LEGISLATIVE UPDATE

Alliance of Catholic Health Care

Week of March 19, 2018

State Issues	
Spring Recess and Newly-Introduced Bills	Today (March 23) begins the Legislative Spring Recess. When lawmakers return on April 2, policy committee hearings will begin in earnest. The next key legislative deadline is April 27 when all bills with a fiscal note (meaning that have been determined that they might cost the state any money to implement – which is most of them) have to be heard in the appropriate policy committee and moved to the fiscal committee to be taken up in the month of May. A great deal of scrutiny will be paid to the newly-introduced bills given that so many are still in "spot bill" form without a great deal of technical detail. Attached is the most recent Alliance Summary and Status report on bills of interest to the health care ministry. We continue to analyze these bills to determine our position on these measures.
Care 4 All Coalition	In response to the report from UCSF sponsored by the Select Committee on Health Care Delivery Systems and Universal Coverage released last week, found here, a new health care coalition was formed to continue the fight for universal coverage. The Care 4 All coalition includes Health Access California, a healthcare consumer advocacy group, Service Employees International Union, and Next Gen, Tom Steyer's advocacy organization. Several dozen other organizations have signed on, including other health care advocacy organizations, other unions, and legal advocacy nonprofits. While the Select Committee-commissioned report, "A Path to Universal Coverage and Unified Health Care Financing in California, did not support a single payer health system for California, it offered dozens of recommendations that they felt would strengthen and improve our current health care delivery system, designed to move us towards more universal access to care, and made suggestions for how to move California to "a Broader transformation of California's Health Care System," including a path to a publicly financed option for residents. It did articulate two specific recommendations regarding hospitals, however, neither have shown up in legislation to date: ▪ Limit out-of-network prices for hospitals to a specified ratio of the price that would be paid by Medicare for similar services, claiming that some hospitals have been able to negotiate much higher prices than the prices paid by Medicare, and that reducing price differentials across payers for hospitals would, arguably, ease a potential transition to a system of unified public financing. ▪ Require hospitals and larger medical groups (e.g., > 25 physicians) to post information on average prices received from people covered by employer-sponsored insurance, as well as average prices received from people covered by *(more)*

Care 4 All Coalition *(continued)*	Covered California, by Medicare, and by Medi-Cal, stating that greater transparency on pricing might lead to community pressure on high-priced hospitals and medical groups to limit their prices (although also might encourage low-priced providers to negotiate harder). The Care 4 All coalition outlined an aggressive legislative agenda designed to achieve several key objectives. "1) Advance California to universality and affordability in coverage, by expanding Medi-Cal to remove key exclusions for income-eligible Californians, based on immigration status, as well as age, and increasing affordability assistance in Covered California, on a sliding scale up and down the income ladder, to lower both premiums and costs sharing like deductibles in a high cost-of-living state. "2) Contain costs while holding the health care establishment accountable for improved quality and reducing healthcare disparities, through increased oversight over the industry, including on issues of industry consolidation, rising health insurance premiums, and other cost drivers. "3) Stop the sabotage of President Trump's administrative attacks on the ACA from eroding existing coverage and consumer protections, loosen standards on health plans, and undermine our insurance market, public programs, and health system." The package of bills is not yet set. Some of the pieces of legislation included in the package are bills held over from last year that stalled in the first year of the two-year session. Some bills are newly-introduced bills that have not yet been amended to include a great deal of detail. And some are simply not introduced. The package, so far, includes: **SB 974 (Lara):** Would allow Medi-Cal should to cover all income-eligible adults regardless of their immigration status. **AB 2430 (Arambula):** Would align income eligibility for the Medi-Cal Aged and Disabled Program with income eligibility for those under age 65. **AB 2275 (Arambula):** Ensure the Medi-Cal managed care plans that cover nearly one-third of Californians are accountable for improving health care quality and reducing disparities. **AB 595 (Wood):** Regulate health plan mergers. **SB 538 (Monning):** Prohibit anticompetitive contract clauses by hospital oligopolies. **SB 790 (McGuire):** Limit drug company gifts to doctors. **AB 315 (Wood):** Regulate pharmacy benefit managers. **AB 587 (Chiu):** Pool state purchasing power for prescription drugs. *(more)*

