

WELCOME TO THE SPRING CHAPTER MEETING

May 8, 2018



Agenda



- Meet & greet 6:00-6:10
- Welcome the attendees, introductions 6:10-6:15
 - CalUCA board and UCAOA board members/staff
- Update on California Legislative and Regulatory Issues 6:15-6:35
 - Q&A 6:35-6:45
- Introduce committee chairs and liaisons 6:45-7:00
- Adjourn 7:00

Update on California Legislative and Regulatory Issues



Andrew H. Selesnick

BUCHALTER

Shareholder, Attorneys

Los Angeles Office

Email: aselesnick@buchalter.com

Phone (213) 891-5223



Damaris L. Medina

BUCHALTER

Shareholder, Attorneys

Los Angeles Office

Email: dmedina@buchalter.com

Phone (213) 891-5224

Employment Issues

- Equal pay/Request for salary history AB 168 (Eggman, D-Stockton) Chapter 688
- Immigration AB 450 (Chiu, D-San Francisco) Chapter 492
- Criminal background checks – “Ban the Box” AB 1008 (McCarty, D-Sacramento) Chapter 789
- Parental leave SB 63 (Jackson, D-Santa Barbara) Chapter 686
- Harassment training SB 396 (Lara, D-Bell Gardens) Chapter 858

Medical Records

- Patient access to medical records SB 241
(Monning, D-Carmel) Chapter 513
- Patient access to medical records SB 575
(Leyva, D-Chino) Chapter 626

Pharmacy



- California Prescription Drug Monitoring Program
AB 40 (Santiago, D-Los Angeles) Chapter 607
- Pain management AB 1048 (Arambula, D-Fresno) Chapter 615



Appellate Case Summaries

- *YDM Management Co. v. Sharp Community Medical Group, Inc.* (Oct. 25, 2017, D071244) Cal.App.5th [2017 WL 4801570]

AB3087



- Amends to Assembly Bill No. 3087 as Amended in Assembly March 23, 2018
- An act to add Title 23 (commencing with Section 100600) to the Government Code, relating to healthcare coverage.

AB 3087



- Creates the California Health Care Cost, Quality and Equity Commission (Government Code § 100600 et seq.)
- Commission's role is to set commercial payments to hospitals, doctors and other health care providers.
- The bill was introduced on April 9, 2018 by Ash Kalra of San Jose.
- It is supported by SEIU and other labor organizations and opposed by the CMA, CHA, CAHP and other provider organizations

Rate Setting

- Beginning July 1, 2019, and annually thereafter, the Commission is to establish base amounts that health care entities shall accept as payment in full for health care services, in addition to applicable cost sharing
- The base amount is a percentage of Medicare, not lower than 100%
- The Commission will establish a process for determining rates for services infrequently reimbursed by Medicare, including pediatrics, obstetrics and gynecology

Factors To Be Taken Into Account In Setting Base Amount:



- Evidence of the financial status of hospitals, other health care providers, compensation of physicians and other health professionals (“avoidance of confiscatory results”)
- Change in laws that affect costs
- Reasonable increases in labor costs
- Reasonable increases in capital investment (should include seismic retrofit requirement)
- Changes in the delivery of care that require adjustment of rates
- Different percentages of Medicare may be used for different health care entities

Appeal process to be established

Appeal may be based on:

- Overall financial condition of the health care entity
- A fair return on investment for a health care entity
- Avoidance of confiscatory results
- Risks to ongoing operations and financial solvency
- Justifiable differences in costs (e.g., special services, rural location)Improvement in disparities and reduction in costs
- Extraordinary factors
- Changes in law, labor costs, capital investments
- Changes in delivery of care

Balance Billing

- An individual shall not owe a health care provider an amount other than the applicable cost sharing that is otherwise permitted by law.
- For a service covered by the law, a health care provider may not bill or collect an amount from an individual other than the applicable cost sharing
- If a service is not a covered benefit, the health care provider may collect the base amount from the patient. If the Commission has not determined the base amount for a particular service, the health care provider shall “determine an appropriate amount for the service.”
- If an individual does not have health coverage, the individual shall not pay more than the base amount

