

LEGISLATIVE UPDATE



Week of July 27, 2020

State Issues

Legislature Returns

Just one day after the Legislature returned from their expanded break due to COVID-19 positive cases of lawmakers and staff in the Capitol, Speaker of the Assembly Rendon abruptly cancelled all Assembly Committee hearings scheduled for Tuesday – not for health-related reasons, but political ones. The Assembly has sent on to the Senate more than 500 Assembly bills to be heard these last 5 weeks of session. Given the shortened time frame for legislative work and the reduced number of hearings to accommodate health and safety working practices, over the weekend, the Senate killed dozens of Assembly bills awaiting hearing. The Speaker was displeased that many of his members' bills were killed so unceremoniously, and Rendon called for the one-day Committee cancellation to “facilitate discussions” between the houses. While there appears to be no permanent damage from the one-day work stoppage, it is a keen example of the tumultuous political games that we should expect until the legislative session ends on August 31.

This week, **SB 275 (Pan, Leyva)** passed out of Assembly Labor and Employment Committee on a bi-partisan, 6-1 vote. The bill requires all health care provider employers (hospitals, clinics, physician offices) to maintain a PPE stockpile of a “pandemic or other health emergency” amount reaching a 30-day supply by June 2021; 60-day supply by June 2022; and a 90-day supply by 2023. The bill has been amended to try to address some concerns, and the sponsors of the bill, SEIU, has stated that they want to continue working with the opposition to address further concerns. The majority of the health care field is opposed unless the bill is amended, to make the requirements more reasonable to achieve. This bill will next be heard in Assembly Appropriations Committee.

Next Tuesday, **SB 977 (Monning)** is scheduled to be heard in Assembly Health Committee. This bill provides a great deal of new authority to the state Attorney General over health care partnerships, transactions, mergers, and affiliations. Health care systems and organized medicine are opposed to this bill, which is sponsored by the Attorney General. Amendments have been made to the bill, and we expect additional amendments; however, to date, none of the changes have addressed the concerns of the health care community.

And finally, we learned this week that **AB 1611 (Chiu)**, the “surprise billing” measure, will not be moving forward this year, and that the sponsors/authors will make another attempt next legislative session.

Legislative Summary and Status

Attached is the most recent Alliance Legislative Summary and Status report on bills of interest to the Catholic health care ministry.

(more)

Federal Issues

Next COVID Supplemental Stalled in Negotiations	As reported by the Catholic Health Association, negotiations between the White House and Congressional leadership bogged down this week with no agreement in sight for the next COVID-19 supplemental, although the talks are continuing. The Senate Republican bill released this week has met with widespread opposition from Democrats and even some Republican members, complicating the process of fashioning a legislative package that can pass both chambers of Congress. Democrats, who continue to support the House-passed Heroes Act have been critical of the Senate Republican bill's lack of funding for measures such as state and local government fiscal relief, financial support for the Medicaid program and extension of the current unemployment insurance supplement. A group of Republican Senators also has been critical of the bill from the opposite perspective and have stated that they believe the \$1 trillion package provides too much spending. The health care ministry is continuing to urge Congress to address the ministry's priorities in the next bill, including increased support for health providers and facilities, protecting and expanding health care coverage and access and bolstering the social safety net.
Federal Judge Halts Implementation of Public Charge Rule	On Wednesday, a federal judge in New York issued a nationwide injunction barring the Trump Administration from implementing its new public charge rule, which would severely limit legal immigrants' access to health care programs. This is the second injunction against the program arising from court challenges. The first was eventually reversed by a U.S. Supreme Court ruling, and this second case will likely end up in the Supreme Court as well. The health ministry has strongly opposed the public charge rule.

