

# LEGISLATIVE UPDATE



Week of January 3, 2022

## State Issues

Legislature  
Reconvenes for the  
2022 Session

On Monday, the Legislature began its 2022 legislative session. Many changes have occurred in the last several weeks, including the resignation of prominent Assembly Member Lorena Gonzalez Fletcher (Chair of the Assembly Appropriations Committee) and several other members announcing they will not seek re-election; moving the entire Capitol workspace to a new, smaller building while the Annex gets rebuilt; and, final redistricting lines have been developed, creating some uncomfortable competition between incumbent colleagues in the upcoming November election.

But despite all of these critical and impactful events, legislative deadlines remain and will come quickly for all bills from last year that need to move through their first policy committee. By January 14 bills must be approved by a policy committee and get out of a fiscal committee by January 21.

One of those two-year bills is **SB 379 (Weiner)**, which would have precluded the UC Health system from contracting with any religiously-affiliated health care provider. We were successful in getting the bill held in Senate Appropriations Committee last year, but it had the potential to move early this year. We are pleased that Senator Weiner has amended the bill to deal with an unrelated subject and no longer includes any language related to health care.

Another potential two-year bill is **SB 642 (Kamlager)**. We opposed this bill last year and, it was also held in Senate Appropriations. This bill would have allowed physicians in certain circumstances to decide what services are provided in a hospital – as opposed to the hospital executive team which holds the responsibility for managing the hospital costs, meeting the needs of the community, and maintaining the institution’s standards and practices. While the bill would apply to all hospitals, Senator Kamlager indicated an interest in allowing physicians to “get around” the *Ethical and Religious Directives* in Catholic hospitals. We have been working with the Senator’s office as well as others in the hospital community to develop alternative language for the bill. That process is ongoing, and we will continue to work on this bill over the next few weeks.

Of particular note to the broader health care community will be the hearing related to **AB 1400 (Kalra)**, which would create a single payer health care system in California. As you may recall, this bill was introduced last year, but put on hold by Speaker Rendon and Dr. Jim Wood, chair of the Assembly Health Committee. In years past on the debate of a single payer health care system, the Speaker required one bill with a fleshed out, detailed policy accompanied by a sound way to pay for it. However, given frustrations by some on not moving more comprehensive health care cost containment bills (like AB 1130, Office of Health Care Affordability and others), Dr. Wood has said he will hear the single payer bill in the Assembly Health Committee without those requirements being met.

Dr. Wood has already announced his intention to support the bill when it is heard in Assembly Health Committee on January 11. His press release on the subject is worth a read. His animosity towards the “health care industrial complex” is made clear in his release: “Insurance companies tell people what they can and cannot have, pharmaceutical companies continue to

(more)

<p>Legislature Reconvenes for the 2022 Session (continued)</p>	<p>raise prices and dominate the commercials we see on TV pushing their expensive brand named drugs, people forego or ration their insulin in order to pay their rent, hospitals continue to ignore pricing transparency laws, pharmacy benefit managers try to convince us that they negotiate in the patient’s best interest while amassing huge profits, and physicians do not want their decisions or fees questioned by anyone, said Wood.”</p> <p>The full release can be found at: <a href="https://a02.asmdc.org/press-releases/20220106-asm-jim-wood-will-vote-move-single-payer-bill-forward">https://a02.asmdc.org/press-releases/20220106-asm-jim-wood-will-vote-move-single-payer-bill-forward</a>.</p> <p>It is also worth noting that moderate Assembly Democrat Blanca Rubio broke from the rest of her party’s colleagues on the Rules Committee and abstained from voting to move the bill. We will be watching closely how the rest of the moderate caucus members position themselves on this controversial bill so early in the session.</p> <p>Accompanying the policy measure is <b>ACA 11</b>, introduced by Assembly Member <b>Kalra</b> and Alex <b>Lee</b>, which outlines the tax increases to fund the proposed health care system. This bill is likely to get referred to the Assembly Revenue and Tax Committee, and it would require a 2/3 vote to pass. This bill is on a different timetable and has until late summer to pass out of any policy committee. The deadline for new bills to be introduced is February 18.</p>
<p>Legislative Summary and Status Report</p>	<p>See the attached Legislative Summary and Status report on bills of interest to the Catholic health ministry.</p>
<p>2022 Budget</p>	<p>We expect Governor Newsom to release his January 2022 Budget proposal next Monday, January 10. The Legislative Analyst Office (LAO) is estimating that the state has more than \$31 billion in surplus funds. The Governor had indicated an interest in putting more in reserves, continuing to pay down pension debt and perhaps more stimulus checks. Both the LAO and the Governor are talking again about making any funding on a one-time basis, and not funding new, ongoing mandates. The Governor has also indicated more funding should go to schools, particularly for dyslexia screening services and early education.</p> <p>Regarding the health care budget, groups are continuing to advocate for more Medi-Cal coverage. Health Access is interested in increasing Medi-Cal coverage for all eligible, but yet uncovered, undocumented residents – those aged 28-49 remain ineligible due to immigration status. Senator Susan Eggman who chairs the Senate Budget Subcommittee on Health and Human Services is hopeful that the Governor will fulfill his promise to increase funding for the local public health departments.</p> <p>His proposal will launch months of legislative hearings and negotiations with lawmakers, who have until June 15 to pass a budget.</p>

