

Senate Bill No. 260

Passed the Senate August 12, 2004

Secretary of the Senate

Passed the Assembly August 4, 2004

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day of
_____, 2004, at _____ o'clock __M.

Private Secretary of the Governor

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CHAPTER _____

An act to add Section 6534 to the Government Code, relating to health care.

LEGISLATIVE COUNSEL'S DIGEST

SB 260, Romero. Health care.

Existing law authorizes the formation of local health care districts and the establishment of municipal hospitals for the purpose of providing needed public health care services. Existing law, the Joint Exercise of Powers Act, permits 2 or more public agencies to enter into an agreement to jointly exercise any power common to the contracting parties.

This bill would create the California Prison Inmate Health Service Reform Act and would authorize the Department of Corrections to enter into joint powers agreements with one or more health care districts in order to establish regional inmate health service joint powers agencies. The bill would establish the purposes for which inmate health service joint powers authorities may be utilized.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) California's prison inmate health care delivery system is in a state of disarray.

(b) Health care districts operate 32 rural public hospitals in California. Many of these hospitals are located within 10 miles of a state prison facility, and are able to provide all necessary health care services for the majority of prison inmates.

(c) California prison administrators frequently bypass health care district hospitals when seeking care for inmates, in favor of more distant and preferred hospitals.

(d) Health care districts operate public hospitals that provide more than 50 percent of all hospital care in rural California.

(e) California's rural district hospitals have struggled for financial survival for more than the past 10 years, posting net



operating losses of more than \$22,000,000 in 2002 according to the Office of Statewide Health Planning and Development.

(f) More extensive utilization of the rural public hospitals operated by health care districts for delivery of inmate health services leverages state inmate health care dollars to maximum effect ensuring the long-term survival of the state's rural health safety net while helping to reduce state General Fund expenditures for inmate health care.

(g) Health care district management expertise could significantly improve prison health facility management, health care utilization review, quality of health care review, and health care staff recruitment. This assistance would assist Department of Corrections staff in improving health care quality, access, and cost containment.

(h) More effective utilization of health care district hospitals could reduce the cost of outsourced inmate care by at least \$20,000,000 annually, improve the quality of inmate health care, and improve the overall management of California's prison health care system.

(i) It is in the best interests of California's prison inmates, the State of California, and California's rural health safety net, that the Department of Corrections and health care districts form regional joint powers agencies to provide, arrange for, and assist in the provision of health care services to California prison inmates.

SEC. 2. Section 6534 is added to the Government Code, to read:

6534. (a) This section shall be known, and may be cited, as the California Prison Inmate Health Service Reform Act.

(b) The Department of Corrections may enter into joint powers agreements under this chapter with one or more health care districts established in accordance with Division 23 (commencing with Section 32000) of the Health and Safety Code, in order to establish regional inmate health service joint powers agencies.

(c) Inmate health service joint powers authorities may be utilized for any purpose related to the provision, acquisition, or coordination of inmate health care services, including, but not limited to, all of the following:

(1) The provision of district hospital-based surgical, diagnostic, emergency, trauma, acute care, skilled nursing, long-term, and inpatient psychiatric care.



- (2) Health care utilization review services.
- (3) Health facility management consultation services.
- (4) Health care contract design, negotiation, management, and related consultation services.
- (5) Health care quality monitoring, management, and oversight consulting services.
- (6) Physician and health care staff recruitment services.
- (7) The design, construction, and operation of dedicated, secure, community-based health care facilities for the provision of inmate health care services.



Approved _____, 2004

Governor

