Hospital Rate Regulation

Halted momentum on a bill that would have banned surprise billing for patients (a measure that hospitals support), but also included a harmful provision that would have set rates for insurance companies to pay hospitals for out-of-network emergency care. This bill will resurface in 2020, and CHA will continue to oppose rate regulation while supporting patient billing protections. (Assembly Bill 1611)



* Nurse Staffing Ratio Penalties

Secured amendments that created significant flexibility for hospitals to meet nurse staffing ratios when encountering "unpredictable" and "uncontrollable" circumstances. Also removed a prescriptive mandate on how hospitals should attempt to fill vacant spots. In spite of these changes, excessive penalties for noncompliance remain. (Senate Bill 227)



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Hospital Seismic Safety

Advanced a bill that would offer relief from the state's outdated and stringent 2030 hospital seismic standards. At our request, this bill has been extended into 2020 to fine-tune language. This will help ensure the provision of uninterrupted care following a disaster and will help assure wary legislators that the bill enhances hospitals' disaster response approach. (Senate Bill 758)



* Independent Contractors

This bill changes the framework for independent contractors, including exemptions for physicians and certain professional services. May interfere with hospitals contracting with other individual health care professionals, as well as short- and long-term staffing businesses. This is sweeping legislation that affects virtually all business sectors in California, and we will join with them to consider legislative remedies in 2020. (Assembly Bill 5)



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* Maternal Health Equity

Advanced a bill that would codify current training and data reporting practices to support reducing racial disparities in maternal health, a pressing need throughout the state. (Senate Bill 464)



Workers' Compensation Claims

Defeated a bill that would have given workers' compensation benefits to hospital employees with certain illnesses and injuries — including cancer, asthma, musculoskeletal injuries, and others — unless the hospital could provide evidence the employee did not contract the illness or injury at work. (Senate Bill 567)



* Community Benefits Reporting

Secured important amendments to a bill that would require hospitals to report community benefits at the hospital — rather than system — level. The bill no longer: includes a percentage of Medicare reimbursement for the definition of charity care; limits reportable community benefits programs; or requires new regulations. (Assembly Bill 204)



340B Pharmacy Benefit

Secured an analysis from the Legislative Analyst's Office to shed light on how the transition of the Medi-Cal pharmacy benefit to a single drug purchasing system will impact hospitals and other pharmaceutical providers. This analysis, which will be informed by CHA, could provide the basis for future modifications to this proposal.



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Behavioral Health Investments

Leveraging the behavioral health awareness-raising work of Behavioral Health Action, a CHA co-led coalition, secured significant investments in treatment for mental health and substance use disorders, including: \$150 million for workforce development programs for mental health practitioners; \$100 million for whole person pilot care programs to provide housing for people with mental illness; \$70 million for Medi-Cal behavioral health integration programs; and more. While funding for these initiatives did not derive from Proposition 55 as intended, they nevertheless represent important progress in behavioral health care.



* Health Care Coverage During Disasters

Secured passage of a bill that would ensure hospitals are reimbursed for Medi-Cal managed care beneficiaries' extended stays when no post-acute facilities are available following a declared emergency. (Senate Bill 382)



* Hospital Suppliers' Diversity

Secured important amendments to a new mandate that hospitals submit reports on the diversity of their suppliers. The amendments delay implementation of the bill until July 2021 and permit systems to report at the systemwide level rather than the individual hospital level. The bill remains problematic because hospitals will only be allowed to include suppliers with more than half of their employees in California, ignoring the purchasing patterns of multi-state systems and hospitals that work with national group purchasing organizations. (Senate Bill 962)



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Bills identified with an asterisk () have been sent to the Governor for action.*