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# Alliance of Catholic Health Care Legislative Summary and Status 1/7/2022

## Access

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

**Location:** 8/27/2021-S. 2 YEAR

**Summary:** Would, effective January 1, 2022, extend eligibility for full scope Medi-Cal benefits to anyone regardless of age, and who is otherwise eligible for those benefits but for their immigration status, pursuant to an eligibility and enrollment plan. The bill would delete the specified provisions regarding individuals who are under 25 years of age or 65 years of age or older and delaying implementation until the director makes the determination described above. The bill would require the eligibility and enrollment plan to ensure that an individual maintains continuity of care with respect to their primary care provider, as prescribed, would provide that an individual is not limited in their ability to select a different health care provider or Medi-Cal managed care health plan, and would require the department to provide monthly updates to the appropriate policy and fiscal committees of the Legislature on the status of the implementation of these provisions

**Position**

Support

### [AB 32](#) ([Aguiar-Curry D](#)) **Telehealth.**

**Location:** 7/14/2021-S. 2 YEAR

**Summary:** Current law requires a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2021, to specify that coverage is provided for health care services appropriately delivered through telehealth on the same basis and to the same extent as in-person diagnosis, consultation, or treatment. Current law exempts Medi-Cal managed care plans that contract with the State Department of Health Care Services under the Medi-Cal program from these provisions, and generally exempts county organized health systems that provide services under the Medi-Cal program from Knox-Keene. This bill would delete the above-described references to contracts issued, amended, or renewed on or after January 1, 2021, would require these provisions to apply to the plan or insurer's contracted entity, as specified, and would delete the exemption for Medi-Cal managed care plans.

**Position**

Support

### [AB 875](#) ([Wood D](#)) **Medi-Cal: demonstration project.**

**Location:** 5/25/2021-A. 2 YEAR

**Summary:** Current law authorizes the board of supervisors in each county to designate an entity or entities to assist county jail inmates to apply for a health insurance affordability program, as defined, consistent with federal requirements. Commencing January 1, 2023, this bill would instead require the board of supervisors, in consultation with the county sheriff, to designate an entity or entities to assist both county jail inmates and juvenile inmates with the application process. The bill would make conforming changes to provisions relating to the coordination duties of jail administrators. By creating new duties for local officials, including boards of supervisors and jail administrators, the bill would impose a state-mandated local program.

**Position**

Watch

### [SB 56](#) ([Durazo D](#)) **Medi-Cal: eligibility.**

**Location:** 8/27/2021-A. 2 YEAR

**Summary:** Current law provides that Medi-Cal benefits for individuals who are 65 years of age or older, and who do not have satisfactory immigration statuses or are unable to establish satisfactory immigration statuses, will be prioritized in the Budget Act for the upcoming fiscal year if the Department of Finance projects a positive ending balance in the Special Fund for Economic Uncertainties for the upcoming fiscal year and each of the ensuing 3 fiscal years that exceeds the cost of providing those individuals with full-scope Medi-Cal benefits. This bill would, subject to an appropriation by the Legislature, and effective July 1, 2022, extend eligibility for full-scope Medi-Cal benefits to individuals who are 60 years of age or older, and who are otherwise eligible for those benefits but for their immigration status.

