

April 10, 2024

The Honorable Mia Bonta Chair, Assembly Health Committee 1020 N Street, Room 390 Sacramento, CA 95814

SUBJECT: AB 1895 (Weber) — CONCERNS

Dear Assembly Member Bonta:

Hospitals cherish their role in helping to bring new lives into the world. Nearly everyone knows the name of the hospital where they were born. The recent closures of labor and delivery (L&D) units, not only in California but across the nation, is deeply concerning.

This is why the California Hospital Association (CHA), on behalf of more than 400 hospital and health system members, is committed to continue working with Assembly Member Weber on Assembly Bill (AB) 1895.

A combination of factors including declining birth rates, low Medi-Cal reimbursements, and shortages of physicians, nurses, and other clinical professionals is leaving some hospitals with no choice but to close maternity care services. CHA will continue working with Dr. Weber and the Legislature on policy changes and payment reform that can improve access to care.

AB 1895, as currently drafted, would require hospitals that provide maternity care services and have determined that the maternity care service is at risk of closure in the next 12 months, to report specified information to the State Department of Health Care Services, the Department of Health Care Access and Information (HCAI), the State Department of Public Health, the chair of the Senate Committee on Health, and the chair of the Assembly Committee on Health.

CHA supports transparency and understands the desire for earlier notification on L&D closures. However, hospitals already provide a 90 day public notification and a 90 day notification to CDPH when closing or reducing a service. We are concerned that notification of *potential* closures would exacerbate the existing challenges as health care providers and staff leave their jobs after learning that a facility is at risk of closure and prospective patients would be dissuaded from seeking care at a facility that may close, resulting in diminished patient volume.

Hospitals typically do not know 12 months in advance that they may need to close an L&D unit. There are many factors hospitals must consider when making this difficult decision; however, it is often an unforeseen circumstance that ultimately pushes the hospital to decide to close its L&D unit.

Finally, most of the data that hospitals would be required to report is data that they already report to HCAI on an annual or quarterly basis and is publicly available. A more streamlined approach to reporting could help avoid duplicative data submissions.

We appreciate the ongoing discussions with the author's office and the bill sponsors to address these and other technical concerns and look forward to continued collaboration.

Sincerely,

Vanessa Gonzalez

Vice President, State Advocacy

Vanessa Gonzalez

cc: The Honorable Akilah Weber, M.D.

The Honorable Members of the Assembly Health Committee Lara Flynn, Consultant Assembly Health Committee Justin Boman, Consultant, Assembly Republican Caucus