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Alliance of Catholic Health Care Legislative Summary and Status 7/31/2020

Access / Health Care Reform

[AB 4](#) **(Arambula D) Medi-Cal: eligibility.**

Location: 7/10/2019-S. 2 YEAR

Summary: Current law requires that 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 to be enrolled in the full scope of Medi-Cal benefits, if otherwise eligible, pursuant to an eligibility and enrollment plan, which includes outreach strategies. 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, and requires the department to seek any necessary federal approvals to obtain federal financial participation for purposes of implementing the requirements. Current law requires that benefits for services under these provisions be provided with state-only funds only if federal financial participation is not available for those services. This bill would extend eligibility for full-scope Medi-Cal benefits to individuals of all ages, if otherwise eligible for those benefits, but for their immigration status, and would delete provisions delaying eligibility and enrollment until the director makes the determination as specified.

Position

Support

[SB 29](#) **(Durazo D) Medi-Cal: eligibility.**

Location: 1/3/2020-A. THIRD READING

Calendar: 8/3/2020 #20 ASSEMBLY THIRD READING FILE - SENATE BILLS

Summary: Would, subject to an appropriation by the Legislature, and effective July 1, 2020, extend eligibility for full-scope Medi-Cal benefits to individuals who are 65 years of age or older, and who are otherwise eligible for those benefits but for their immigration status.

Position

Support

[SB 65](#) **(Pan D) Health care coverage: financial assistance.**

Location: 1/23/2020-A. APPR.

Summary: Current law creates the California Health Benefit Exchange (the Exchange), also known as Covered California, for the purpose of facilitating the enrollment of qualified individuals and qualified small employers in qualified health plans as required under the PPACA. Until January 1, 2023, current law requires the Exchange, among other duties, to administer an individual market assistance program to provide assistance, including premium assistance subsidies, to program participants with household incomes at or below 600% of the federal poverty level. This bill would reduce premiums to zero for program participants with household incomes at or below 138% of the federal poverty level, and would specify the premium assistance subsidy amount for program participants with household incomes of 139% to 600%, inclusive, of the federal poverty level.

Position

Support

[SB 66](#) **(Atkins D) Medi-Cal: federally qualified health center and rural health clinic services.**

Location: 9/15/2019-A. 2 YEAR

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, including a physician and marriage and family therapist. Under existing law, "physician," for these purposes, includes, but is not limited to, a physician and surgeon, an osteopath, and a podiatrist. 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 a mental health visit or a dental visit, as defined.

Position

Support

[SB 175](#) **(Pan D) Health care coverage.**

Location: 6/18/2020-A. HEALTH

Summary: Current law requires a health care service plan that issues, sells, renews, or offers plan

contracts for health care coverage in the state to comply with the requirements of the PPACA, and any rules or regulations issued under the PPACA, that generally prohibit a health plan offering group or individual coverage from imposing lifetime or annual limits on the dollar value of benefits for a participant or beneficiary. Current law requires a plan to comply with those provisions to the extent required by federal law. This bill would delete the requirement that a plan comply with the prohibition on lifetime or annual limits to the extent required by federal law, and would instead prohibit an individual or group health care service plan contract from establishing lifetime or annual limits on the dollar value of benefits for an enrollee, thereby indefinitely extending the prohibitions on lifetime or annual limits, except as specified.

Position
Watch

Behavioral Health

[AB 910](#) **(Wood D) Medi-Cal: dispute resolution.**

Location: 6/23/2020-S. HEALTH

Summary: Would require a county mental health plan and Medi-Cal managed care plan that are unable to resolve a dispute to submit a request for resolution to the State Department of Health Care Services. The bill would require the department to issue a written decision to the plans within 30 calendar days from receipt of the request by either the county mental health plan or the Medi-Cal plan. The bill would also prohibit the dispute from delaying the provision of medically necessary services, as specified.

Position
Watch

[AB 2015](#) **(Eggman D) Certification for intensive treatment: review hearing.**

Location: 6/23/2020-S. JUD.

