Contra Costa County

To: Board of Supervisors

From: LEGISLATION COMMITTEE

Date: June 26, 2018

Subject: Advocacy Positions on State Legislation of Interest to Contra Costa County

RECOMMENDATION(S):

ADOPT the advocacy position on the following bills, as recommended by the Contra Costa County Legislation Committee (Chair Mitchoff, Vice Chair Burgis) at their May 14, 2018 meeting:

Bill & Link	Author	Title	Summary
1 AB 2293	Reyes	Emergency medical services: licensure	Allows the Emergency Medical Services Authority to deny a application submitted by an individual for an EMT I or EMT license. Establishes the criteria relating to conduct that the A may consider in denying the application. Permits the Authori consider whether an applicant demonstrates substantial rehab

☑ APPROVE ☐ OTHER

☐ RECOMMENDATION OF CNTY ADMINISTRATOR ☑ RECOMMENDATION OF BOARD COMMITTEE

Action of Board On: **06/26/2018** ☑ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: June 26, 2018

David Twa, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: L. DeLaney, 925-335-1097

cc:

RECOMMENDATION(S): (CONT'D)

Oppose

2	AB 3087	Kalra	State Health Care Cost, Quality, and Equity Commission	Creates the State Health Care Cost, Quality, and Equity Commission, an independent state agency, to control in state health care costs and set the amounts accepted as payment by health plans, hospitals, physicians, and other health care providers. Provides that funding for the Commission would be provided from specified funds. Requires the Commission to annually determine the base amounts that health care entities are required to accept as full payment for health care service. Provides certain exemptions.	**Oppose** *(Bill held in Committee)*
3	SB 910	Hernandez	Short-term Limited Duration Health Insurance	Prohibits a health insurer from issuing, selling, renewing, or offering a short-term limited duration health insurance policy for health care coverage in this state.	**Support**
4	SB 974	Lara	Medi-Cal: Immigration Status: Adults	Extends eligibility for full-scope Medi-Cal benefits to individuals 65 years of age or older, if otherwise eligible for those benefits, but for their immigration status	**Support**
5	SB 1105	Skinner	Vehicles: Driving Offenses: Prosecution	Extends a specified immunity from prosecution and the prohibitions regarding suspending a driver's license to a person who completes a certain sentence work alternative program as a condition of probation. Makes these protections applicable to an offense committed while the person is temporarily released from custody, or an parole or postrelease community supervision. Authorizes incarcerated or previously convicted persons to request relief directly through the courts	**Support** *(Bill held in Committee)*

Subsequent to their May 14, 2018 meeting, a request for Board of Supervisors' advocacy to **oppose** SB 905 (Wiener): Alcoholic beverages: hours of sale, from the Contra Costa County Alcohol and Other Drugs Advisory Board was received. Chair Mitchoff requested that the bill be forwarded directly to the Board of Supervisors for consideration, as the scheduled June meeting of the Legislation Committee had been cancelled.

SB 905 would allow an on-sale licensee in a qualified city to apply to the Department of Alcoholic Beverage Control (ABC) for authorization to sell, give, or purchase alcoholic beverages at licensed premises between the hours of 2 a.m. to 4 a.m. The bill defines a "qualified city" to mean the Cities of Long Beach, Los Angeles, Oakland, Palm Springs, Sacramento, San Francisco, and West Hollywood.

Bills that are held in committee will not advance this year but maybe reconsidered next legislative session FISCAL IMPACT: No direct fiscal impact associated with the adoption of advocacy positions on specified bills. BACKGROUND: At its May 14, 2018 meeting, the Legislation Committee voted unanimously to recommend positions to the Board of Supervisors on the following bills as follows:

	Bill & Link	Author	Title	Summary	Position
1	AB 2293	Reyes	Emergency medical services: licensure	Allows the Emergency Medical Services Authority to deny an application submitted by an individual for an EMT I or EMT II license. Establishes the criteria relating to conduct that the Authority may consider in denying the application. Permits the Authority to consider whether an applicant demonstrates substantial rehabilitation	**Oppose**
2	AB 3087	Kalra	State Health Care Cost, Quality, and Equity Commission	Creates the State Health Care Cost, Quality, and Equity Commission, an independent state agency, to control in state health care costs and set the amounts accepted as payment by health plans, hospitals, physicians, and other health care providers. Provides that funding for the Commission would be provided from specified funds. Requires the Commission to annually determine the base amounts that health care entities are required to accept as full payment for health care service. Provides certain exemptions.	**Oppose** *(Bill held in Committee)*
3	SB 910	Hernandez	Short-term Limited Duration Health Insurance	Prohibits a health insurer from issuing, selling, renewing, or offering a short-term limited duration health insurance policy for health care coverage in this state.	**Support**
4	SB 974	Lara	Medi-Cal: Immigration Status: Adults	Extends eligibility for full-scope Medi-Cal benefits to individuals 65 years of age or older, if otherwise eligible for those benefits, but for their immigration status	**Support**
5	SB 1105	Skinner	Vehicles: Driving Offenses: Prosecution	Extends a specified immunity from prosecution and the prohibitions regarding suspending a driver's license to a person who completes a certain sentence work alternative program as a condition of probation. Makes these protections applicable to an offense committed while the person is temporarily released from custody, or an parole or postrelease community supervision. Authorizes incarcerated or previously convicted persons to request relief	**Support** *(Bill held in Committee)*

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directly through the courts for consideration, as the scheduled June meeting of the Legislation Committee had been cancelled. SB 905 would allow an on-sale licensee in a qualified city to apply to the Department of Alcoholic Beverage Control (ABC) for authorization to sell, give, or purchase alcoholic beverages at licensed premises between the hours of 2 a.m. to 4 a.m. The bill defines a "qualified city" to mean the Cities of Long Beach, Los Angeles, Oakland, Palm Springs, Sacramento, San Francisco, and West Hollywood.

Bills that are held in committee will not advance this year but may be reconsidered next legislative session.

