

LEGISLATIVE UPDATE



Week February 15, 2021

State Issues

New Bill
Introductions this
Week

Today, Friday, February 19, is the bill introduction deadline, and we are in the process of reviewing and investigating many health care related bills and will provide additional information in the coming weeks. Meantime, highlighted (below) are a few bills that were just released and are of particular interest, including a package of bills from Dr. Wood, chair of the Assembly Health Committee.

AB 705 (Kamlager D) Health Care Facilities: Medical privileges. This bill would prohibit a health care facility from requiring as a condition of obtaining or maintaining clinical privileges to agree to comply with any rules or policies (that are not knowingly and explicitly ratified by the medical staff) that restrict the services they can provide. While this bill seems to be targeting religious-affiliated health care, it clearly applies to all hospitals and raises numerous concerns with the practical function of health care systems and patient safety. We are working closely with the rest of the health care community to work through the issues of the bill and developing our advocacy strategy.

AB 1130 (Wood): Office of Health Affordability. Dr. Wood states that the Office will work to analyze health care costs, establish health care expenditure cost targets (i.e., caps), and performance measures for quality and equity. He goes on to state that this proposal is a “true partnership” with the Administration, and we will need to spend some time comparing this proposal with the Governors.

AB 1131 (Wood): Health Information Exchange, which is supposed to provide a single, state-held medical record for all Californians. What data is collected, who has to submit that data, and what information technology system is used are controversial issues to be debated moving forward.

AB 1132 (Wood): Health Care Consolidation and Contracting Fairness Act. Dr. Wood defines this bill as one that restricts what health insurers and providers can do as part of contracts made after 2022 – including banning incentives to encourage enrollees to use specific health care practitioners or requiring as a condition of that plan to enter into additional contracts that include an affiliate practitioner.

(more)

Governor's Telehealth Proposal	<p>The Legislature is beginning to review the Governor's Telehealth policy proposals. You can access the Department of Health Care Services (DHCS) plan here, and you can access the Budget Trailer Bill Language here. The informational hearing, set by the Assembly Health Committee, was postponed this week and has since been rescheduled to February 23 at 2:30pm. Advocates are hoping to continue to be able to have flexibilities and payment parity when providing telehealth services, while the Administration is trying to place parameters around the services and contain costs.</p>
Medi-Cal Rx Delayed Indefinitely	<p>Earlier this week, DHCS announced they were delaying the April 1 start date of the Medi-Cal Rx initiative – the Medi-Cal pharmacy benefits and services administered by DHCS in the fee-for-service delivery system is identified collectively as “Medi-Cal Rx.” The Department referenced the expected acquisition of Magellan (the state's contractor for this program) by Centene – an organization that operates two of the Medi-Cal managed care plans that would be subject to the program (Health Net and California Health and Wellness). The two Medi-Cal plans serve just under 4 million beneficiaries.</p> <p>DHCS says "This transaction was unexpected and requires additional time for exploration of acceptable conflict avoidance protocols to ensure that there will be acceptable firewalls between the corporate entities to protect the pharmacy claims data of all Medi-Cal beneficiaries, and to protect other proprietary information." It says the program "remains of utmost importance," in spite of repeated operational delays.</p>
New Report on Homelessness	<p>The California State Auditor's Office released a new report, found here, that finds that the “state's uncoordinated approach to addressing homelessness has hampered the effectiveness of its efforts.” The report notes that at least 9 state agencies, overseeing 41 different programs, were allocated \$13 billion during FY 2018-19 through 2020-21 to address homelessness; but, with no single entity responsible for developing a statewide strategic plan, their efforts are inefficient.</p>

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