Care 4 All Coalition *(continued)*	**SB 1021 (Wiener):** Maintain $250 cap on prescription drug co-pays, other consumer protections. **SB 910 (Hernandez):** Prevent short-term, substandard "junk" insurance promoted by the Trump Administration from being sold in California. **AB 2499 (Arambula):** Require health plans to spend more on health care, limiting administrative costs and profits. **SB 1108 (Hernandez):** Prohibit the state from pursuing waivers that make it harder for low-income people to enroll in Medi-Cal. Some of the topics they intend to cover in legislation, but do not have bills introduced yet include: ***Increase Affordability and Take-Up of Coverage:*** ACA subsidies have helped millions of people afford health coverage, but more help with affordability is needed, especially in a high cost state like California. For those who have a subsidy but who still can't afford premiums, deductibles, or co-pays and those who earn too much to qualify for a subsidy, increasing subsidies will help more Californians get covered and reduce their costs for premiums and cost-sharing. ***Contain Costs:*** Seek cost containment that ensures quality and equity. They have specifically referenced hospital systems, insurers and drug companies. ***Encourage Public Options:*** Ensure and encourage public plan options in Covered California for every region of the state–so that no region of California is left with only one or zero plans, at the whim of private insurers.
LAO Analysis of the Governor's 340B Medi-Cal Proposal	The Governor's January Budget proposal includes a plan to eliminate access to the 340B program for all Medi-Cal beneficiaries. This week, the Legislative Analyst's Office published their analysis of the proposal. Their brief summary is included below, and you can access their full report here. ***LAO Report Summary.*** *This budget brief analyzes the Governor's 2018-19 budget proposal to eliminate the use of the 340B Drug Pricing Program in Medi-Cal. The Governor's proposed statutory changes are intended to generate state savings and reduce the administrative complexity of complying with federal law on duplicate discounts when 340B prescriptions drugs are dispensed to Medi-Cal enrollees. We find that the Governor's proposal merits serious consideration from the Legislature since, among other benefits, it would likely result in state savings that the Legislature could, in turn, use to fund its priorities.* *We note, however, that these savings would be in place of savings currently enjoyed by eligible healthcare providers. Before making a decision on the Governor's proposal, we recommend that the Legislature ask the administration to provide the following key information on the Governor's proposal: (1) the amount of Medi-Cal savings that would be generated, (2) the impact on healthcare providers currently participating in the 340B Program, and (3) the trade-offs of alternative policy approaches to addressing the challenges that are present due to the use of the 340B Program in Medi-Cal.* *(more)*

Federal Issues	
President Trumps Signs Spending Bill	President Trump has signed the fiscal 2018 bill, after he had earlier threatened to veto the $1.3 trillion spending plan passed by Congress because it did not address a solution for recipients of the Deferred Action for Childhood Arrivals (DACA) program, or sufficient funding for a border wall. The spending measure had to be signed into law by midnight or a partial shutdown would have been triggered. As reported by the Catholic Health Association, Congressional leaders finally released their $1.3 trillion omnibus legislation on March 21, two days later than originally planned. The delay was caused by ongoing debate over several controversial provisions, most of which were jettisoned at the end of the process. The omnibus increases both domestic and military spending for the remainder of FY2018, including an increase of $10.1 billion in health care programs under the Department of Health and Human Services over last year's appropriation. Measures to help stabilize the individual health insurance market failed to make it into the final bill, with some controversial provisions causing both progressive and conservative lawmakers to reject the attempted compromise. The stabilization bill may be offered as a stand-alone amendment on the Senate floor when the omnibus is being debated, but there are not enough senators supporting the measure for it to pass. On immigration, no compromise for the DACA program was included after an attempt to reach a deal failed earlier this week. The White House had strongly backed other immigration measures, such as full funding for a border wall and increased funding for border enforcement and detention facilities, but these also were rejected in the end. The House passed the omnibus on March 22, and the Senate approved the measure earlier today (March 23).