AB 2293 (Reyes):

Disposition: Pending

Committee: Senate Health Committee

Hearing: 06/27/2018 1:30 pm, John L. Burton Hearing Room (4203)

Bill Analysis - 05/29/2018 - Assembly Floor

ASSEMBLY THIRD READING

AB 2293

(Reyes)

As Amended Ver:May 25, 2018

Majority vote Committee Votes Ayes Noes Health 12-3 Wood, Mayes, Bigelow, Flora, Aguiar-Curry, Waldron Bonta, Burke, Carrillo, LimA^3n, McCarty, Nazarian, Rodriguez, Santiago, Thurmond Appropriations 12-4 Gonzalez Bigelow, Fong, Fletcher, Bloom, Gallagher, Bonta, Calderon, Obernolte Carrillo, Chau, Eggman, Friedman, Eduardo Garcia, Nazarian, Quirk, Reyes SUMMARY: Prohibits the Emergency Medical Services Authority (EMSA) from denying an emergency medical technician (EMT)-I or EMT-II license, upon the finding by the EMSA Director of the occurrence of evidence of a threat to the public health, if the license holder demonstrates substantial rehabilitation, as defined. Limits the criteria related to conduct that an employer, local emergency medical services agency (LEMSA), or EMSA can consider when denying an EMT-I or EMT-II license to conduct that directly relates to the course of employment, and authorizes an applicant to file a notice of defense within 30 days after service of an accusation. Specifically, this bill:

1) Defines the following actions as evidence of a threat to the public health and safety:

a) Fraud in the procurement of any certificate or license under the provisions of this bill;

b) A grossly negligent act in the course of employment in a related field:

c) Repeated negligent acts in the course of employment in a related field;

d) Demonstrated incompetence in the course of employment in a related field;

e) The commission of any fraudulent, dishonest, or corrupt act committed in the course of employment in a related field;

f) Conviction of a violent felony, including, but not limited to:

i) Murder or voluntary manslaughter;

ii) Mayhem;

iii) Rape;

iv) Lewd or lascivious acts;

v) Robbery;

vi) Arson; or,

vii) Attempted murder.

g) Conviction of a crime within the last five years that is directly related to, and adversely impacts the qualifications, functions, and duties of, prehospital personnel;

h) Violation of any of the provisions of this bill or regulation adopted by EMSA pertaining to prehospital personnel, which occur in the course of employment;

i) Conviction for the violation of any federal or state statute or regulation that regulates narcotics, dangerous drugs, or controlled substances within the last five years which resulted in incarceration;

j) Excessive use of alcoholic beverages, narcotics, dangerous drugs, or controlled substances;

k) Functioning outside the supervision of medical control in the field care system operating at the local level, except as authorized by any other license or certification;

l) Demonstration of irrational behavior or occurrence of a physical disability, to the extent that a reasonable and prudent person would have reasonable cause to believe that the ability to perform duties normally expected may be impaired;

m) Unprofessional conduct exhibited by any of the following:

i) The mistreatment or physical abuse of any patient resulting from force in excess of what a reasonable and prudent person trained and acting in a similar capacity while engaged in the performance of their would use if confronted with a similar circumstance;

ii) The failure to maintain confidentiality of patient medical information, except as permitted by existing law; or,

iii) The conviction of any sexually related offense. Authorizes EMSA to temporarily suspend its review of the application until the criminal proceeding is resolved.

2) Defines "substantial rehabilitation" as meaning the applicant for an EMT-I or EMT-II license has done either of the following:

a) Satisfied the criteria for rehabilitation developed by the certification board; or,

b) Provided documentation to the authority that they maintained employment in a related field for at least one year prior to licensure or successfully completed a course of training in related field, and there is no public record of an official finding related to professional misconduct.

3) Specifies that a "related field" includes employment duties that are substantially similar to the field regulated by the board and may be uncompensated or compensated or performed while incarcerated.

4) Prohibits a certificate or license issued under the provisions of this bill from being denied on the basis of a felony conviction, or the acts underlying the conviction, that has been dismissed.

5) Requires an applicant to furnish to the employer, agency, or EMSA proof of the dismissal as described in 4) above, if the employer, agency, or EMSA does not have documentation.

6) Prohibits a certificate or license issued pursuant to these provisions from being denied on the basis of an arrest, infraction, or citation for a misdemeanor or infraction, or adjudicated within the jurisdiction of the juvenile court.

FISCAL EFFECT: According to the Assembly Appropriations Committee, costs to EMSA in the range of $500,000 annually for at least three years to revise regulations and guidelines, process additional new applications, and information technology changes to the central emergency medical services (EMS) registry (General Fund, or Emergency Medical Services Personnel Fund with an estimated fee increase of $12 per license). Ongoing costs are expected to be minor once the required changes are made.

COMMENTS: According to the author, this year, our state has seen increased fire seasons in both acreage burned and duration. In response, there is a sharp need for additional firefighters and EMTs. Under current law, we are forced to flatly deny qualified individuals based purely on a past criminal history. California can and should work harder to provide a pathway to stable employment, especially when we are in dire need of these positions. This bill reduces barriers for individuals who have already served their time to have an opportunity for employment that requires an EMT license.

1) EMT-Is and IIs. An EMT is a specially trained and certified or licensed professional who renders immediate medical care in the pre-hospital setting to seriously ill or injured individuals. California has three levels of EMTs: EMT-I (basic), EMT-II (also known as Advanced EMT); and, EMT-P (paramedic). To be certified as an EMT, an applicant must successfully complete a training program and pass a written and skills certifying examination. EMT-Is and EMT-IIs are certified by a LEMSA or a certifying entity such as a fire or police department according to guidelines and regulations developed by EMSA, including criminal background checks. The responsibility for disciplinary investigations, suspensions, and revocations is shared by the LEMSA, ambulance service employers licensed by the California Highway Patrol, and fire and other public safety agencies. According to EMSA, there are more than 59,532 EMT-Is certified in California, while there are 106 EMT-IIs, utilized mostly in rural areas where they may be the only EMS responder.

2) Firefighters. A firefighter is defined in law as any regularly employed and paid officer, employee, or member of a fire department or fire protection or firefighting agency of the State of California, a city, county, city and county, district, or other public or municipal corporation or political subdivision of this state or member of an emergency reserve unit of a volunteer fire department or fire protection district. Firefighters are not statutorily required to have EMT or EMT-P certification, but according to the California Professional Firefighters, it is often a condition of employment in municipal fire departments that provides EMS services.

