

Dec. 20, 2021

## Assembly Bill 1204: Vulnerable Populations

Assembly Bill (AB) 1204 adds new groups to the definition of “vulnerable populations” for community benefit reporting purposes. The statute currently defines vulnerable populations as any population that is exposed to medical or financial risk by virtue of being uninsured, underinsured, or eligible for Medi-Cal, Medicare, California Children’s Services Program, or county indigent programs.

Beginning January 1, 2022, vulnerable populations will include the following categories:

- Racial and ethnic groups experiencing disparate health outcomes, including Black/African American, American Indian, Alaska Native, Asian Indian, Cambodian, Chinese, Filipino, Hmong, Japanese, Korean, Laotian, Vietnamese, Native Hawaiian, Guamanian or Chamorro, Samoan, or other non-white racial groups, as well as individuals of Hispanic/Latino origin, including Mexicans, Mexican Americans, Chicanos, Salvadorans, Guatemalans, Cubans, and Puerto Ricans
- Socially disadvantaged groups, including the following:
  - The unhoused
  - Communities with inadequate access to clean air and safe drinking water, as defined by an environmental California Healthy Places Index score of 50% or lower
  - People with disabilities
  - People identifying as lesbian, gay, bisexual, transgender, or queer
  - Individuals with limited English proficiency

AB 1204 also includes a future requirement for hospitals to prepare and submit to the Department of Health Care Access and Information (HCAI) an annual equity report, including a health equity plan to achieve disparity reduction. The report must include an analysis of health status and access to care disparities for patients on the basis of age, sex, race, ethnicity, language, disability status, sexual orientation, gender identity, and payor. HCAI will convene a Health Care Equity Measures Advisory Committee to help determine appropriate measures, which must align with measures developed by the Centers for Medicare & Medicaid Services. The advisory committee must complete its work by December 31, 2022. HCAI will also promulgate regulations outlining in further detail the requirements for hospital equity reports. It is expected that this work will take several years. CHA will keep hospitals informed about HCAI’s progress as more information becomes available.

The following are FAQs on complying with the community benefit section of AB 1204, beginning in 2022.

### HCAI

**Q:** Will HCAI be developing regulations on the community benefit section of the statute?

**A:** Yes, HCAI intends to promulgate regulations on the community benefit section in 2022. Until regulations are promulgated, HCAI will not be able to assess a civil penalty on hospitals for non-compliance with the statute.

**Q:** Will HCAI release guidance in 2022?

**A:** No guidance will be released in 2022.

**Q:** Will HCAI be developing regulations in 2022?

**A:** Yes.

## **Hospitals**

**Q:** If a hospital has started its community health needs assessment (CHNA), will it be required to include these new categories in its CHNA already in process?

**A:** No. Hospitals will not be expected to include these new categories in its CHNA.

**Q:** If a hospital is in the middle of its three-year CHNA, will it be required to submit this new information outlined in the statute in its annual community benefits submission to HCAI?

**A:** No. Hospitals will not be required to submit new information on categories outlined in the statute. However, if hospitals have community benefit investments in these categories, hospitals are encouraged to report it in their annual plan.

**Q:** If a hospital begins its CHNA process in 2022, will it be required to include these new categories in its CHNA and annual community benefits plans?

**A:** No. HCAI will not expect hospitals to include these new categories in its CHNA and annual community benefit plans. However, if hospitals have community benefit investments in these categories, hospitals are encouraged to report it in their annual plan.