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Alliance of Catholic Health Care
Legislative Summary and Status 3/23/2018

Access

SB 199 **(Hernandez D) The California Health Care Cost, Quality, and Equity Atlas.**
Location: 9/1/2017-A. 2 YEAR
Summary: Would require the Secretary of California Health and Human Services, in furtherance of the goal of creating the California Health Care Cost, Quality, and Equity Atlas, to convene an advisory committee composed of a broad spectrum of health care stakeholders and experts, as specified. The bill would require the secretary to charge the advisory committee with identifying the type of data, purpose of use, and entities and individuals that are required to report to, or that may have access to, a health care cost, quality, and equity atlas, and with developing a set of recommendations based on specified findings of the March 1, 2017, report.

Position
Pending Review

SB 974 **(Lara D) Medi-Cal: immigration status: adults.**
Location: 2/14/2018-S. HEALTH
Calendar: 4/4/2018 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE HEALTH, HERNANDEZ, Chair
Summary: Current law requires individuals under 19 years of age enrolled in restricted-scope Medi-Cal at the time the Director of Health Care Services makes a determination that systems have been programmed for implementation of these provisions, be enrolled in the full scope of Medi-Cal benefits, if otherwise eligible, pursuant to an eligibility and enrollment plan, as specified. Current law makes the effective date of enrollment for those individuals the same day that systems are operational to begin processing new applications pursuant to the director's determination. This bill would extend eligibility for full-scope Medi-Cal benefits to individuals of all ages who are otherwise eligible for those benefits but for their immigration status. The bill would also delete provisions delaying implementation until the director makes the determination described above.

Position
Pending Review

SB 1125 **(Atkins D) Federally qualified health center and rural health clinic services.**
Location: 2/22/2018-S. HEALTH
Calendar: 4/25/2018 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE HEALTH, HERNANDEZ, Chair
Summary: Current law provides that federally qualified health center (FQHC) services and rural health clinic (RHC) services, as defined, are covered benefits under the Medi-Cal program, to be reimbursed, to the extent that federal financial participation is obtained, to providers on a per-visit basis. "Visit" is defined as a face-to-face encounter between a patient of an FQHC or RHC and specified health care professionals. This bill would authorize reimbursement for a maximum of 2 visits taking place on the same day at a single location if after the first visit the patient suffers illness or injury requiring additional diagnosis or treatment, or if the patient has a medical visit and another health visit, as defined.

Position
Pending Review

Behavorial and Mental Health

AB 1136 **(Eggman D) Health facilities: residential mental or substance use disorder treatment.**
Location: 2/5/2018-S. HEALTH
Summary: Would require the State Department of Public Health to develop and submit a proposal to solicit a grant under the federal 21st Century Cures Act to develop a real-time, Internet-based database to collect, aggregate, and display information about beds in inpatient psychiatric facilities, crisis stabilization units, residential community mental health facilities, and licensed residential substance use disorder treatment facilities.

Position
Watch

AB 1998 **(Rodriguez D) Opioids: prescription limitations.**

Location: 2/12/2018-A. HEALTH
Calendar: 4/3/2018 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair
Summary: Would prohibit a prescriber from prescribing an opioid in an amount greater that the patient needs for a 3-day period unless the prescriber believes, in his or her professional judgment, that a larger prescription is needed to treat a medical condition or that a larger prescription is necessary for the treatment of chronic pain. The bill would require a prescriber who writes a prescription for an opioid that is either larger than the 3-day supply or that is the 4th prescription without the dosage decreasing to include in the patient's record why the excess or additional prescription was needed, what other medications were considered, the patient's injury or illness, and the milligram dosage of the prescription.