3) Occupational licensure for formerly incarcerated persons. According to a November 2016 report by the Ewing Marion Kauffman Foundation, "No Bars: Unlocking the Economic Power of the Formerly Incarcerated," nearly seven million Americans are currently involved in the criminal justice system. One in three adults has been arrested by the age of twenty-three, and it is estimated that as many as 100 million Americans have criminal records. High rates of incarceration disproportionately affect people of color. Compared to white men, black men are six times more likely to be incarcerated, and Hispanic men are 2.5 times more likely to be incarcerated.

According to the Center for American Progress, every year, more than 600,000 Americans are released from federal and state prisons. Barriers to successful employment are clear: Department of Justice data show that one year following release, between 60% and 75% of formerly incarcerated people are still unemployed. Many states have adopted "Ban the Box" statutes that prohibit public employers from seeking information about criminal records in job applications, resulting in as much as a 4% increase in employment of residents of high-crime neighborhoods. While a reduced focus on criminal histories represents a step forward in efforts to increase employment among the formerly incarcerated, other barriers remain.

Occupational licenses, where a government mandates an individual secure a license to work in certain professions stands as an obstacle. Occupational licenses typically require a specific application process, a prescribed amount of educational training, and fees, and individuals with criminal records may be banned from receiving licenses based on their criminal histories, regardless of the relevancy of their conviction to the job.

Analysis Prepared by: Lara Flynn / HEALTH / (916) 319-2097 FN: 0003385

AB 3087 (Kalra):

Status: 05/25/2018 In ASSEMBLY. Joint Rule 62(a) suspended.
05/25/2018 In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

SB 910 (Hernandez)

Disposition: Pending

Location: Assembly Appropriations Committee

Bill Analysis - 06/15/2018 - Assembly Health Committee, Hearing Date 06/19/2018

Date of Hearing: June 19, 2018

ASSEMBLY COMMITTEE ON HEALTH

Jim Wood, Chair

SB 910

(Hernandez) - As Amended March 5, 2018

SENATE VOTE: 27-10

SUBJECT: Short-term limited duration health insurance.

SUMMARY: Prohibits a health insurer from issuing, amending, selling, renewing, or offering a policy of short-term limited duration health insurance in California commencing January 1, 2019. Specifically, this bill:

1) Prohibits a health insurer, commencing January 1, 2019, from issuing, amending, selling, renewing, or offering a policy of short-term limited duration health insurance in California.

2) Defines short-term limited duration health insurance as health insurance coverage provided pursuant to a health insurance policy that has an expiration date that is less than 12 months after the original effective date of the coverage, including renewals.

3) Deletes all exemptions in existing law for short-term limited duration health insurance and revises the definition that is in an inoperative provision of law so that it is consistent with 2) above.

EXISTING LAW:

1) Establishes the federal Patient Protection and Affordable Care Act (ACA), which enacts various health care coverage market reforms including the availability of health insurance exchanges.

2) Exempts, under federal law, short-term limited duration policies from the definition of individual health insurance.

3) Establishes the Department of Managed Health Care (DMHC) to regulate health plans and the California Department of Insurance (CDI) to regulate health insurance.

4) Defines, under state law relating to conversion coverage requirements, short-term limited duration health insurance to mean individual health insurance coverage that is offered by a licensed insurance company, intended to be used as transitional or interim coverage to remain in effect for not more than 185 days, that cannot be renewed or otherwise continued for more than one additional period of not more than 185 days, and that is not intended or marketed as health insurance coverage, a health plan, or a health maintenance organization subject to guaranteed issuance or guaranteed renewal pursuant to relevant state law.

5) Makes inoperative on January 1, 2014, a requirement on a health insurer to entitle an employee or member whose coverage under a group policy has been terminated to a converted policy issued by the insurer.

6) Requires all individual health benefit plans, except short-term limited duration insurance, to be renewable with respect to all eligible individuals or dependents at the option of the individual, with exceptions such as for fraud and abuse or if the carrier ceases to provide coverage in the state, among other circumstances.

7) Exempts short-term limited duration health insurance from existing requirements on health plans that cover mental health services, and on health insurance rate increase notifications, requirements on health insurance policies that include professional mental health services, orthotic and prosthetic devices and services, mammography, maternity services, and reproductive and sexual health care services.

FISCAL EFFECT: According to the Senate Appropriations Committee, pursuant to Senate Rule 28.8, negligible state costs.

COMMENTS:

1) PURPOSE OF THIS BILL. According to the author, short-term limited duration health insurance offers very limited value in a state like California that has embraced the ACA and been very successful at expanding comprehensive coverage such that only 6.8% of the state's population is uninsured. Expanded access to insurance coverage is important but coverage also must be comprehensive, affordable, and accessible to all. California has been enacting policies to rid the individual and small group markets of junk insurance even before the ACA. With the ACA's reforms that ensure guaranteed issue of products, prevent underwriting, and require inclusion of essential health benefits, there is no reason to allow these noncompliant products to remain in the market. These products only serve to confuse and mislead Californians into a false security that their health care needs will be covered. These products are not made available to everyone, and in addition to confusing consumers, they are destabilizing the ACA market, resulting in increased premiums for ACA products. The Urban Institute has released an issue brief stating that average premiums in the ACA-compliant individual insurance market would increase approximately 18% in the states that do not prohibit or limit

expanded short-term limited duration plans. This increase includes the impact of the elimination of the individual mandate penalties. For California, the issue brief indicates a 17.8% premium increase for 2019.