Summary: Current law authorizes a peace officer or a professional designated by the county to take a person into custody for a period of up to 72 hours for assessment, evaluation, and crisis intervention, or placement for evaluation and treatment, when the person is a danger to self or others, or is gravely disabled, as a result of a mental health disorder. Current law also authorizes a court to order the evaluation of a person who is alleged to be a danger to self or others as a result of a mental disorder, or the evaluation of a criminal defendant who appears to be a danger to self or others, or to be gravely disabled, as a result of chronic alcoholism or the use of narcotics or restricted dangerous drugs. Current law requires that a certification review hearing be held, as specified, and governs the procedure for presenting evidence at the hearing. This bill would authorize the evidence presented in support of the certification decision to include information regarding the person's medical condition and how that condition bears on certifying the person as a danger to themselves or to others or as gravely disabled. The bill would require the hearing officer to consider the information in the determination of probable cause.

Position
Watch

[AB 3242](#) **(Irwin D) Mental health: involuntary commitment.**

Location: 6/23/2020-S. HEALTH

Calendar: 8/1/2020 10 a.m. - Senate Chambers SENATE HEALTH, PAN, Chair

Summary: The Lanterman-Petris-Short Act authorizes the involuntary commitment and treatment of persons with specified mental health disorders for the protection of the persons so committed. Under the act, if a person, as a result of a mental health disorder, is a danger to others, or to themselves, or is gravely disabled, the person may, upon probable cause, be taken into custody for a period of up to 72 hours for assessment, evaluation, and crisis intervention, or placement for evaluation and treatment. Current law requires persons providing the evaluation services to be properly qualified professionals, and authorizes those professionals to provide telehealth evaluation services. Current law also provides immunity from civil and criminal liability for similar detention by specified licensed general acute care hospitals, licensed acute psychiatric hospitals, licensed professional staff at those hospitals, or any physician and surgeon providing emergency medical services in any department of those hospitals if various conditions are met. This bill would authorize an examination, assessment, or evaluation specified, required, or authorized by the above-mentioned provisions to be conducted using telehealth or other audio-visual technology.

Position
Watch

[SB 855](#) **(Wiener D) Health coverage: mental health or substance use disorders.**

Location: 6/29/2020-A. HEALTH

Calendar: 8/4/2020 2 p.m. - Assembly Chambers ASSEMBLY HEALTH, WOOD, Chair

Summary: The California Mental Health Parity Act requires every health care service plan contract or disability insurance policy issued, amended, or renewed on or after July 1, 2000, that provides hospital, medical, or surgical coverage to provide coverage for the diagnosis and medically necessary treatment of severe mental illnesses of a person of any age, and of serious emotional disturbances of a child under the same terms and conditions applied to other medical conditions, as specified. Existing law requires those benefits to include, among other things, outpatient services, inpatient hospital services, partial hospital services, and prescription drugs, if the plan contract or policy includes coverage for prescription drugs. This bill would revise and recast those provisions, and would instead require a health care service plan contract or disability insurance policy issued, amended, or renewed on or after January 1, 2021, provide coverage for medically necessary treatment of mental health and substance use disorders, as defined, under the same terms and conditions applied to other medical conditions.

Position
Watch

Hospital Operations and Finance

[AB 1544](#) **(Gipson D) Community Paramedicine or Triage to Alternate Destination Act.**

Location: 9/15/2019-S. 2 YEAR

Summary: Would establish within the Emergency Medical Services System and the Prehospital Emergency Medical Care Personnel Act until January 1, 2030, the Community Paramedicine or Triage to Alternate Destination Act of 2019. The bill would authorize a local EMS agency to develop a community paramedicine or triage to alternate destination program, as defined, to provide specified community paramedicine services. The bill would require the authority to develop regulations to establish minimum standards for a program and would further require the Commission on Emergency Medical Services to review and approve those regulations.

Position
Watch

[AB 1611](#) **(Chiu D) Emergency hospital services: costs.**

Location: 7/10/2019-S. 2 YEAR

Summary: Would require a health care service plan contract or insurance policy issued, amended, or renewed on or after January 1, 2020, to provide that if an enrollee or insured receives covered services from a noncontracting hospital, the enrollee or insured is prohibited from paying more than the same cost sharing that the enrollee or insured would pay for the same covered services received from a contracting hospital. The bill would require a health care service plan or insurer to pay a noncontracting hospital for emergency services rendered to an enrollee or insured pursuant to a specified formula, would require a noncontracting hospital to bill, collect, and make refunds in a specified manner, and would provide a dispute resolution procedure if any party is dissatisfied with payment.