Position
Pending Review

AB 2112 **(Santiago D) Federal 21st Century Cures Act: community-based crisis response plan: grant.**
Location: 2/22/2018-A. HEALTH
Calendar: 4/3/2018 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair
Summary: Current federal law, the 21st Century Cures Act, authorizes the United States Secretary of Health and Human Services to award competitive grants to state and local governments and Indian tribes and tribal organizations to enhance community-based crisis response systems that, among other things, promote integration and coordination between local public and private entities engaged in crisis response, such as first responders, health care providers, and behavioral health providers, and addresses gaps in community resources for crisis intervention and prevention. This bill would require the State Department of Health Care Services to develop and submit an application to solicit a grant under the federal authority described above to develop a community-based crisis response plan and would require the grant application to include, at a minimum, a plan for specified objectives.

Position
Support

AB 2193 **(Maienschein R) Maternal mental health.**
Location: 2/26/2018-A. HEALTH
Calendar: 4/24/2018 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair
Summary: Would make it the duty of licensed health care practitioners who treat or attend the mother or child, or both, to screen the mother for maternal mental health conditions, as defined, at least once during pregnancy and once during the postpartum period and to report the findings of the screening to the mother's primary care physician if the health care practitioner is not the mother's primary care physician. The bill would also make it the duty of any facility where those practitioners treat or attend the mother or child, or both, in the first postdelivery appointment to ensure that those practitioners perform the required screening and report the findings.

Position
Pending Review

AB 2741 **(Burke D) Prescription drugs: opioid medications: minors.**
Location: 3/8/2018-A. B.&P.
Summary: Current law makes repeated acts of clearly excessive prescribing or administering of drugs or treatment unprofessional conduct for certain health care practitioners. This bill would require a prescriber, as defined, to comply with specified conditions when prescribing opioid medication to a minor, including not prescribing more than a 5-day supply of an opioid medication to that minor except in specified instances. The bill would make a violation of the bill's provisions

Position
Pending Review

AB 2843 **(Gloria D) Mental Health Services Fund.**
Location: 3/22/2018-A. HEALTH
Summary: Would state the intent of the Legislature to enact legislation that would require a county that receives reallocated funds from the Mental Health Services Fund to spend those funds within 2 years of adopting an expenditure plan for those funds. It would further state the intent of the Legislature that any funds not expended by a county within those 2 years would revert to the Mental Health Services Fund to be redistributed to cities within that county.

Position
Pending Review

AB 2983 **(Arambula D) Health care facilities: voluntary psychiatric care.**
Location: 3/8/2018-A. HEALTH
Calendar: 4/10/2018 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair
Summary: Would prohibit a general acute care hospital or an acute psychiatric hospital from requiring a person who voluntarily seeks care to be in custody as a danger to himself or herself or others or

gravely disabled as a condition of accepting a transfer of that person. By creating a new crime, this bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Position
Pending Review

End of Life/Palliative Care

AB 282 **(Jones-Sawyer D) Aiding, advising, or encouraging suicide: exemption from prosecution.**
Location: 3/15/2018-S. PUB. S.
Summary: Current law makes a person who deliberately aids, advises, or encourages another to commit suicide guilty of a felony. This bill would prohibit a person whose actions are compliant with the End of Life Option Act from being prosecuted for deliberately aiding, advising, or encouraging suicide.

Position
Pending Review

AB 937 **(Eggman D) Health care decisions: order of priority.**
Location: 7/21/2017-S. 2 YEAR
Summary: The Health Care Decisions Law, among other things, provides for an individual's use of a request regarding resuscitative measures, which is a written document, signed by an individual with capacity or a legally recognized health care decisionmaker for the individual, and the individual's physician, that directs a health care provider regarding resuscitative measures for the individual. This would provide that, to the extent of that conflict, the most recent order signed by the individual or instruction made by the individual is effective. The bill would deem a request regarding resuscitative measures signed by specified persons on behalf of the individual to be signed by the individual. The bill would also make technical conforming changes.