2) BACKGROUND.

a) Short-term limited duration coverage. According to a December 2017 brief by the Georgetown University Health Policy Institute Center on Health Insurance Reforms, short-term limited duration insurance is health insurance that, by definition, covers someone for less than 12 months and is not renewable. It was designed to fill temporary gaps in coverage. These policies do not have to meet ACA consumer protection requirements and they are generally issued to consumers who can pass medical underwriting. These policies provide minimal financial protection for insureds who become sick or injured. According to one analysis described in the brief, these policies regularly excluded coverage for preexisting conditions, did not cover mental health and substance use services, maternity care, or prescription drugs and included out-of-pocket maximums ranging from $7,000 to $20,000 for only three months of coverage.

b) Federal regulations. Under the ACA, group and individual health insurance cannot include preexisting condition exclusions, discriminate based on health status, have lifetime and annual limits, and are required to cover preventive health services, dependent coverage up to age 26, offer guaranteed issue and renewability of coverage, and cover essential health benefits among other requirements. Under the Obama Administration, federal regulations were adopted to prohibit insurers from offering short-term limited duration policies that lasted longer than three months and required each policy to include a prominent notice that it is not minimum essential coverage, which is coverage that individuals must have to meet ACA requirements and not be subject to a penalty. The Obama regulations took effect January 1, 2017.

The federal departments of Health and Human Services and Labor and Treasury (federal departments) recognized that state regulators may have approved short-term, limited-duration insurance products for sale in 2017 that met the definition in effect prior to January 1, 2017, and therefore indicated they would not enforce the requirement that short-term coverage be less than three months for products sold before April 1, 2017, as long as the coverage ends on or before December 31, 2017.

The Trump Administration issued a proposed rule on February 20, 2018 to expand the maximum coverage duration to up to 364 days and change the notice requirement to reflect that the individual mandate penalty is no longer in effect in 2019 (effective in 2019, the financial penalty for not having insurance will be reduced to zero by the federal Tax Cut and Jobs Act of 2017). The notice also warns that coverage lapsing mid-year may create a coverage gap until the next open enrollment period is available.

Under both sets of regulations, the federal departments estimate that approximately 100,000 to 200,000 additional individuals would shift from the individual market to short-term limited duration insurance in 2019. The federal departments estimate the majority of those who switch would be young and healthy and 90% would be unsubsidized. Comments on the proposed rule were due in April 2018, and once finalized, the Trump regulations will take effect 60 days upon publication.

c) Short-term limited duration health plans in California. While short-term limited duration health insurance policies do not meet the minimum requirements as a health plan regulated by the DMHC, these policies do appear to be subject to some type of regulation under the CDI. CDI indicates that gaps in the intersection of federal and California law make some of these policies arguably permissible in California. CDI indicates that many existing state insurance mandates apply to these policies.

The California Health Care Foundation in its Issue Brief dated April 2018 states that federal policy changes could lead to increased premiums if enrollment in short-term plans grows. The Issue Brief points out that the elimination of the individual mandate penalty and the proposed expansion of short-term plans would create the perfect storm that could take healthy consumers out of Covered California and lead to increased premium rates and the possibility that fewer insurers offer ACA compliant plans and more insurers entering the short term market under weaker federal rules. According to the Issue Brief, and based on self-reporting by insurers, CDI is aware of fewer than 10,000 policies in effect.

3) SUPPORT. Health Access California, the sponsor of this bill, states that without this bill, the pending federal rule will return California's individual insurance market back to the pre-ACA days when consumers were left without care because of loopholes that left behind those who needed maternity care, chemotherapy, or prescription drugs. Western Center on Law and Poverty writes that this bill would maintain the stability of California's individual market by ensuring health coverage sold in California provides comprehensive benefits and consumer protections. Blue Shield of California states that short term policies products do not provide comprehensive coverage, are inexpensive, and attractive to young, healthy individuals who would otherwise likely purchase coverage in Covered California and when fewer young healthy individuals participate in Covered California, premium increases rise, making the cost of care more expensive for everybody.

4) OPPOSE UNLESS AMENDED. The California Association of Health Underwriters and TechNet are opposed unless this bill is amended and state that this bill removes a critical tool for coverage and leaves affected individuals with no option other than to utilize costly emergency services should any medical need arise and requests consideration of amendments making these plans available to those who are otherwise legally prohibited from purchasing comprehensive coverage and limited in duration until the next open enrollment. Anthem Blue Cross also opposed unless amended writes that short term plans should be available for rare circumstances when comprehensive coverage may not be immediately available.

5) PREVIOUS LEGISLATION. AB 1180 (Pan), Chapter 441, Statutes of 2013, makes inoperative several provisions in existing law that implement the health insurance laws of the federal Health Insurance Portability and Accountability Act of 1996 and additional provisions that provide former employees rights to convert their group health insurance coverage to individual market coverage without medical underwriting, because of the ACA. AB 1180 also establishes notification requirements informing individuals affected by AB 1180 of health insurance available in 2014 under the ACA.

REGISTERED SUPPORT / OPPOSITION:

Support

Health Access California (sponsor)

Alliance of Californians for Community Empowerment Action

America's Physician Groups

American Cancer Society Cancer Action Network

American Federation of State, County and Municipal Employees, AFL-CIO

American Lung Association

Asian Law Alliance

Blue Shield of California

California Academy of Family Physicians

California Chapter of the American College of Emergency Physicians

California Federation of Teachers

California Health Professional Student Alliance

California Immigrant Policy Center

California Labor Federation

California Pan-Ethnic Health Network

California Physicians Alliance

California Voices for Progress

Children's Defense Fund

Community Health Councils

Congress of California Seniors

Courage Campaign

Disability Rights California

Kaiser Permanente

Leukemia & Lymphoma Society

Molina Healthcare of California

National Health Law Program

National Multiple Sclerosis Society

San Francisco AIDS Foundation

Western Center on Law and Poverty

Opposition

None on file.

Analysis Prepared by: Kristene Mapile / HEALTH / (916) 319-2097

SB 974 (Lara):

Disposition: Pending

Location: Assembly Appropriations Committee

Bill Analysis - 06/15/2018 - Assembly Health Committee, Hearing Date 06/19/2018

Date of Hearing: June 19, 2018

ASSEMBLY COMMITTEE ON HEALTH

Jim Wood, Chair

SB 974

(Lara) - As Amended May 25, 2018

SENATE VOTE: 21-12

SUBJECT: Medi-Cal: immigration status: adults.