Exclusions

- Medi-Cal managed care plans
- Medicare or any other federal program that provides health care services
- “Notwithstanding any other law, the amounts paid for services under this title shall not constitute a health care provider’s uniform, published, prevailing, or customary charges and shall not be used for purposes of a payment limit under the federal Medicare Program, the Medi-Cal program, or any other federal or state-financed health care program.”
- ERISA plans

NASCAR Letters



OPPOSE ASSEMBLY BILL 3087 (Kalra)

<https://www.NOonAB3087.org>

Those that provide and purchase health care in California believe AB 3087 is a dangerous and unprecedented threat to patients and health care delivery throughout the state.

- **AB 3087 would put a new government bureaucracy in charge of health care.** The bill would create a new politicized commission to cap rates and determine the availability of health care for all Californians.
- **AB 3087 would harm our economy.** This bill would cause an estimated 175,000 health care workers to lose their jobs, as well as limit capital investment in communities throughout the state.
- **AB 3087 would harm patient access to care.** This bill would force hospitals to close, push health care providers into early retirement, and cause a "brain drain" of talented medical/dental students and residents fleeing California for more ideal working conditions.
- **AB 3087 would not solve fundamental problems of the health care payment system.** Because the legislation does not apply to Medi-Cal, hospitals and health care providers would continue to be underpaid by this governmental program.
- **AB 3087 would not reduce health care costs.** The bill would simply cut payments to physicians, dentists, hospitals and other health care providers.
- **AB 3087 would decimate California's health care delivery system and limit patient choice.** The bill would disrupt care for millions of Californians and reduce the number of health care providers willing to practice in the state.
- **AB 3087 would take California backwards.** The bill would destroy what Californians like about their health care and move us to an antiquated, "volume over value" model that discourages contracting and stifles innovation.
- **AB 3087's government-run commission would be self-serving.** The commission would have to pay consumer advocates who come before the commission, diverting precious health care dollars away from patients.

We remain focused on real solutions that would protect the access and coverage gains made under the Affordable Care Act, further value-based care, ensure patients can access health care in a timely and affordable manner, and tackle California's health care workforce shortage.

Vote NO on AB 3087!

CalUCA Letters



April 18, 2018

The Honorable Jim Wood
Chair, Assembly Health Committee
State Capitol, Room 6005
Sacramento, CA 95814

SUBJECT: AB 3087 (Kalra) – OPPOSE

Dear Assembly Member Wood:

The California Urgent Care Association opposes Assembly Bill (AB) 3087 (Kalra). We represent over 160 urgent care centers in California and are a chapter of the Urgent Care Association of America.

The bill would create the California Health Care Cost, Quality and Equity Commission, whose primary role would be to set commercial payments to doctors, hospitals and other health care providers. In our opinion, establishing a rate-setting process that unilaterally determines the payments to health care providers without understanding the underlying drivers of health care costs is a simplistic and dangerous solution to a very complex problem. AB 3087 would establish a commission of nine political appointees that would set the price for all medical services that are not already controlled by the government, essentially eliminating commercial health care markets in California. Because the legislation would not apply to Medicare or Medi-Cal, most physicians, hospitals and other providers will continue to be underpaid by these government programs.

The bill would worsen patient access to care as it would force some hospitals to close and worsen the clinician shortage, especially in rural areas. It would push some health care providers into early retirement and cause medical students and young doctors to leave California for more ideal working conditions elsewhere.

Yet AB 3087 does nothing to ensure that overall costs or patient out-of-pocket payments are decreased. A goal of recent health care reform efforts in California has been to shift towards value-based care, but this bill would move us back to an antiquated fee-for-service model. It is alarming that despite fundamentally altering how health care services are provided in California, the bill explicitly prohibits health care professionals from participating on the commission.