Position
Oppose Unless
Amend

[AB 2037](#) **(Wicks D) Health facilities: notices.**

Location: 6/23/2020-S. HEALTH

Calendar: 8/1/2020 10 a.m. - Senate Chambers SENATE HEALTH, PAN, Chair

Summary: Would require a hospital that provides emergency medical services to provide notice, as specified, at least 180 days before a planned reduction or elimination of the level of emergency medical services. The bill would require a health facility to provide at least 180 days' notice, as specified, prior to closing the health facility and at least 90 days prior to eliminating or relocating a supplemental service, except as specified. The bill would require the mandatory public notice to include specific notifications, including, among others, a continuous notice posted in a conspicuous location within the internet website of a newspaper of general circulation serving the local geographical area in which the hospital or health facility is located.

Position
Watch

[AB 2157](#) **(Wood D) Health care coverage: independent dispute resolution process.**

Location: 6/23/2020-S. HEALTH

Calendar: 8/1/2020 10 a.m. - Senate Chambers SENATE HEALTH, PAN, Chair

Summary: Current law requires the Department of Managed Health Care and the Department of Insurance to establish an independent dispute resolution process to resolve a claim dispute between a health care service plan or health insurer, as appropriate, and a noncontracting individual health professional, and sets forth requirements and guidelines for that process, including contracting with an

independent organization for the purpose of conducting the review process. Current law requires each department to establish uniform written procedures for the submission, receipt, processing, and resolution of these disputes, as specified. Existing law requires the independent organization, in deciding the dispute, to base its decision regarding the appropriate reimbursement on all relevant information. This bill would require the procedures established by each department to include a process for each party to submit into evidence information that will be kept confidential from the other party, in order to preserve the confidentiality of the source contract.

Position

Watch

AB 2830 (Wood D) Health Care Payments Data Program.

Location: 7/1/2020-S. HEALTH

Summary: Current law states the intent of the Legislature to establish the Health Care Cost Transparency Database to collect information on the cost of health care, and requires the Office of Statewide Health Planning and Development to convene a review committee to advise the office on the establishment and implementation of the database. Current law requires, subject to appropriation, the office to establish, implement, and administer the database by July 1, 2023. This bill would delete those provisions relative to the Health Care Cost Transparency Database and would instead require the office to establish the Health Care Payments Data Program to implement and administer the Health Care Payments Data System, which would include health care data submitted by health care service plans, health insurers, a city or county that offers self-insured or multiemployer-insured plans, and other specified mandatory and voluntary submitters.

Position

Watch

SB 758 (Portantino D) Health and care facilities: disaster and seismic preparedness.

Location: 7/23/2020-A. HEALTH

Calendar: 8/4/2020 2 p.m. - Assembly Chambers ASSEMBLY HEALTH, WOOD, Chair

Summary: Current law generally requires the State Department of Public Health to license, regulate, and inspect health facilities, defined to include, among other facilities, a general acute care hospital and acute psychiatric hospital. Current law requires health facilities to be prepared for emergencies, including earthquakes, fires, and floods, as specified. This bill would enact the Health Care Delivery System Preparedness Act and require the department to appoint the members and convene a meeting of the Health Care Delivery System Preparedness Advisory Committee on or before January 1, 2021.

Position

Support

SB 901 (Wilk R) Hospitals: seismic safety.

Location: 1/30/2020-S. RLS.

Summary: The Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983 establishes a program of seismic safety building standards for certain hospitals. Current law requires hospitals with buildings subject to a seismic compliance deadline of January 1, 2020, and that are seeking an extension for their buildings to submit an application to the Office of Statewide Health Planning and Development by April 1, 2019, subject to certain exceptions. Current law requires final seismic compliance be achieved by July 1, 2022, if the compliance is based on a replacement or retrofit plan, or by January 1, 2025, if the compliance is based on a rebuild plan. This bill would make technical, nonsubstantive changes to those provisions.