SUMMARY: Extends full scope Medi-Cal coverage to individuals who are 65 years of age and older who do not have or are unable to establish satisfactory immigration status, as specified. Makes this expansion of eligibility contingent upon an appropriation in the annual Budget Act. Specifically, this bill:

1) Requires individuals who do not have satisfactory immigration status who are enrolled in limited scope Medi-Cal to be enrolled in full scope Medi-Cal pursuant to an eligibility and enrollment plan, which includes outreach strategies developed by the Department of Health Care Services (DHCS) in consultation with interested stakeholders, including but not limited to counties, health plans, consumer advocates and the Legislature.

2) Requires individuals in 1) above to enroll into Medi-Cal managed care health plans, and to pay copayments and premium contributions to the extent required of otherwise eligible Medi-Cal recipients who are similarly situated.

3) Requires DHCS to maximize federal financial participation in implementing these requirements to the extent allowable.

EXISTING LAW:

1) Establishes the Medi-Cal program, administered by DHCS, under which low income individuals are eligible for medical coverage.

2) Makes adults and parents with incomes up to 138% of the federal poverty level (FPL) who are under age 65 eligible for Medi-Cal, and makes children with incomes up to 266% of the FPL eligible for Medi-Cal, including providing full-scope Medi-Cal benefits to undocumented children through age 18.

3) Makes individuals who do not have satisfactory immigration status (undocumented individuals) ages 19 and above, who are otherwise eligible for Medi-Cal services, eligible only for care and services that are necessary for the treatment of an emergency medical condition and medical care directly related to the emergency, as defined in federal law.

4) Makes low-income undocumented individuals eligible for Medi-Cal for pregnancy coverage, breast and cervical cancer-related treatment services, family planning services, and long-term care services.

5) Defines, under state law, an "emergency medical condition" as a medical condition (including emergency labor and delivery) manifesting itself by acute symptoms of sufficient severity (including severe pain) such that the absence of immediate medical attention could reasonably be expected to result in:

a) Placing the patient's health in serious jeopardy;

b) Serious impairment to bodily functions; or,

c) Serious dysfunction of any bodily organ or part.

FISCAL EFFECT: According to the Senate Appropriations Committee:

The fiscal estimates below are subject to a great deal of uncertainty. The rates at which immigrants who are undocumented apply for either Medi-Cal or subsidized coverage are unknown and are known to be heavily influenced by concerns pertaining to gaining attention of authorities, language barriers, and income-eligibility. In addition, the age and health status of those who ultimately would enroll in Medi-Cal or subsidized coverage will have a significant impact on the costs to provide coverage. The literature has typically demonstrated the immigrant population to be typically healthier.

The Legislative Analyst's Office (LAO) May 10, 2018 Budget and Policy estimates the total net state cost of this coverage expansion is approximately $3 billion General Fund in 2018-19. Using the LAO's analysis, staff notes the amendments would provide for an estimated total net cost of $330 million General Fund for the proposal.

COMMENTS:

1) PURPOSE OF THIS BILL. According to the author, Californians now agree that healthcare is a human right, and undocumented elders have lived and worked in California for decades but they are left behind by Washington's colossal failure to pass comprehensive immigration reform. Like all seniors they are working later in life, caring for grandchildren, and still contributing to our economy. Undocumented Californians pay $3.2 billion in state and local taxes but are still shut out from preventive care and doctor visits that other Californians have. The author concludes that every day we wait means more expensive emergency room visits, lost productivity, and shorter lives for people who deserve dignity in their old age.

2) BACKGROUND.

a) Medi-Cal Coverage for Immigrants. In order to be Medi-Cal eligible, an individual must be a state resident and generally must be low-income. Recent legal immigrants and undocumented immigrants who meet income and residency requirements are Medi-Cal eligible, but the scope of that coverage depends on the immigration status of the immigrant and the age of the individual. Undocumented children were made eligible for full-scope Medi-Cal services pursuant to SB 75 (Committee on Budget and Fiscal Review), Chapter 18, Statutes of 2016, the health budget trailer bill. As of December 2017, a total of 218,571 undocumented children have enrolled in full-scope Medi-Cal, in two distinct populations:

i) Restricted-scope Medi-Cal beneficiaries. As of December 2017, 120,614 undocumented children previously enrolled in restricted-scope Medi-Cal coverage transitioned into full-scope Medi-Cal coverage; and,

ii) Not previously enrolled. DHCS estimated 130,924 undocumented children that were eligible for, but not enrolled in, restricted-scope Medi-Cal were eligible for full-scope coverage under the expansion of eligibility. As of December 2017, 97,957 children in this category enrolled in full-scope benefits.

Undocumented immigrants age 19 and above are not eligible for full scope services, and are instead eligible for "limited scope" Medi-Cal benefits. Limited scope services are long-term care, pregnancy-related benefits, and emergency services. Medi-Cal also provides coverage for undocumented individuals needing breast and cervical cancer treatment, family planning services through Family PACT (Planning, Access, Care, and Treatment), and through temporary presumptive eligibility programs. Undocumented adults are not eligible (with very few exceptions) for enrollment in Medi-Cal managed care plans.

b) The Affordable Care Act (ACA) and the remaining uninsured. According to data from the Centers for Disease Control and Prevention, National Health Interview Survey, the rate of Californians without insurance has declined from 17.2% in 2012 to 6.8% in the first six months of 2017. According to preliminary data from data from the UC Berkeley Center for Labor Research and Education (UC Berkeley) and the UCLA Center for Health Policy Research (UCLA) for 2017, there are over three million remaining uninsured ages 0 to 64 in California as follows:

NOTE: THIS SECTION CONTAINS A FORM/CHART THAT IS NOT REPRODUCIBLE IN A TEXT FORMAT. PLEASE CALL STATE NET AT 1-800-726-4566 FOR ADDITIONAL INFORMATION. According to the UC Berkeley and UCLA model, an estimated 1.2 to 1.3 million undocumented adults have income at or below 138% of the FPL (at or below $16,643 in 2017), including nearly one million enrolled in restricted scope Medi-Cal which covers emergency-and pregnancy-related services only.

c) Assembly Budget Committee Health Care Action. On May 7, 2018, the Assembly Budget Committee's Subcommittee No. 1 on Health and Human Services approved several proposals totaling over $1 billion to reform California's health care system. The proposals included extending Medi-Cal to young adults, ages 19-25, who currently meet income-qualifications for Medi-Cal, regardless of immigration status. These proposals were not adopted in the final budget that was approved by the Legislature on May 14, 2018.