**Position**

Support

### [SB 256](#) ([Pan D](#)) **California Advancing and Innovating Medi-Cal.**

**Location:** 7/14/2021-A. 2 YEAR

**Summary:** Current federal law authorizes specified managed care entities that participate in a state's Medicaid program to cover, for enrollees, services or settings that are in lieu of services and settings otherwise covered under a state plan. This bill would establish the CalAIM initiative, and would require the implementation of CalAIM to support stated goals of identifying and managing the risk and needs of Medi-Cal beneficiaries, transitioning and transforming the Medi-Cal program to a more consistent and seamless system, and improving quality outcomes. The bill would require the department to seek federal approval for the CalAIM initiative, and would condition its implementation on receipt of any necessary federal approvals and availability of federal financial participation.

**Position**

Watch

## Catholic Identity

**[SB 642](#) (Kamlager D) Health care: facilities: medical privileges.**

**Location:** 5/25/2021-S. 2 YEAR

**Summary:** Would prohibit a health facility from requiring a physician or surgeon, as a condition of obtaining or maintaining clinical privileges, to agree to comply with criteria, rules, regulations, or other policies or procedures that are not knowingly and explicitly ratified, issued, or promulgated by the medical staff, that directly or indirectly prohibit, limit, or restrict the ability of the physician or surgeon to provide a particular medical treatment or service that falls within the scope of their privileges, or from requiring a physician or surgeon to obtain permission from a nonphysician or nonsurgeon to perform a particular medical treatment or service for which consent has been obtained from the patient or the patient's representative, except as provided.

**Position**

Oppose

## COVID Related

**[AB 1105](#) (Rodriguez D) Hospital workers: COVID-19 testing.**

**Location:** 8/27/2021-S. 2 YEAR

**Summary:** Current law sets forth safety and health requirements for employers and employees. Current law requires a public or private employer of workers in a general acute care hospital, as defined, to supply personal protective equipment, as defined, to employees who provide direct patient care or who provide services that directly support patient care. Current law provides that, except where another penalty is specifically provided, every employer and every officer, management official, or supervisor having direction, management, control, or custody of any employment, place of employment, or of any other employee, who repeatedly violates any standard, order, or special order, or any provision of specified employment safety laws so that such repeated violation creates a real and apparent hazard to employees is guilty of a misdemeanor. This bill would require the employer to supply personal protective equipment to an employee, regardless of whether or not the employee has received a vaccination for COVID-19. This bill would also require a public or private employer of workers in a general acute care hospital to develop and implement a program to offer weekly COVID-19 screening testing for health care personnel, as defined.

**Position**

Oppose Unless

Amend

**[AB 1217](#) (Rodriguez D) Personal protective equipment: stockpile.**

**Location:** 5/25/2021-A. 2 YEAR

**Summary:** Would authorize the State Department of Public Health to rotate PPE in the stockpile by selling the PPE to a nonprofit agency, local government, or provider, and by contracting to purchase PPE on behalf of a local government or provider. The bill would require a nonprofit agency, local government, or provider that obtains PPE pursuant to these provisions to reimburse the department for the costs of the PPE. The bill would also make a technical change to the date in these provisions.

**Position**

Watch

**[SB 637](#) (Newman D) Health facility reporting: staffing.**

**Location:** 9/10/2021-A. 2 YEAR

**Summary:** Current law provides for the licensure and regulation of certain health facilities, including general acute care hospitals, by the State Department of Public Health. This bill would require a general acute care hospital to report specified information to the department on a form and schedule determined by the department, and would require the department to publicly post the information on a

weekly basis during any health-related state of emergency in California proclaimed by the President of the United States or by the Governor, and on a monthly basis at all other times. The bill would require that the reports contain information on staffing, including, until January 1, 2025, or the end of the declared COVID-19 emergency, whichever comes first, on matters relating to COVID-19 cases.

**Position**

Oppose Unless  
Amend

## End of Life/Palliative Care

**[AB 1234](#) (Arambula D) Physician Orders for Life Sustaining Treatment forms: registry.**

**Location:** 4/30/2021-A. 2 YEAR

**Summary:** Current law defines a request regarding resuscitative measures as a written document, signed by an individual with capacity, or a legally recognized health care decisionmaker, and the individual's physician, directing a health care provider regarding resuscitative measures. Current law defines a Physician Orders for Life Sustaining Treatment form, which is commonly referred to as a POLST form, and provides that a request regarding resuscitative measures includes a POLST form. Current law requires that a POLST form and the medical intervention and procedures offered by the form be explained by a health care provider. Current law distinguishes a request regarding resuscitative measures from an advance health care directive. This bill would establish similar provisions relating to the validity and enforceability of POLST forms and would allow an electronic signature to be used for the purposes of an advance health care directive and POLST form.

