



Legislative UPDATE



August 12, 2011

LATEST NEWS ON KEY BILLS IN THE STATE LEGISLATURE

Health Advocacy Update

Following is a list of high-priority health care-related bills CHA is tracking this legislative session. For a complete list of bills CHA is following, visit the CHA website at www.calhospital.org/bills.

Bill No.	Author	Summary/Title	Location/Action	CHA Postion	Staff Contact
Health Coverage					
AB 36	Perea (D-Fresno)	Would amend California's personal income tax and corporation tax laws to exclude from gross income reimbursements for medical care expenses of young adults allowed by federal health care reform to remain on their parents' health coverage.	Signed by Governor April 7 (Chapter 17).	Support	Anne McLeod/ Kathryn Scott
AB 52	Feuer (D-Los Angeles)	Would require prior approval from DMHC or DOI, as applicable, for increases in health care premiums, copayments, deductibles and other charges.	To be heard in Senate Appropriations Committee Aug. 15.	Oppose	Dietmar Grellmann/ Martin Gallegos
SB 751	Gaines (R-Fair Oaks)	Would prohibit contracts between hospitals and insurance companies from containing provisions that restrict the ability of plans to furnish information to patients on the cost range of procedures or quality of services; would allow for hospitals to review and comment on the cost and quality data provided; would require plans to provide a link to hospital comments on the plan website; would require risk adjustment of quality data.	Passed Assembly July 11.	Neutral	Dietmar Grellmann/ Martin Gallegos
Hospital Fee/IGT Program					
AB 113	Monning (D-Santa Cruz)	Would require DHCS to establish, implement and maintain the Nondesignated Public Hospital Intergovernmental Transfer (IGT) Program to assist nondesignated public hospitals in achieving federal financial participation to the fullest extent permitted; would provide for the transfer of funds into the Medi-Cal Inpatient Payment Adjustment Fund; would authorize the state to retain a percentage of each IGT. Bill is linked to SB 90 (Steinberg).	Signed by Governor April 13 (Chapter 20).	CHA-Sponsored	Anne McLeod/ Martin Gallegos
SB 90	Steinberg (D-Sacramento)	Would enact a six-month hospital fee program; would restore CMAC contracts and the rate freeze for inpatient hospital services, and prospectively restore the 10 percent non-contract hospital Medi-Cal rate reduction; would provide for a reduction in DSH replacement payments in 2010-11 and 2011-12; would provide more than \$500 million for children's health care coverage through a hospital fee for those fiscal years; would allow for an extension of up to seven years for seismic-safety requirements, if certain conditions are met. Bill is linked to AB 113 (Monning).	Signed by Governor April 13 (Chapter 19).	CHA-Sponsored	Anne McLeod/ Martin Gallegos
SB 335	Hernandez (D-Baldwin Park)/ Steinberg (D-Sacramento)	Spot bill to implement the 30-month fee program, July 2011 to December 2013, which would begin after the six-month program. At that time the FMAP rate drops to 50 percent, which will require significant restructuring of the program. A State Plan Amendment must be filed by Sept. 30, 2011, for the program to be effective July 1, 2011. Will serve as the legislative vehicle based on the model recently approved by CHA Board.	To be voted on by full Senate.	CHA-Sponsored	Anne McLeod/ Martin Gallegos