3) SUPPORT. This bill is jointly sponsored by Health Access California (Health Access) and the California Immigrant Policy Center (CIPC) and is supported by individuals, low-income, labor, consumer, health care providers, immigrant, religious, and community groups. Health Access writes this bill would bring California one step closer to universal coverage by making full-scope Medi-Cal available to all income-eligible adults regardless of immigration status. CIPC argues making Medi-Cal inclusive of all income-eligible Californians builds upon our state's leadership to advance universal coverage and ensure that no Californian is unjustly barred from access to health care. CIPC writes that almost two-thirds of undocumented Californians have lived in the United States for more than ten years, one in six of all California children have at least one undocumented parent, and undocumented Californians play a significant role in the workforce and the state's economy but are four times more likely to be uninsured than their US citizen counterparts. CIPC writes that despite their critical role in our society and state, undocumented and uninsured Californians are locked out of access to comprehensive health care. Health Access argues Californian's health system and Californians in general are healthier and stronger when everyone is included, and that when every Californian has the opportunity to have affordable comprehensive health coverage, they have access to preventive, primary and ongoing care as well as financial security against medical debt and bankruptcy.

4) RELATED LEGISLATION. AB 2965 (Arambula) extends eligibility for full-scope Medi-Cal benefits to an individual who is under 26 years of age and who does not have satisfactory immigration status, as specified. AB 2965 is pending in Senate Health Committee.

5) PREVIOUS LEGISLATION.

a) SB 10 (Lara), Chapter 22, Statutes of 2016, required Covered California (CC) to apply to the federal Department of Health and Human Services for a Section 1332 waiver to allow persons who are not otherwise able to obtain coverage through CC by reason of immigration status to obtain coverage from CC by waiving the requirement that CC offer only qualified health plans.

b) SB 4 (Lara), Chapter 709, Statutes of 2015, required undocumented individuals under 19 years of age enrolled in Medi-Cal at the time the Director of DHCS makes the determination to be enrolled in full scope of Medi-Cal benefits, if otherwise eligible, pursuant to an eligibility and enrollment plan.

c) SB 97 (Budget and Fiscal Review Committee), Chapter 11, Statutes of 2015, expanded eligibility for full-scope Medi-Cal benefits for undocumented children under the age of 19, regardless of immigration status.

d) SB 1005 (Lara) of 2014 would have extended Medi-Cal eligibility to individuals who would otherwise be eligible, except for their immigration status, and would have created a new health benefit exchange, to provide subsidized health care coverage to individuals who cannot purchase health care coverage through CC due to their immigration status. SB 1005 was held on the Senate Appropriations suspense file.

e) AB X1 1 (John A. Perez), Chapter 3, Statutes of 2013-14 First Extraordinary Session, implemented specified Medicaid provisions of the ACA, including the expansion of federal Medicaid coverage to low-income adults with incomes between 0-138% of the FPL. AB X1 1 also implemented a number of the Medicaid ACA provisions to simplify the eligibility, enrollment and renewal processes for Medi-Cal.

REGISTERED SUPPORT / OPPOSITION:

Support

Health Access California (cosponsor)

California Immigrant Policy Center (cosponsor)

American Academy Of Pediatrics, California

American Civil Liberties Union

American Federation of State, County and Municipal Employees, AFL-CIO

Asian Law Alliance

California Academy of Family Physicians

California Access Coalition

California Association for Nurse Practitioners

California Association of Health Plans

California Black Health Network

California Chapter of the American College of Emergency Physicians

California Food Policy Advocates

California Health Professional Student Alliance

California Immigrant Youth Justice Alliance

California Medical Association

California Pan - Ethnic Health Network

California Physicians Alliance

California State Council of Service Employees International Union

California Teachers Association

California Voices for Progress

Children's Defense Fund-California

Clinica Msr. Oscar A. Romero

Community Clinic Association of Los Angeles County

Community Health Councils

Congress of California Seniors

Council on American-Islamic Relations

County Behavioral Health Directors Association of California

County Health Executives Association of California

County of Santa Clara

Courage Campaign

Having Our Say Coalition

Hispanas Organized for Political Equality

Indivisible CA State Strong

Inland Coalition for Immigrant Justice

National Health Law Program

SEIU California

St. Anthony Foundation

United Ways of California

UPLIFT

Young Invincibles

Opposition

None on file.

Analysis Prepared by: Rosielyn Pulmano / HEALTH / (916) 319-2097

SB 1105 (Skinner):

Status: 05/25/2018 In SENATE Committee on APPROPRIATIONS: Held in committee

SB 905 (Wiener):

Disposition: Pending

Committee: Assembly Governmental Organization Committee

Hearing: 06/28/2018, State Capitol, Room 4202

Bill Analysis - 05/29/2018 - Senate Floor

SENATE RULES COMMITTEE SB 905 Office of Senate Floor Analyses (916) 651-1520 Fax: (916) 327-4478
THIRD READING

Bill No: SB 905

Author: Wiener (D), et al.

Amended: 5/25/18

Vote: 21

SENATE GOVERNMENTAL ORG. COMMITTEE: 8-2, 3/13/18

AYES: Dodd, Bradford, Cannella, Galgiani, Glazer, Hill, Lara, Portantino

NOES: Gaines, Vidak

NO VOTE RECORDED: Berryhill, Hueso

SENATE APPROPRIATIONS COMMITTEE: 5-2, 5/25/18

AYES: Lara, Beall, Bradford, Hill, Wiener

NOES: Bates, Nielsen

SUBJECT: Alcoholic beverages: hours of sale

SOURCE: Author

DIGEST: This bill authorizes the Department of Alcoholic Beverage Control (ABC), beginning January 1, 2021, to issue an additional hours license to an on-sale licensee in a qualified city that would allow the selling, giving, or purchasing of alcoholic beverages at the licensed premises between the hours of 2 a.m. and 4 a.m., upon completion of specified requirements.