Position
Watch

SB 481 **(Pan D) Long-term health facilities: informed consent.**
Location: 7/14/2017-A. 2 YEAR
Summary: Current law requires the attending physician of a resident in a skilled nursing facility or intermediate care facility who prescribes or orders a medical intervention of a resident that requires the informed consent of a patient who lacks the capacity to provide that consent, as specified, to inform the skilled nursing facility or intermediate care facility. Current law requires the facility to conduct an interdisciplinary team review of the prescribed medical intervention prior to the administration of the medical intervention. This bill would, before implementing a medical intervention that requires informed consent for a resident who lacks capacity to make health care decisions and there is no person with legal authority able and willing to make those decisions, require the physician, skilled nursing facility, or intermediate care facility, to promptly notify the resident, orally and in writing, that it has been determined that the resident lacks capacity, and other information, as specified.

Position
Support

SB 1336 **(Morrell R) Public health: End of Life Option Act.**
Location: 3/1/2018-S. HEALTH
Summary: Would, prior to prescribing an aid-in-dying drug, require an attending physician to request that a qualified individual inform the physician orally or in writing as to the motivating reason or reasons for receiving an aid-in-dying drug, as specified. The bill would require that information to be included in the report of the Department of Public Health as specified. The bill would further require that report to include additional information about each attending physician and the length of time that he or she provided care to a patient, and the number of patients who received a mental health specialist assessment.

Position
Pending Review

Health Care Reform

AB 2502 **(Wood D) Health care costs.**
Location: 3/22/2018-A. HEALTH
Summary: Current law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the licensure and regulation of health care service plans by the Department of Managed Health Care.

Current law provides for the regulation of health insurers by the Department of Insurance. Current law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. This bill would state the intent of the Legislature to enact legislation to further control health care costs, as specified.

Position
Pending Review

SB 562 **(Lara D) The Healthy California Act.**
Location: 7/14/2017-A. 2 YEAR
Summary: Current law provides for the Medi-Cal program, which is administered by the State Department of Health Care Services, under which qualified low-income individuals receive health care services. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill, the Healthy California Act, would create the Healthy California program to provide comprehensive universal single-payer health care coverage and a health care cost control system for the benefit of all residents of the state.

Position
Watch

SB 910 **(Hernandez D) Short-term limited duration health insurance.**
Location: 3/14/2018-S. APPR.
Summary: Current law requires an individual health care service health insurance policy to include, at a minimum, coverage for essential health benefits, as defined. These health care coverage market reforms in the individual market do not apply to short-term limited duration health insurance policies offered by a health insurer. This bill, commencing January 1, 2019, would prohibit a health insurer from issuing, selling, renewing, or offering a short-term limited duration health insurance policy, as defined, for health care coverage in this state. The bill would make conforming changes.

Position
Pending Review

Hospital Operations

AB 1250 **(Jones-Sawyer D) Counties: contracts for personal services.**
Location: 9/5/2017-S. RLS.
Summary: Would establish specific standards for the use of personal services contracts by counties. The bill would allow a county or county agency to contract for personal services currently or customarily performed by employees, as applicable, when specified conditions are met. The bill would exempt certain types of contracts from its provisions, and would exempt a city and county from its provisions. By placing new duties on local government agencies, the bill would impose a state-mandated local program. The bill also would provide that its provisions are severable.

Position
Oppose

AB 1795 **(Gipson D) Emergency medical services: community care facilities.**
Location: 1/22/2018-A. HEALTH
Calendar: 4/17/2018 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair
Summary: Would authorize a local emergency medical services agency to submit, as part of its emergency services plan, a plan to transport specified patients to a community care facility, as defined, in lieu of transportation to a general acute care hospital. The bill would make conforming changes to the definition of advanced life support to include prehospital emergency care provided before and during, transport to a community care facility, as specified.