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Hospital Licensing Issues					
AB 30	Hayashi (D-Hayward)	Would add significant new requirements to existing law requiring hospitals to annually conduct security and safety assessments, and adopt security plans; would establish redundant and duplicative oversight of hospitals.	Held on Suspense File in Assembly Appropriations Committee May 27.	Oppose	Debby Rogers/ Connie Delgado Alvarez
AB 377	Solorio (D-Santa Ana)	Would allow hospital systems to have a central pharmacy located outside a hospital in either another physical plant on the same premises or on separate premises located within a 100-mile radius of the hospital as long as it is regulated under a hospital's license within the system.	Two-year bill.	CHA-Sponsored	Dorel Harms/ Connie Delgado Alvarez
SB 38	Padilla (D-Pacoima)	Would change the effective date from Jan. 1, 2011, to July 1, 2012, of reporting requirements enacted during 2010 relating to incidents of patient radiation exposure.	Signed by Governor (Chapter 139).	CHA-Sponsored	Roger Richter/ Kathryn Scott
SB 408	Hernandez (D-Baldwin Park)	As amended, would require a new license application to be filed by hospitals when there is a change of ownership, as newly defined and expanded under the bill; would broaden the number of transactions that require hospitals to submit new license applications; would require that a notice be filed with CDPH prior to a change in control interest, as defined, of hospitals.	To be heard in Assembly Appropriations Committee Aug. 17.	Oppose	Dorel Harms/ Barbara Glaser
SB 442	Calderon (D-Montebello)	As amended April 7, would require general acute-care hospital policies for the provision of language assistance to patients with language or communication barriers to include procedures for discussing with the patient any cultural, religious or spiritual beliefs or practices that may influence care, and to increase the ability of hospital staff to understand and respond to the cultural needs of patients.	To be heard in Assembly Appropriations Committee Aug. 17.	CHA Co-Sponsored	Peggy Wheeler/ Barbara Glaser
Labor Issues					
AB 22	Mendoza (D-Artesia)	Would prohibit employers from using credit checks in employment decisions except in very narrow circumstances.	To be heard in Senate Appropriations Committee Aug. 15.	Oppose, Unless Amended	Gail Blanchard Saiger/Dennis Loper
AB 59	Swanson (D-Oakland)	Would broaden the circumstances under which employees may take up to 12 weeks in each 12-month period of protected unpaid leave to include caring for an independent adult child, employee's parent in-law, grandparent, sibling, grandchild or domestic partner.	Held on Suspense File in Assembly Appropriations Committee May 27.	Oppose	Gail Blanchard Saiger/Dennis Loper
AB 325	Lowenthal (D-Long Beach)	Would require an employer to provide three days of unpaid bereavement leave within a three-month period for the death of a family member, as defined; would run concurrently with existing bereavement leave policies if any.	Passed Senate Appropriations Committee July 11.	Follow, Hot	Gail Blanchard Saiger/Dennis Loper
AB 1136	Swanson (D-Oakland)	Would require employers to have a safe-patient handling policy for patient-care units and to provide trained lift teams or staff trained in safe lifting techniques in each general acute-care hospital.	Held on Suspense File in Senate Appropriations Committee July 11.	Oppose, Unless Amended	Gail Blanchard Saiger/Connie Delgado Alvarez
SB 129	Leno (D-San Francisco)	Would prohibit employers from taking adverse action against an applicant or employee who tested positive for marijuana if that use was pursuant to the Compassionate Use Act.	Placed on Senate Inactive File June 2.	Oppose	Gail Blanchard Saiger/Dennis Loper
SB 554	Yee (D-San Francisco)	Would include an inspection for adherence to the nurse-to-patient ratio requirements during a compliance survey; would require filing and posting of a plan of correction; would impose administrative penalties.	Two-year bill.	Oppose	Dorel Harms/ Connie Delgado Alvarez
SB 635	Hernandez (D-Baldwin Park)	Beginning 2014, would require all funds over the first \$1 million held in the Managed Care Administrative Fines and Penalties Fund to be transferred each year to OSHPD for the purposes of the Song-Brown Health Care Workforce Training Act.	To be heard in Assembly Health Committee.	Support	Gail Blanchard Saiger/Dennis Loper