Position

Watch

Not for Profit

AB 1404 (Santiago D) Nonprofit sponsors: reporting obligations.

Location: 9/15/2019-S. 2 YEAR

Summary: The Nonprofit Corporation Law regulates the organization and operation of nonprofit public benefit corporations, nonprofit mutual benefit corporations, and nonprofit religious corporations, including, but not limited to, health care service plans. That law requires a nonprofit public benefit corporation to furnish annually to its members a report that includes the assets and liabilities of the corporation, revenue or receipts of the corporation, and the expenses or disbursements of the corporation. This bill would require a nonprofit sponsor to make specified annual disclosures publicly available by posting those disclosures on the nonprofit sponsor's public internet website in the same location where it posts copies of its annual report.

Position

Watch

[SB 977](#) (Monning D) Health care system consolidation: Attorney General approval and enforcement.
Location: 6/29/2020-A. HEALTH
Calendar: 8/4/2020 2 p.m. - Assembly Chambers ASSEMBLY HEALTH, WOOD, Chair
Summary: Current law requires any nonprofit corporation that operates or controls a health facility or other facility that provides similar health care to provide written notice to, and to obtain the written consent of, the Attorney General prior to entering into any agreement or transaction to sell, transfer, lease, exchange, option, convey, or otherwise dispose of the asset, or to transfer control, responsibility, or governance of the asset or operation, to a for-profit corporation or entity, to a mutual benefit corporation or entity, or to a nonprofit corporation, as specified. Current law authorizes the Attorney General to determine what information is required to be contained in the notice. This bill would require a health care system, as defined, private equity group, or hedge fund to provide written notice to, and obtain the written consent of, the Attorney General prior to a change of control, as defined, or an acquisition between the entity and a health care facility or provider, as those terms are defined, when the transaction value is over \$500,000.

Position
Oppose

Social Determinants of Health

[AB 1845](#) (Rivas, Luz D) Homelessness: Office to End Homelessness.
Location: 7/1/2020-S. HUM. S.
Summary: Would create, within the Governor's office, the Office to End Homelessness, which would be administered by the Secretary on Homelessness appointed by the Governor. The bill would require that the office serve the Governor as the lead entity for ending homelessness in California and would task the office with coordinating homeless programs, services, data, and policies between federal, state, and local agencies, among other responsibilities. The bill would require the office to exercise various powers and duties, including, among others, making recommendations to the Governor and the Legislature regarding new state policies, programs, and actions on homelessness.

Position
Support

[AB 1851](#) (Wicks D) Religious institution affiliated housing development projects: parking requirements.
Location: 7/29/2020-S. APPR.
Calendar: 7/31/2020 #6 SENATE ASSEMBLY BILLS - SECOND READING FILE
Summary: Would prohibit a local agency from requiring the replacement of religious-use parking spaces that a developer of a religious institution affiliated housing development project proposes to eliminate as part of that housing development project. The bill would prohibit the number of religious-use parking spaces requested to be eliminated from exceeding 50% of the number that are available at the time the request is made. The bill would prohibit a local agency from requiring the curing of any preexisting deficit of the number of religious-use parking spaces as a condition of approval of a religious institution affiliated housing development project.

Position
Watch

[AB 2576](#) (Gloria D) Mental health.
Location: 7/1/2020-S. HEALTH
Summary: Under the MHSA, funds are distributed to counties for local assistance, and must be spent for their authorized purpose within 3 years or revert to the state to be deposited into the fund to be reallocated to other counties for the purposes for which the unspent funds were initially allocated to the original county. The MHSA permits amendment by the Legislature by a 2/3 vote of each house if the amendment is consistent with, and furthers the intent of, the MHSA, and also permits the Legislature to clarify procedures and terms of the MHSA by majority vote. This bill would require a county to develop a plan for the utilization of the reallocated funds with the input of specified stakeholders and to conduct a local review process. The bill would require that consideration be given to using the reallocated funds to provide services to individuals with mental illness who are also experiencing homelessness or who are involved in the criminal justice system and to provide early intervention services to youth.

