
The 2008 Legislative Session In Review

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Themes & Issues in 2008

- Change in Assembly Leadership from Fabian Nunez to Karen Bass
 - Early Announcement of Succession in the Senate from Perata to Steinberg
 - Pent up demand for pet projects – no recognition of need for comprehensive reform
 - Continued dominance of Single Payer plan
 - Budget stalemate
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Health Care Reform

- Governor's ABX 1 plan killed in Senate Health Committee in January
 - Governor reintroduces a segmented plan in May – but little interest from Legislature
 - Transparency bills stalled in August
 - 85% Medical Loss Ratio vetoed
 - Rescission bill vetoed
 - Governor still seeking comprehensive plan
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2008 Legislative Overview

- Hospital Legislation – David
 - Physician Legislation – Bill
 - Health Plan Legislation & Regulatory - Gretchen
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Hospitals

- Balance Billing
 - Infections
 - Cost/Quality Transparency
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Patient Balance Billing

- AB 1203 (Salas) - *Signed*
 - No balance billing for post-stabilization care if hospital fails to contact for authorization or give health plan opportunity to transfer
 - SB 697 (Yee) - *Signed*
 - No balance billing for individuals enrolled in Healthy Families or AIM programs
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Patient Balance Billing

- DMHC Regulation - *Pending*
 - Effective 10/15/08
 - Bans balance billing by hospitals and hospital-based physicians for emergency services

Hospital Acquired Infections

- SB 158 (Florez) - *Signed*
 - Infection Surveillance, Prevention and Control Program

- SB 1058 (Alquist) - *Signed*
 - MRSA testing

Cost/Quality Transparency

- AB 2967 (Lieber) – *Not Passed*
 - Health Care Cost and Quality Transparency Committee
 - Sent to Inactive File in State Senate

 - SB 1300 (Corbett) – *Not Passed*
 - Prohibition of confidentiality clauses in health plan/insurer-provider contracts
 - Failed passage on the State Senate Floor
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Physicians

- Health IT Donations
 - Patient Privacy Enforcement
 - Medical Board
 - End of Life Care
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Health IT Donations

- AB 55 (Laird) – *Signed*
 - Conforms state law with federal regulations, and takes effect on September 25, 2008.
 - Removes the conflict between state law and the CMS regulations under the 2003 Medicare Prescription Drug, Improvement and Modernization Act of 2003.
 - Provides that non-monetary remuneration in the form of hardware, software, or information technology and training services
 - Allows for the donation of Health IT systems for the expansion of electronic prescribing systems and electronic health records.
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Patient Privacy Enforcement

- AB 211 (Jones) – *Signed*
 - ❑ Consolidates enforcement of CMIA violations within a single agency, the new Cal OHII.
 - ❑ Set standards for fines and penalties for negligent and willful violations of patient privacy
 - SB 541 (Alquist) – *Signed*
 - ❑ Increases DPH enforcement against hospitals for health and safety violations
 - ❑ Requires active prevention of unauthorized access to patient records
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Medical Board

- AB 2444 (Nakanishi) – *Signed*
 - Allows letters of reprimand to include requirements to complete specified training or education – and public disclosure of stipulations and disciplinary actions
 - AB 2445 (Nakanishi) – *Singed*
 - Allows the MBC to issue a public letter of reprimand concurrently with a physician's and surgeon's certificate for minor violations and to post them on their web site
 - AB 214 (Fuentes) – *Vetoed*
 - CMA alternative diversion program rejected.
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End of Life Care

- AB 2747 (Berg) – *Signed*
 - ❑ Requirement to provide information and counseling to terminally ill patients on legal end-of-life options.
 - ❑ Providers should consider staffing for counseling and informational handouts
 - AB 3000 (Wolk) – *Signed*
 - ❑ Requires a physician to honor the Physician Order for Life Sustaining Treatment
 - ❑ Re-defines a request to forego resuscitative measures as a document executed by and between the patient & doctor
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Health Plans

- State Budget – Medi-Cal Balance Billing Rules
 - Benefit Mandate Bills
 - Rescission of Coverage
 - Other New Laws of Interest
 - Timely Access to Care
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State Budget – Balance Billing

- DHCS letter of 10/2/08
 - AB 1183 limits the amount Medicaid managed care plans shall pay non-contracted hospitals for E.R. services
 - New rate schedule contained in Letter
 - Not applicable to post-stabilization services; however, Budget trailer bill specifies that there is a limit on post-stabilization rates. Rates will be released pending approval from the federal CMS
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Benefit Mandate Bills

- *Bills signed into law included:*
 - Mandatory coverage for HIV testing (AB 1894)
 - *Bills vetoed by the Governor included:*
 - Pay or play MRMIP program (AB 2); HPV vaccination (AB 16); Phenylketonuria (AB 30); acupuncture (AB 54); hearing aids (AB 368); severe mental illnesses (AB 1887); maternity services (AB 1962); e-billing (SB 349); DME (SB 1198); cleft palates (SB 1634)
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Rescission of Coverage

- AB 1945 (De la Torre) – *Vetoed*
 - Sent back for failure to conform with the Governor's reform proposal on the following points:
 - Standardized application
 - Specific rules to offer coverage to an applicant
 - Failure to inform a patient of a medical condition
 - Two-year look-back provision
 - Trial-lawyer centric, not consumer-centric
 - AB 1150 (Lieu) – *Signed*
 - Prohibits compensation based on rescissions
 - AB 2569 (De Leon) – *Signed*
 - Increased agent/broker liability for false applications
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Other New Laws of Interest

- AB 2589 (Solorio) - Disclosure of Broker Compensation
 - SB 1168 (Runner) - Coverage for Over-age Dependents During Medical Leave of Absence
 - SB 1379 (Ducheny) - Fines and Penalties
 - SB 1387 (Padilla) - Dental Overpayments
 - SB 1406 (Correa) - Scope of Practice for Optometrists
 - SB 1553 (Lowenthal) - Mental Health
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2008 Regulations

- DMHC Timely Access Regulation – *Pending*
 - Anticipated release by November
 - Stakeholder meetings conducted in August
 - Consumer advocates urging strict time-elapse standards
 - Threat of future legislation if new regulation is not strict enough
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Thank You!

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