ANALYSIS:

Existing law:

1) Establishes the Department of ABC and grants it exclusive authority to administer the provisions of the ABC Act in accordance with laws enacted by the Legislature. This involves licensing individuals and businesses associated with the manufacture, importation, and sale of alcoholic beverages in this state and the collection of license fees.

2) Provides that any on-sale or off-sale licensee, or agent or employee of the licensee, who sells, gives or delivers to any person any alcoholic beverage between the hours of 2 a.m. and 6 a.m. of the same day, and any person who knowingly purchases any alcoholic beverages between those hours, is guilty of a misdemeanor.

3) Caps the number of new on and off-sale general licenses issued by ABC at one for every 2,500 inhabitants of the county where the establishment is located for off-sale licenses, and 2,000:1 for on-sale licenses. If no licenses are available from the state due to the population restrictions, those people interested in obtaining a liquor license may purchase one from an existing licensee, for whatever price the market bears.

This bill:

1) Requires the Department of ABC, beginning on January 1, 2021, to conduct a pilot program, and pursuant to that pilot program, may issue an additional hours license that would authorize, with our without conditions, the selling, giving, or purchasing of alcoholic beverages at an individual on-sale licensed premises between the hours of 2 a.m. and 4 a.m. within a qualified city.

2) Defines a "qualified city" to mean the Cities of Long Beach, Los Angeles, Oakland, Palm Springs, Sacramento, San Francisco, and West Hollywood.

3) Requires the local governing body, as defined, of a qualified city to designate a task force that includes at least one member of law enforcement and one additional member of the California Highway Patrol (CHP), to develop a recommended local plan that meets various specified requirements.

4) Requires the local governing body, upon its independent assessment, to adopt an ordinance that satisfies the elements of the local plan and to submit the ordinance to the Department of ABC for review.

5) Authorizes a local governing body to charge an additional hours licensee a fee to fund local law enforcement.

6) Specifies that an on-sale licensee that has conditions on the license that restrict the hours of sale, service, or consumption of alcohol, to a time earlier than 2 a.m. shall not be eligible for an additional hours license.

7) Requires that all persons engaged in the sale or service of alcohol during the additional hours period complete a responsible beverage training course.

8) Prohibits the additional hours license to be transferred between on-sale licensed premises.

9) Requires the Department of ABC, upon receipt of an application, to make a thorough investigation, including whether the additional hours would unreasonably interfere with the quiet enjoyment of their property by the residents of the local community.

10) Authorizes the Department of ABC to deny an application if the issuance of that license would tend to create a law enforcement problem or if issuance would result in or add to an undue concentration of licenses.

11) Requires the applicant to notify the law enforcement agencies of the city, the residents of the city located within 500 feet of the premises for which an additional hours license is sought, and any other interested parties, as determined by the local governing body, within 30 consecutive days of the filing of the application.

12) Requires the Department of ABC to notify the local governing body and all protesting parties who protests have been accepted of its determination to grant the additional hours license.

13) Authorizes any person who has filed a verified protest in a timely fashion that has been accepted to request that the Department of ABC conduct a hearing on the issue raised in the protest. The request shall be in writing and filed within 15 business days of the date the Department of ABC notifies the protesting party of its determination.

14) Restricts access to premises with an additional hours license to patrons 21 years of age or older during the additional hours period. If the person under 21 years of age enters and remains in the licensed premises during the additional hours period, he/she is guilty of a misdemeanor and shall be punished by a fine of no less than $200 dollars. This provision does not prohibit the presence on the licensed premises of a person under 21 years of age that is otherwise authorized by law.

15) Requires the applicant to pay a nonrefundable fee of $2,500 at the time of applying for an additional hours license. An original and annual fee for an additional hours license shall be $2,500. Fees collected shall be deposited into the Alcohol Beverage Control Fund.

16) Requires, on or before January 1, 2025, the CHP to provide the Legislature with a report on the regional impact of the additional hours service areas, which shall include information on any additional costs incurred by adjacent cities, counties, and cities and counties and law enforcement as a result of an additional service area, including the impact an additional hours service area had on arrests for driving under the influence in adjacent cities, counties, and cities and counties.

17) Requires, on or before January 1, 2025, a qualified city that chose to participate in the pilot program to provide the Legislature with a report on the regional impact of the additional hours license, which shall include information on the overall costs of providing policing during the additional service hours and any impact the additional hours had on crime rates in the city, including arrests for driving under the influence.

18) Includes a sunset date of January 2, 2026.

19) Makes various legislative findings.

Comments

Purpose of the bill. The author notes that, "social and nightlife venues are an economic driver in many communities, and the State's food service and entertainment industries generate billions of dollars in consumer spending and employ well over a million Californians. This optional tool for local control over nightlife will increase tax revenue and tourism as well as revitalize business districts. No city would be required to allow alcohol service past 2 a.m. Rather, the bill allows these six cities to opt in: pure local control."

Further, the author states that, "currently our California destination cities are at a disadvantage when competing with cities both nationally and internationally for tourists, conventions, and conferences. In addition, the current uniform closing hour of 2 a.m. creates stress on public services, transportation, and local law enforcement when patrons are simultaneously pushed out onto the street at that hour."

Currently, numerous cities and towns throughout the country have late-night service hours, including Chicago, Washington, D.C., New York City, Buffalo, Las Vegas, Louisville, Atlanta, Indianapolis, Miami Beach, New Orleans and Albany. In addition, many cities across the globe have extended or established flexible service times, including Barcelona, Tokyo, Berlin, Rio de Janeiro, and Sydney.

The author's office points out that SB 905 aligns California with a number of states and international cities where local jurisdictions have the authority to decide alcoholic beverage service hours.

State v. local control of alcohol policy. The Department of ABC is vested with the exclusive authority to license and regulate the manufacture, distribution, and sale of alcoholic beverages within California. Currently, the Department of ABC must notify specified local officials of an application for the issuance or transfer of a liquor license and existing law prohibits the Department of ABC from issuing or transferring a license until at least 30 days after these notices are provided. Local officials are also allowed to file a protest against the issuing of the license.