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Mental Health Medi-Cal					
AB 154	Beall (D-San Jose)	Would expand, with specified exceptions, mental health coverage requirements for health plan contracts and health insurance policies issued on or after Jan. 1, 2012.	Held on Suspense File in Assembly Appropriations Committee May 27.	Support	Sheree Kruckenberg/ Judy Wolen
AB 164	Hayashi (D-Hayward)	Would require DHCS to implement a system whereby health care personnel with access to a person's Medi-Cal card are made aware if the person has previously accessed mental health services through the Medi-Cal system.	Two-year bill.	Support	Sheree Kruckenberg/ Judy Wolen
Medical Waste					
AB 762	Smyth (R-Santa Clarita)	Would allow commingling of sharps waste and non-RCRA pharmaceutical waste if they are treated by a common process.	Passed full Senate July 14.	CHA-Sponsored	Roger Richter/ Kathryn Scott
MICRA/Civil Justice Issues					
SB 558	Simitian (D-Palo Alto)	Would change the standard of proof for awarding enhanced penalties and attorney fees, and costs for physical abuse and neglect.	Held on Suspense File in Assembly Appropriations Committee July 13.	Oppose	Patricia Blaisdell/ Barbara Glaser
Peer Review					
AB 655	Hayashi (D-Hayward)	Would require a peer-review body to respond to a request of another peer-review body and produce peer-review information, either by summary or by peer-review records, at the disclosing hospital's option, about a licentiate under review; would protect the information produced from discovery; would allow the responding peer-review body to require the requesting peer-review body to indemnify it for improper release or disclosure of the information provided.	Passed full Senate July 14.	Support	Jana Du Bois/ Martin Gallegos
Physician Employment					
AB 824	Chesbro (D-Eureka)	Would establish a 10-year demonstration project that would give physicians the choice to be employed by rural hospitals that meet specified conditions to employ up to 10 physicians; would require the Medical Board of California to provide a report to the Legislature regarding the demonstration project by Jan. 1, 2019.	Two-year bill.	CHA-Sponsored	Peggy Wheeler/ Barbara Glaser
AB 926	Hayashi (D-Hayward)	Would enact a 10-year pilot program ending in 2022 to allow district hospitals that meet requirements specified in the bill to directly employ physicians, subject to a statewide limit of 50 physicians for the entire pilot program.	To be heard in Assembly Business, Professions and Consumer Protection Committee.	Follow, Hot	Peggy Wheeler/ Barbara Glaser
AB 1360	Swanson (D-Oakland)	Would authorize health care districts and clinics owned or operated by a health care district to employ physicians and surgeons if the health care district's service area includes a Medically Underserved Area or Medically Underserved Population, or has been federally designated as a Health Professional Shortage Area.	Failed passage in Assembly Health Committee May 3. Reconsideration granted.	Follow, Hot	Peggy Wheeler/ Barbara Glaser
Post-Acute Care					
AB 40	Yamada (D-Davis)	Would change current reporting requirements for alleged and suspected elder abuse in long-term-care facilities, including SNFs, from the current requirement of reporting to either the local long-term-care ombudsperson or local law enforcement agency to a requirement that all instances be reported to both entities.	To be heard in Senate Human Services Committee.	Oppose, Unless Amended	Patricia Blaisdell/ Barbara Glaser
AB 574	Lowenthal (D-Long Beach)	Would establish Programs for All-Inclusive Care for the Elderly (PACE) as a Medi-Cal benefit.	To be heard in Senate Appropriations Committee Aug. 15.	Support	Patricia Blaisdell/ Barbara Glaser

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Post-Acute Care <i>Continued</i>					
SB 799	Negrete McLeod (D-Chino)	Would amend the Long-Term Care, Health, Safety, and Security Act of 1973 that requires the state to investigate complaints relating to long-term-care facilities, including skilled-nursing facilities; would require the investigation to be completed within 90 working days and assess its compliance with this requirement in prescribed annual reports to the Legislature.	Held on Suspense File in Senate Appropriations Committee May 26.	Support	Patricia Blaisdell/ Barbara Glaser
Professional Corporations					
AB 783	Hayashi (D-Hayward)	Would add licensed physical therapists to the list of healing arts professionals who are permitted to be employed by or have an ownership interest in medical corporations.	Failed passage in Senate Business and Professions Committee June 27.	Support	Dorel Harms/ Martin Gallegos
Seismic Safety					
AB 510	Lowenthal (D-Long Beach)	Spot bill to provide seismic relief to hospitals that would otherwise have to close due to noncompliance with the seismic mandate.	Two-year bill.	CHA-Sponsored	Roger Richter/ Kathryn Scott
SB 474	Evans (D-Santa Rosa)	Would ban all indemnification and defense agreements in construction contracts. Through this ban the only way to resolve construction claims would be through litigation.	To be voted on by full Assembly.	Oppose	Roger Richter/ Kathryn Scott
SB 630	Alquist (D-Santa Clara)	Would make requirements on those who purchase SPC-1 buildings; would allow OSHPD to approve an extension to 2015 for HAZUS 2010 use to mitigate targeted structural deficiencies; would allow an additional delay to the 2013 deadline to be obtained in one-year increments for up to three years for local planning delays; would require hospitals to submit annual plans by 2016 on 2030 attainment; would require SPC-1 buildings to post seismic risks at each entrance.	Two-year bill.	Follow, Hot	Roger Richter/ Kathryn Scott
Workers' Compensation					
AB 375	Skinner (D-Berkeley)	As amended, would establish a presumption in the workers' compensation system for hospital employees; would relieve direct-care hospital employees from having to demonstrate that blood-borne infectious disease or MRSA infection was caused by employment relationship when any part of the condition develops or manifests itself during employment or for a specified period after employment ends.	To be heard in Senate Appropriations Committee Aug. 15.	Oppose	Gail Blanchard Saiger/Dennis Loper
SB 896	De Leon (D-Los Angeles)	Would require specified spine surgeries performed under workers' compensation be reimbursed to the performing hospital at the rate of 1.8 times the applicable diagnosis-related group rate, with no separate reimbursement for any implantable devices, hardware or instrumentation.	Two-year bill.	CHA-Sponsored	Anne McLeod/ Kathryn Scott