



January 29, 2020

TO: Users of CHA's *California Hospital Compliance Manual*

FROM: Lois J. Richardson, Esq.
Vice President and Legal Counsel

SUBJECT: *2020 California Hospital Compliance Manual*

CHA is pleased to publish the *California Hospital Compliance Manual* as a service to our members. The *California Hospital Compliance Manual* provides guidance to hospitals and health systems on how to comply with myriad California and federal statutes, regulations, agency guidelines and judicial decisions. The manual was written by attorneys with Hooper, Lundy & Bookman, PC, under the direction of Lloyd A. Bookman, Esq., and me.

This memorandum highlights some of the major changes in state and federal compliance-related laws, all of which are discussed in detail in this 2020 edition. This tenth edition reflects changes in the law through Dec. 31, 2019, unless otherwise noted.

It is suggested that you keep this memorandum with the manual for convenient reference. Because laws often change after publication, CHA advises hospitals to consult their attorney when a legal question arises.

New Laws and Revisions

The following is a summary of major changes:

- The U.S. Department of Justice updated the factors it considers when investigating a corporation, determining whether to bring charges, and negotiating pleas or other agreements as well as how prosecutors evaluate corporate compliance programs. *(See chapter 1.)*
- Effective October 1, 2019, CMS has authorized the Superior Systems Waiver (SSW) program which allows hospitals to conduct a utilization review process using nationally recognized criteria in lieu of TAR authorization. *(See chapter 4.)*
- CMS has moved to a uniform general supervision requirement for all outpatient therapeutic services provided by hospitals and CAHs. *(See chapter 4.)*
- The federal government has issued price transparency regulations, requiring hospitals to disclose discounted rates negotiated with third-party payers as well as prices for 300 “shoppable” services. These regulations take effect Jan. 1, 2021. *(See chapter 8.)*

- Information about surprise billing and balance billing laws has been added to the manual. (*See chapter 8.*)
- The California Legislature amended the California Community Benefits Law. (*See chapter 9.*)
- X-ray facilities must post radiation technologist certificates/permits. (*See chapter 12.*)
- The discussion about the California Consumer Privacy Act of 2018 has been updated. (*See chapter 14.*)

In addition, the eleventh edition of the manual addresses many minor changes in the law, changes in websites, additional resources, compliance tips, and clarifications that are too numerous to list.

To order additional manuals, visit the CHA website at www.calhospital.org/publications. CHA publishes many hospital compliance manuals including manuals on health information privacy, consent law, EMTALA, mental health law, licensing and certification surveys, records retention and more.

CHA members with questions regarding this memorandum or the content of the *California Hospital Compliance Manual* may contact me at (916) 552-7611 or lrichardson@calhospital.org.

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