Under this bill, the local governing body of that qualified city must establish a taskforce that will be responsible for developing a recommended local plan. The local plan must, among other things, show significant support by residents and businesses within the additional hours services area, include an assessment by local law enforcement regarding the potential impact of the additional hours service area, and a public safety plan created by local law enforcement. Based on that assessment, the local governing body must adopt an ordinance that satisfies the local plan and submit that ordinance to the Department of ABC. The on-sale licensee, wishing to obtain an additional hours license, must submit an application for the additional hours privilege, as well as a nonrefundable application fee of $2,500.

Last call in other states. The last call in other states can vary dramatically from state to state. The State of Utah for example has its last call at 12 a.m., while the State of Nevada allows for the sale of alcohol 24 hours a day. Other states, including the State of Alabama, allow every single one of their cities and towns to establish their own closing times. Other states, such as the State of Wisconsin, allow for additional hours during the weekend compared to their weekday closing times. Additionally, other states, including the State of New York, allow bars/clubs in the City of New York to remain open until 4 a.m., while their counterparts in smaller cities must close at 3 a.m.

Related/Prior Legislation

SB 384 (Weiner, 2017) would have established a process whereby an on-sale licensee would have been able to apply to the Department of ABC for the privilege of extending hours of alcohol sales from 2 a.m. to 4 a.m., in any city where the local government approved and certified a local plan, and submitted the plan to the Department of ABC. (Gutted and amended to an unrelated issue)

SB 635 (Leno, 2013) would have allowed an on-sale alcohol licensee to apply to the Department of ABC to authorize, with or without conditions, the selling, giving, delivering, or purchasing of alcoholic beverages at the licensed premises between the hours of 2 a.m. and 4 a.m., upon

completion of specified requirements by the local jurisdiction in which the licensee is located. (Held in the Senate Governmental Organization Committee)

AB 2433 (Leno, 2004) would have extended the hours of alcohol sales for on-sale licensees in the City and County of San Francisco from 2 a.m. to 4 a.m. (Held in the Assembly Governmental Organization Committee)

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

According to the Senate Appropriations Committee, estimated costs of approximately $2 million to ABC for FY 2019-20 and ongoing costs up to $2.5 million annually thereafter for developing the program, processing licenses, and enforcement.

Additionally, a one-time significant cost up to $300,000 to CHP for involvement in task forces. This assumes all six cities will choose to create a task force and subsequently require a member of law enforcement to participate. As well, as a one-time costs of approximately $45,000 to CHP for increased workload to complete the required report to the Legislature.

Furthermore, estimated costs to the Department of Justice of about $30,000 in FY 2019-20 and ongoing costs of $60,000 per year thereafter for enforcement

Finally, ongoing revenue, ranging from approximately $1.5 million (in FY 2019-20) to over $3 million in subsequent years, from fees generated from the additional hours licenses. The amount of revenue depends on the volume of license applications and renewals in subsequent years. Revenue can potentially offset the cost of administering the program.

SUPPORT: (Verified 5/25/18)

213 Hospitality

California Hotel & Lodging Association

California Music & Culture Association

California Restaurant Association

California Small Business Association

California Teamsters Public Affairs Council

California Travel Association

Central City Association

City of Oakland

City of Palm Springs

City of West Hollywood

Darrell Steinberg, Mayor of Sacramento

Downtown Long Beach Alliance

Greater Los Angeles Hospitality Association

Hotel Council of San Francisco

Long Beach Area Chamber of Commerce

Los Angeles Area Chamber of Commerce

Lyft

Mark E. Farrell, Mayor of San Francisco

Robert Garcia, Mayor of Long Beach

San Francisco Bar Owner Alliance

San Francisco Chamber of Commerce

San Francisco Taxi Workers Alliance

San Francisco Travel Association

State Coalition of Probation Organization

UBER

UNITE HERE, AFL-CIO

Valley Industry and Commerce Association

West Hollywood Chamber of Commerce

OPPOSITION: (Verified 5/25/18)

Alcohol & Drug Abuse Prevention Team

Alcohol Justice

Alcohol Policy Panel of San Diego County

Asian American Drug Abuse Program, Inc.

Barbary Coast Neighborhood Association

California Alcohol Policy Alliance

California Council on Alcohol Problems

Cambodian Association of America

Center for Open Recovery

Coalition for Drug Free Escondido

Community Action Service Advocacy

East Palo Alto Substance Abuse Prevention Coalition

FASD Network of Southern California

Golden Gateway Tenants Association

Health Officers Association of California

Los Angeles Drug & Alcohol Policy Alliance

Mountain Communities Coalition Against Substance Abuse

National Council on Alcoholism and Drug Dependence- Orange County

North Coastal Prevention Coalition

One East Palo Alto

Partnership for a Positive Pomona

Prevention Alcohol Related Trauma in Salinas

Pueblo Y Salud, Inc.

Reach Out Against Drugs

San Marcos Prevention Coalition

Sonoma County Board of Supervisors

South Orange County Coalition

Tarzana Treatment Center, Inc.

The Walls Las Memorias Project

United Coalition East Prevention Project

Wellness & Prevention Coalition

West County Alcohol Marijuana and Prescription Drug Coalition

Westside Impact Project

Several individuals

ARGUMENTS IN SUPPORT: The California Music & Culture Association argues that, "the current California one-size-fits-all model for late night closing times does not take into account diverse communities and varying needs. Our local communities should be allowed to develop transparent local plans that bring the public, local government, and transportation all to the table. SB 905 is a well-balanced solution that provides local control over night-life while helping to grow our travel and tourism industry."

ARGUMENTS IN OPPOSITION: According to the Alcohol Policy Panel of San Diego County, if this bill passes, "76% of the state's population will be affected. They will experience increases in alcohol consumption and related problems including violence, emergency room admission, injuries, alcohol-impaired driving, and motor vehicle crashes. Furthermore, it will have regional consequences, especially for municipalities within

driving distance of cities who adopt a later closing time forcing neighboring cities to absorb increased financial and societal burden related to DUI."

Prepared by: Felipe Lopez / G.O. / (916) 651-1530

CONSEQUENCE OF NEGATIVE ACTION: The Board of Supervisors will not have an official position on these bills for the purpose of advocacy.