

LEGISLATIVE UPDATE



Week of October 14, 2019

State Issues	
Final Actions Taken by Governor Newsom	<p>All activity for the 2019 Legislative session concluded on Sunday with Governor Newsom taking action on all bills that made it to his desk. It has been reported that Governor Newsom considered 1,042 bills during his first year and signed 870 of them. Of the bills he rejected, the stated reasons generally fell into two categories: bills that required state spending beyond the budget that the Administration and lawmakers approved in June; and, bills that the Governor believed could carry out the same policies through administrative actions.</p> <p>Attached is an End of Session grid on key bills for the health care ministry, with helpful links to the Governor’s signing and veto messages.</p>
Federal Issues	
Public Charge Rule Blocked by Courts	<p>Last week, three judges issued injunctions temporarily blocking the Trump Administration’s public-charge rule, which was originally set to go into effect on October 15. The rule would make it more difficult for immigrants to get legal residency if they receive or are likely to receive government assistance, including health benefits such as Medicaid (Medi-Cal in California). Judges in New York and Washington state issued nationwide injunctions blocking the policy change, while a judge in California issued an injunction that was confined to states within the 9th U.S. Circuit Court of Appeals.</p>
Drug Pricing Bills	<p>With Congress back in session this week, two House committees – Education and Labor Committee, and Energy and Commerce Committee – marked up revised versions of the Lower Prescription Drug Costs Now Act (HR 3), legislation that would make a series of changes to the Medicare program in an effort to lower the price of prescription drugs. As amended by both the committees, the legislation would increase the number of single source drugs that the Department of Health and Human Services would be required to negotiate directly with drug manufacturers from 25 to 35. The bill, which was introduced last month, would, among other provisions, apply new inflationary rebates to Medicare Part B and Part D drugs that have had price increases above the rate of inflation since 2016; cap the Medicare Part D annual out-of-pocket limit at \$2,000 and convert the current coverage gap into a benefit-wide responsibility; and realign the Medicare Part D catastrophic phase cost-sharing responsibilities. The House Ways and Means Committee also held a hearing focused on lowering drug prices. The committee is expected to mark up H.R. 3 next week, and the full House of Representatives will likely consider the bill in the coming weeks.</p>
Maintaining Opposition to Assisted Suicide	<p>Next week, the Catholic Health Association is hosting a webinar, <i>A Discussion of Why Organized Medicine Must Maintain Its Opposition to Assisted Suicide</i>, on October 24 at 11:00 am (Pacific Time) to help physicians and nurses understand the impact of their professional societies’ adopting a neutral stance on physician-assisted suicide. (more)</p>

<p>Assisted Suicide Webinar <i>(continued)</i></p>	<p>In this webinar, Daniel Sulmasy, MD will review why a shift from opposed to neutral is at odds with the ethical and professional integrity of the medical and nursing professions and how it can put the broader society at risk by eroding patient trust in the health care system and normalizing suicide. He will also discuss developments in palliative and end-of-life care and the responsibility of health care professionals to advocate for adequate resources for end-of-life care.</p> <p>Details and registration can be found at: https://www.chausa.org/events/calendar-of-events/ethics-webinar---oct-24-2019/overview/.</p>
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Final Outcomes of Key 2019 Bills

<p>1. SB 29 (Durazo): Medi-Cal Eligibility. The bill would have extended Medi-Cal eligibility to undocumented residents over age 65 if all other eligibility criteria are met. The Senator agreed to hold her bill until next year, with the Governor's commitment that he will work with her on funding it next year.</p>	<p>2 Year Bill</p>
<p>2. SB 66 (Atkins): Medi-Cal: federally qualified health center and rural health clinic services. Requires Medi-Cal reimbursement to FQHCs and Rural Health Clinics for two visits taking place on the same day when the patient suffers illness or injury requiring additional diagnosis or treatment after the first visit, or when the patient has a medical visit and another health visit with a mental health or dental provider. The Governor indicated to Senator Atkins that he was not supportive of the cost affiliated with implementing the bill, and instead of getting it vetoed (again), the Pro Tem held it so as to continue discussions next year.</p>	<p>2 Year Bill</p>
<p>3. SB 156 (Nielsen): Health Facilities. This bill will allow Adventist Health to restore emergency services to Paradise, CA by allowing them to have their Feather River ED operate under a special permit via their Rideout hospital facility. This applies to this facility only and is time limited.</p>	<p>Signed Signing Message</p>
<p>4. SB 227 (Leyva): Nursing Staff Ratio penalties. This bill would require hospitals to be compliant with the nurse-staff ratios "at all times" or be subject to substantial penalties of \$15,000/\$30,000. Substantive amendments were taken to ensure that a hospital is NOT considered out of compliance if CDPH determines that:</p> <ul style="list-style-type: none"> • Any fluctuation in staffing levels was unpredictable and uncontrollable. • Prompt efforts were <u>made</u> to maintain required staffing levels. • In making those efforts, the hospital immediately used and subsequently exhausted the hospital's on-call list of nurses and the charge nurse. 	<p>Signed</p>
<p>5. SB 260 (Hurtado): Automatic Health Coverage. This bill would ease enrollment gaps by requiring Covered CA and Medi-Cal to share data and support individuals who move between coverage eligibility requirements.</p>	<p>Signed</p>