**Position**

Support

## Health Care Reform

**[AB 1130](#) (Wood D) California Health Care Quality and Affordability Act.**

**Location:** 7/14/2021-S. 2 YEAR

**Summary:** Current law establishes the Office of Statewide Health Planning and Development (OSHPD) to oversee various aspects of the health care market, including oversight of hospital facilities and community benefit plans. This bill would establish, within OSHPD, the Office of Health Care Affordability to analyze the health care market for cost trends and drivers of spending, develop data-informed policies for lowering health care costs for consumers, set and enforce cost targets, and create a state strategy for controlling the cost of health care and ensuring affordability for consumers and purchasers.

**Position**

Oppose Unless  
Amend

**[AB 1400](#) (Kalra D) Guaranteed Health Care for All.**

**Location:** 1/6/2022-A. HEALTH

**Calendar:** 1/11/2022 1:30 p.m. - State Capitol, Room 4202 ASSEMBLY HEALTH, WOOD, Chair

**Summary:** 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. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill, the California Guaranteed Health Care for All Act, would create the California Guaranteed Health Care for All program, or CalCare, 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

## Hospital Operations and Finance

**[AB 510](#) (Wood D) Out-of-network health care benefits.**

**Location:** 5/7/2021-A. 2 YEAR

**Summary:** Existing 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. Existing law provides for the regulation of health insurers by the Department of Insurance. If an enrollee or insured receives services under a health care service plan contract or health insurance policy issued, amended, or renewed on or after July 1, 2017, that includes coverage for out-of-network benefits, existing law authorizes a noncontracting individual health professional to bill or collect the out-of-network cost-sharing amount directly from the enrollee or insured if specified criteria are met, including that the enrollee or insured consents in writing to receive services from the noncontracting individual health professional at least 24 hours in advance of care. Existing law requires the consent to advise the enrollee or insured that they may seek care from a contracted provider for lower out-of-pocket costs and to be provided in the language spoken by the enrollee or insured, as specified. This bill would instead authorize a noncontracting individual health professional, excluding specified professionals, to bill or collect the out-of-network cost-sharing amount directly from the enrollee or insured receiving services under a health care service plan contract or health insurance policy issued, amended, or renewed on or after January 1, 2022, if the enrollee consents in writing or electronically at least 72 hours in advance of care. The bill would require the consent to include a list of contracted providers at the facility who are able to provide the services and to be provided in the 15 most commonly used languages in the facility's geographic region.

**Position**

Watch

**[AB 1131](#) (Wood D) Health information network.**

**Location:** 5/25/2021-A. 2 YEAR

**Summary:** Would establish the statewide health information network (statewide HIN) governing board, an independent public entity not affiliated with an agency or department with specified membership, to provide the data infrastructure needed to meet California's health care access, equity, affordability, public health, and quality goals, as specified. The bill would require the governing board to issue a request for proposals to select an operating entity with specified minimum capabilities to support the electronic exchange of health information between, and aggregate and integrate data from multiple sources within, the State of California, among other responsibilities. The bill would require the statewide HIN to take specified actions with respect to reporting on, and auditing the security and finances of, the health information network.

**Position**

Watch

**[AB 1132](#) (Wood D) Medi-Cal.**

**Location:** 7/14/2021-S. 2 YEAR

**Summary:** Current law authorizes the board of supervisors in each county to designate an entity or entities to assist county jail inmates with applying for a health insurance affordability program, as defined, consistent with federal requirements. Commencing January 1, 2023, this bill would instead require the board of supervisors, in consultation with the county sheriff, to designate an entity or entities to assist both county jail inmates and juvenile inmates with the application process, and would make conforming changes to provisions relating to the coordination duties of jail administrators. By creating new duties for local officials, including boards of supervisors and jail administrators, the bill would impose a state-mandated local program.

**Position**

Oppose

**[AB 1464](#) (Arambula D) Hospitals: seismic safety.**

**Location:** 4/30/2021-A. 2 YEAR

**Summary:** The Alfred E. Alquist Hospital Facilities Seismic Safety Act of 1983 establishes, under the jurisdiction of the Office of Statewide Health Planning and Development, a program of seismic safety building standards for certain hospitals constructed on and after March 7, 1973. A violation of any provision of the act is a misdemeanor. The act requires, before January 1, 2020, the owner of an acute care inpatient hospital whose building does not substantially comply with described seismic safety regulations or standards to submit to the office an attestation that the board of directors of that hospital is aware that the hospital building is required to meet a specified deadline for substantial compliance with those regulations and standards. This bill would require, on or before January 1, 2023, the owner of an acute care inpatient hospital to update the above-described submission by reporting the services provided in each building of the acute care inpatient hospital.