Position
Watch

[SB 899](#) (Wiener D) Planning and zoning: housing development: higher education institutions and religious institutions.
Location: 7/29/2020-A. APPR.
Calendar: 8/3/2020 #3 ASSEMBLY SECOND READING FILE -- SENATE BILLS

Summary: The Planning and Zoning Law requires each county and city to adopt a comprehensive, long-term general plan for its physical development, and the development of certain lands outside its boundaries, that includes, among other mandatory elements, a housing element. That law allows a development proponent to submit an application for a development that is subject to a specified streamlined, ministerial approval process not subject to a conditional use permit if the development satisfies certain objective planning standards. This bill would require that a housing development project be a use by right upon the request of an independent institution of higher education or religious institution that partners with a qualified developer on any land owned in fee simple by the applicant on or before January 1, 2020, if the development satisfies specified criteria.

Position
Watch

Workforce

[AB 890](#) (Wood D) Nurse practitioners: scope of practice: practice without standardized procedures.

Location: 6/23/2020-S. B., P. & E.D.

Summary: Would establish the Nurse Practitioner Advisory Committee to advise and give recommendations to the Board of Registered Nursing on matters relating to nurse practitioners. The bill would require the board, by regulation, to define minimum standards for a nurse practitioner to transition to practice independently. The bill would authorize a nurse practitioner who meets certain education, experience, and certification requirements to perform, in certain settings or organizations, specified functions without standardized procedures, including ordering, performing, and interpreting diagnostic procedures, certifying disability, and prescribing, administering, dispensing, and furnishing controlled substances. The bill would also authorize a nurse practitioner to perform those functions without standardized procedures outside of specified settings or organizations in accordance with specified conditions and requirements if the nurse practitioner holds an active certification issued by the board.

Position
Support

[AB 1850](#) (Gonzalez D) Worker classification: employees and independent contractors.

Location: 7/1/2020-S. L., P.E. & R.

Summary: Current law exempts specified occupations and business relationships from the application of the ABC test as specified. Current law, instead, provides that these exempt relationships are governed by the multifactor test previously adopted in the case of *S. G. Borello & Sons, Inc. v. Department of Industrial Relations* (1989) 48 Cal.3d 341. Current exemptions include a bona fide business-to-business contracting relationship, as defined, under the specified conditions. Under current law, the business-to-business exemption does not apply to an individual worker, as opposed to a business entity, who performs labor or services for a contracting business. This bill would delete that individual worker provision.

Position
Watch

[AB 2537](#) (Rodriguez D) Personal protective equipment: health care employees.

Location: 6/23/2020-S. L., P.E. & R.

Summary: Would require public and private employers of workers who provide direct patient care in a hospital setting to supply those employees with the personal protective equipment necessary to comply with the regulations described above, as specified. The bill would also require an employer to ensure that the employees use the personal protective equipment supplied to them. The bill would further require that an employer in this context maintain a supply of unexpired personal protective equipment that is new and not previously worn or used in an amount equal to 6 months of normal consumption and to provide an inventory of its stockpile to the Division of Occupational Safety and Health upon request. The bill would authorize the assessment of a civil penalty of up to \$25,000 for each violation to maintain the required stockpile.

Position
Oppose

[SB 275](#) (Pan D) Health Care and Essential Workers Protection Act: personal protective equipment.

Location: 7/29/2020-A. APPR.

Summary: Current law establishes the State Department of Public Health to implement various programs throughout the state relating to public health, including licensing and regulating health facilities and control of infectious diseases. This bill, the Health Care and Essential Workers Protection Act, would require the State Department of Public Health to establish a personal protective equipment (PPE) stockpile to ensure an adequate supply of PPE for health care workers and essential workers, as defined, and would require the stockpile to be at least sufficient for a 90-day pandemic or other health

emergency. The bill would require the department to establish guidelines for the procurement of the PPE stockpile, taking into account, among other things, the amount of each type of PPE that would be required for all health care workers and essential workers in the state during the pandemic or other health emergency, which would represent the amount of PPE to be maintained in the stockpile.

Position

Oppose

Total Measures: 26

Total Tracking Forms: 26