<p>6. SB 305 (Hueso): Compassionate Access to Medical Cannabis Act/Ryan’s Law. This bill prohibits a health care facility from interfering with a terminally ill patient’s use of medical cannabis within the health care facility.</p>	<p>Vetoed Veto Message</p>
<p>7. SB 758 (Portantino): Hospital Seismic Safety. This bill is sponsored by CHA to address the 2030 seismic standards. It will allow hospitals a variety of options if they are not yet 2030 compliant: 1) Ensure their emergency services (only) are 2030-compliant; 2) request a timeline extension from OSHPD based on financial hardship and 3) request a customized deadline based on construction plan.</p>	<p>2 Year Bill</p>
<p>8. AB 5 (Gonzalez). Worker status: employees and independent contractors. The bill would (1) codify the recent Dynamex decision, requiring that employers prove that their workers can meet a 3 part (ABC) test in order to be lawfully classified as independent contractors, and (2) allow for some exemptions for certain professions, including physicians, and business to business relationships. A question remains on the applicability to nursing registries and legal analysis is forthcoming. Additional clean up legislation for next year is also under consideration.</p>	<p>Signed</p>
<p>9. AB 174 (Wood). Health Care. This bill would require Covered California to report on the enrollment process for the individual market assistance program established in the 2019-2020 budget. This bill was introduced to increase the subsidies provided to families buying coverage through Covered California, but it was amended once those policies were included in the final State Budget.</p>	<p>Signed</p>
<p>10. AB 204 (Wood): Community benefits plan reporting. The bill requires hospitals to file with OSHPD a community benefit and charity care reports including individual hospital information. Some amendments have been taken to ensure the definitions included in the bill conform to those at the federal level.</p>	<p>Signed</p>
<p>11. AB 329 (Rodriguez). Hospitals: Assaults and Batteries. Makes an assault on the property of a hospital punishable by imprisonment in a county jail not exceeding one year, by a fine not exceeding \$2,000, or by both that fine and imprisonment.</p>	<p>2 Year Bill</p>
<p>12. AB 744 (Aguiar Curry): Telehealth. This bill would require reimbursement parity for telehealth services as compared to in-person services.</p>	<p>Signed</p>
<p>13. AB 774 (Gomez Reyes): Health facilities: reporting. Requires hospitals to report the length of time patients wait to receive care in the emergency department.</p>	<p>Vetoed Veto Message</p>

<p>14. AB 890 (Wood): Nurse practitioners: scope of practice: unsupervised practice. This bill creates a new Advanced Practice Registered Nursing (APRN) Board to regulate advanced practice nurses either in solo practice or when working for a health care facility or clinic without supervision.</p>	<p>2 Year Bill</p>
<p>15. AB 962 (Burke): Hospitals: procurement contracts: disclosures. This bill requires hospitals to report to OSHPD annually information on the diversity of their purchasing pipeline, including its minority, women, LGBT, and disabled veteran business enterprise procurement efforts, as specified. It also requires OSHPD to convene a hospital diversity commission.</p>	<p>Signed</p>
<p>16. AB 1014 (O'Donnel). Health facilities: notices. Requires hospitals notify the public at least 180 days before making a reduction or elimination of the level of emergency services. The bill would require a health facility to provide at least 180 days' notice prior to closing the facility and at least 90 days prior to eliminating or relocating a supplemental service. Exempts hospital services being closed per a natural disaster. CNA is the sponsor and was forced to take amendments reducing some of the timelines.</p>	<p>Vetoed Veto Message</p>
<p>17. AB 1404 (Santiago). Nonprofit sponsors: reporting obligations. Bill would require Kaiser Permanente to publicly disclose the salaries of employees who make more than \$1 million.</p>	<p>2 Year Bill</p>
<p>18. AB 1611 (Chiu): Emergency hospital services: costs. This bill ensures patients are not balanced billed when out of network and caps the hospital charges to not more than the average contract rate or reasonable or customary charges. Our opposition centers on the inclusion of average contract rate as the mandated payment between plans and hospitals.</p>	<p>2 Year Bill</p>