



**CALIFORNIA  
HOSPITAL  
ASSOCIATION**

*Providing Leadership in  
Health Policy and Advocacy*

June 22, 2017

The Honorable Mike McGuire  
Chair, Senate Governance and Finance Committee  
State Capitol Building, Room 408  
Sacramento, CA 95814

**SUBJECT: AB 1250 (Jones-Sawyer) – Oppose, Unless Amended**

Dear Senator McGuire:

The California Hospital Association (CHA) — representing more than 400 hospitals and health systems and 97 percent of patient beds in the state — is writing today to oppose, unless amended, AB 1250 (Jones-Sawyer). This bill would make it extraordinarily difficult and expensive for California hospitals to care for patients who are covered by county programs. If this bill were to become law, hospitals would be forced to carefully reconsider their relationships with counties.

Currently, counties contract with hospitals to provide services, such as:

- Hospital and clinic services to medically indigent patients
- Hospital and clinic services to patients with mental illness covered by Medi-Cal
- Forensic medical examinations for rape and sexual assault victims
- Forensic medical examinations for child abuse victims
- Health care services for jailed inmates
- Health care services for county employees (through contracts with health plans and insurers, or self-funded)
- Disaster services

This bill would require hospitals that contract with a county to submit mountains of paperwork. For example:

- This bill would require hospitals to submit monthly reports showing the names of employees and subcontractors who provided services under the contract and their hourly rates. Every hospital has thousands of employees and subcontractors who care for patients — doctors, nurses, pharmacists, physical therapists, radiology technicians, laboratory scientists, admission clerks, billing clerks, medical records staff, janitors, security guards, etc. A hospital would likely have to report every employee/subcontractor to the county, because it would be impossible to determine which lab scientist, for example, worked on a particular county patient's specimen, or which medical record clerk pulled the patient's chart. AB 1250 specifies that the names and hourly rates of hospital employees and subcontractors and their hourly rates would be made public under the California Public Records Act. This raises significant privacy concerns for our employees.
- This bill would require hospitals to submit all complaints filed against it with any government agency in the past 10 years. Unfortunately, patients file complaints with the California

Department of Public Health (CDPH) against hospitals for trivial reasons: bad hospital food, a grumpy caregiver, an unpleasant roommate. It would be administratively burdensome for hospitals to compile all of this information, duplicative of CDPH's work, and would constitute useless information, for the most part.

- This bill would require hospitals to submit a description of all criminal complaints or indictments filed against any of its managers – ever. This would include, for example, a 15-year-old shoplifting charge filed against a hospital janitorial manager. This information would be made public under the California Public Records Act. This raises significant privacy concerns for our employees.
- The hospital would be required to pay for a county or independent auditor to audit the hospital to make sure it is complying with every provision of the contract and every state/federal law prior to any contract renewal. California hospitals are already regulated by the California Department of Public Health, the Centers for Medicare & Medicaid Services, the California Board of Pharmacy, the Drug Enforcement Administration, Cal/OSHA, and miscellaneous other state and federal agencies. There is absolutely no need for the expense or burden of an additional audit.

California hospitals are already significantly underpaid for the services they provide to patients covered by county programs. Adding the burdens contemplated by AB 1250 would certainly make hospitals seriously reconsider their relationships with counties, and could result in decreased access to vital health care services that many Californians depend on.

For the reasons stated above, CHA respectfully requests that you oppose AB 1250, unless it is amended to exclude contracts for health care services.

Sincerely,



Barbara Glaser  
Senior Legislative Advocate

BG:tm

cc: Honorable Reginald Jones-Sawyer  
Honorable Members, Senate Governance and Finance Committee  
Anton Favorini-Csorba, Consultant, Senate Governance and Finance Committee  
Ryan Eisberg, Senate Republican Consultant