AB 3087 would be a radical change to our health care system but would does not solve its fundamental problems.

Sincerely,

A handwritten signature in blue ink that reads "Roger Hicks, M.D.".

Roger Hicks, MD
President, California Urgent Care Association

CalUCA Template



Please tailor this letter to your urgent care and place on your company letterhead.
Send a copy of your letter to CalUCA at governmentaffairs@caluca.org

[Date]

The Honorable Jim Wood
Chair, Assembly Health Committee
State Capitol, Room 6005
Sacramento, CA 95814

SUBJECT: AB 3087 (Kalra) – OPPOSE

Dear Assembly Member Wood:

I am writing today on behalf of [name of your urgent care organization], which cares for approximately [insert number] patients annually in California, to voice our opposition to Assembly Bill (AB) 3087 (Kalra). The bill would create the California Health Care Cost, Quality and Equity Commission, whose primary role would be to set commercial payments to doctors, hospitals and other health care providers.

Establishing a rate-setting process that will unilaterally determine the payments to health care providers without understanding the underlying drivers of health care costs is a simplistic and dangerous solution to a very complex problem. AB 3087 would establish an undemocratic, government-run commission with nine political appointees who would set the price for all medical services that are not already controlled by the government, essentially eliminating commercial health care markets in California.

Yet AB 3087 does nothing to ensure that overall costs or patient out-of-pocket payments are decreased. A goal of recent health care reform efforts in California has been to shift towards value-based care, but this bill would move us back to an antiquated fee-for-service model. It would increase out of pocket costs to patients, dramatically reduce consumer choices, and result in the closure of many hospitals across the state.

Because the legislation would not apply to Medicare or Medi-Cal, most physicians, hospitals and other providers will continue to be underpaid by these government programs. It is alarming that despite fundamentally altering how health care services are provided in California, the bill explicitly prohibits health care professionals from participating on the commission.

AB 3087 would be a radical change to our health care system, but it does not solve the fundamental problems.

Please vote "NO" when the bill is heard in committee.

Sincerely,

[Name]
[Title]
[Organization]

Committee Updates





Membership / Network Committee

-- *Omid Akbari, chair*

-- *Armando Samaniego, board liaison*

membership@caluca.org

1. Increase membership
2. Increase networking and communication among members



Communications Committee

-- *Shweta Patel, chair*

-- *Brett Walls, board liaison*

communications@caluca.org

1. Communication Vehicle Identification
2. Membership Contact Management (in coordination with Membership Committee)
3. Quarterly Newsletter
4. Committee Updates
5. Website Full Launch / Maintenance



Education Committee

- *Bahar Sedarati, chair*
- *Damaris Medina, board liaison*

education@caluca.org

1. Identify, develop, oversee and evaluate potential education opportunities for the membership
2. Plan at least one educational in-person event per year (could occur during UCA main conventions) involving clinical and business concerns of our membership

Government Affairs Committee

-- *Scott Prysi, chair*

-- *Roger Hicks, board liaison*



governmentaffairs@caluca.org

1. Finalize committee membership
2. Set up a schedule for quarterly conference call to members
3. Develop a set of "talking points" to describe the purpose and goals of CalUCA for legislators
4. Draft a letter introducing CalUCA to state representatives
5. Develop capacity to respond to the unexpected



Reimbursement Committee

-- *Amy Tecosky, chair*

-- *Max Lebow, board liaison*

reimbursement@caluca.org

1. Identify and establish member education opportunities for developing reimbursement strategies for financial viability including understand different methods of reimbursements and contract negotiation
2. Work with members to develop strategies and partnerships with market specific IPAs
3. Monitor CMS and California reimbursement issues
4. Support members in defining a strategy for their own payer relationships
5. Evaluate value added services designed to generate income in an UC/OCC Med Environment

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