Position
Support

AB 2798 **(Maienschein R) Health facility licensing.**
Location: 3/22/2018-A. HEALTH
Summary: Current law establishes the State Department of Public Health and sets forth its powers and duties, including, but not limited to, duties relating to the licensing and regulation of health facilities, as defined.This bill would declare the intent of the Legislature to subsequently amend this bill to include provisions that would make sufficient resources and staffing available to the department to enable it to approve applications for hospital licensure changes within 60 days.

Position
Support

SB 538 **(Monning D) Hospital contracts.**

Location: 7/14/2017-A. 2 YEAR

Summary: This bill, the Health Care Market Fairness Act of 2017, would prohibit contracts between hospitals and contracting agents, health care service plans, or health insurers from containing certain provisions, including, but not limited to, setting payment rates or other terms for nonparticipating affiliates of the hospital, requiring the contracting agent, plan, or insurer to keep the contract's payment rates confidential from any payor, as defined, that is or may become financially responsible for the payment, and requiring the contracting agent, plan, or insurer to submit to arbitration, or any other alternative dispute resolution program, any claims or causes of action that arise under state or federal antitrust laws after those claims or causes of action arise, except as provided.

Position
Oppose

SB 944 **(Hertzberg D) Community Paramedicine Act of 2018.**

Location: 1/29/2018-S. RLS.

Summary: Would create the Community Paramedicine Act of 2018. The bill would authorize a local EMS agency to develop a community paramedicine program, as defined, to provide specified community paramedic services. The bill would require the Emergency Medical Services Authority to review a local EMS agency's proposed community paramedicine program and approve, approve with conditions, or deny the proposed program within 6 months after it is submitted by the local EMS agency.

Position
Pending Review

SB 1152 **(Hernandez D) Hospital patient discharge process: homeless patients.**

Location: 2/22/2018-S. HEALTH

Summary: Current law prohibits specified health facilities from causing the transfer of homeless patients from one county to another county for the purpose of receiving supportive services from a social service agency, health care service provider, or nonprofit social service agency within the other county, without prior notice and authorization. This bill would require those health facilities to include within the hospital discharge policy, a written homeless patient discharge planning policy and process, as specified. The bill would require the health facilities to develop a written plan for coordinating services and referrals for homeless patients including procedures for homeless patient discharge referrals, designated liaisons at each participating entity, and coordination protocols.

Position
Pending Review

Social Determinants of Health

SB 100 **(De León D) California Renewables Portfolio Standard Program: emissions of greenhouse gases.**

Location: 9/8/2017-A. U. & E.

Summary: The Legislature has found and declared that its intent in implementing the California Renewables Portfolio Standard Program requires the PUC is to attain, among other targets for sale of eligible renewable resources, the target of 50% of total retail sales of electricity by December 31, 2030. This bill would revise the above-described legislative findings and declarations to state that the goal of the program is to achieve that 50% renewable resources target by December 31, 2026, and to achieve a 60% target by December 31, 2030.

Position
Support

Workforce/Labor Issues

AB 2759 **(Santiago D) Clinics and health facilities: nurses.**

Location: 3/15/2018-A. HEALTH

Summary: Would prohibit clinics and health facilities that receive public funds from excluding students enrolled in a public community college associate degree prelicensure nursing program from clinical placement slots if the program has been approved by the Board of Registered Nursing, as specified. The bill would also prohibit clinics and health facilities from discriminating against a person because he or she has completed an associate degree nursing program instead of a baccalaureate degree nursing program. The bill would specify that a violation of these provisions is not a crime.

Position
Oppose

SB 1288 **(Leyva D) Health and care facilities: inspections.**

Location: 3/1/2018-S. HEALTH

Calendar: 4/18/2018 1:30 p.m. - John L. Burton Hearing Room (4203) SENATE HEALTH, HERNANDEZ, Chair

Summary: Would require state periodic inspections of health facilities to include reviews of compliance with the nurse-to-patient ratios and staff assignment regulations as specified. The bill would require the State Department of Public Health to ensure that these inspections are not announced in advance of the date of inspection.

Position

Pending Review

Total Measures: 26
Total Tracking Forms: 26