**Position**

Support

**[SB 371](#) (Caballero D) Health information technology.**

**Location:** 7/14/2021-A. 2 YEAR

**Summary:** Would require any federal funds the California Health and Human Services Agency receives for health information technology and exchange to be deposited in the California Health Information Technology and Exchange Fund. The bill would authorize CHHSA to use the fund to provide grants to



health care providers to implement or expand health information technology and to contract for direct data exchange technical assistance for safety net providers. The bill would require a health information organization to be connected to the California Trusted Exchange Network and to a qualified national network. The bill would also require a health care provider, health system, health care service plan, or health insurer that engages in health information exchange to comply with specified federal standards.

**Position**

Watch

## Mental and Behavioral Health

**[SB 279](#) (Pan D) Medi-Cal: delivery systems: services.**

**Location:** 6/4/2021-S. 2 YEAR

**Summary:** Current law authorizes the State Department of Health Care Services to create the Health Home Program for Medi-Cal enrollees with chronic conditions, subject to federal approval and the availability of federal financial participation. Existing law generally conditions the implementation of the program on no additional General Fund moneys being used to fund the administration and costs of services. This bill would authorize, commencing with the 2021-22 state fiscal year, the Health Home Program to be implemented using General Fund moneys upon appropriation by the Legislature. The bill would require the department to cease implementing the Health Home Program on January 1, 2022, or as specified, and would repeal the Health Home Program's provisions on January 1, 2023.

**Position**

Watch

## Social Determinants of Health

**[AB 71](#) (Rivas, Luz D) Homelessness funding: Bring California Home Act.**

**Location:** 9/10/2021-A. 2 YEAR

**Summary:** The Personal Income Tax Law, in conformity with federal income tax law, generally defines gross income as income from whatever source derived, except as specifically excluded, and provides various exclusions from gross income. Current federal law, for purposes of determining a taxpayer's gross income for federal income taxation, requires that a person who is a United States shareholder of any controlled foreign corporation to include in their gross income the global intangible low-taxed income for that taxable year, as provided. This bill, for taxable years beginning on or after January 1, 2022, would include a taxpayer's global intangible low-taxed income in their gross income for purposes of the Personal Income Tax Law, in modified conformity with the above-described federal provisions.

**Position**

Watch

**[SB 17](#) (Pan D) Office of Racial Equity.**

**Location:** 8/27/2021-A. 2 YEAR

**Summary:** Would, until January 1, 2029, would establish in state government an Office of Racial Equity, an independent public entity not affiliated with an agency or department, governed by a Racial Equity Advisory and Accountability Council. The bill would authorize the council to hire an executive director to organize, administer, and manage the operations of the office. The bill would task the office with coordinating, analyzing, developing, evaluating, and recommending strategies for advancing racial equity across state agencies, departments, and the office of the Governor. The bill would require the office, in consultation with state agencies, departments, and public stakeholders, as appropriate, to develop a statewide Racial Equity Framework that includes a strategic plan with policy and inclusive practice recommendations, guidelines, goals, and benchmarks to reduce racial inequities, promote racial equity, and address individual, institutional, and structural racism.

**Position**

Support

## Workforce

**[AB 650](#) (Muratsuchi D) Employer-provided benefits: health care workers: COVID-19: hazard pay retention bonuses.**

**Location:** 6/4/2021-A. 2 YEAR

**Summary:** The Healthy Workplaces, Healthy Families Act of 2014 requires employers to provide an employee, who works in California for 30 or more days within a year from the commencement of employment, with paid sick days for prescribed purposes, to be accrued at a rate of no less than one

hour for every 30 hours worked. Existing law authorizes an employer to limit an employee's use of paid sick days to 24 hours or 3 days in each year of employment. Current law charges the Labor Commissioner, who is the Chief of the Division of Labor Standards Enforcement, with enforcement of various labor laws. This bill, the Health Care Workers Recognition and Retention Act, would require a covered employer, as defined, to pay hazard pay retention bonuses in the prescribed amounts on January 1, 2022, April 1, 2022, July 1, 2022, and October 1, 2022, to each covered health care worker, as defined, that it employs.

**Position**

Watch

**Total Measures: 21**

**Total Tracking Forms: 21**