

AMENDED IN ASSEMBLY AUGUST 31, 2005

AMENDED IN ASSEMBLY JULY 13, 2005

AMENDED IN SENATE MAY 3, 2005

**SENATE BILL**

**No. 159**

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**Introduced by Senator Runner**

February 8, 2005

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An act to add and repeal Section 4011.10 of the Penal Code, relating to health care.

LEGISLATIVE COUNSEL'S DIGEST

SB 159, as amended, Runner. Inmates: health care services.

Existing law authorizes the Department of Corrections *and Rehabilitation* and the Department of the Youth Authority to contract with providers of emergency health care services. Existing law specifies that hospitals and ambulance or other nonemergency response services that do not contract with those departments *the department* shall provide those services at the Medicare rate. Existing law authorizes those departments to work with the State Department of Health Services in obtaining hospital cost information in order to establish allowable costs under those provisions.

This bill would apply these provisions to county sheriffs, chiefs of police, and directors or administrators of local departments of correction, *except that it would specify that hospitals that do not contract with those local law enforcement agencies shall provide their services at a rate equal to 110% of the hospital's actual costs, as specified.*

*This bill would prohibit local sheriff or police from releasing inmates from custody for the purpose of seeking medical care, with the intent to rearrest, unless the hospital determines the action would*

*enable it to collect from a third-party source. By imposing new duties on local law enforcement, the bill would impose a state-mandated local program. Further, this bill would direct specified stakeholders to convene a working group to assist in resolving issues affecting cost and emergency health care for inmates.*

*The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.*

*This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.*

The provisions of the bill would be repealed as of January 1, 2009.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: ~~no~~-yes.

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

1 SECTION 1. Section 4011.10 is added to the Penal Code, to  
2 read:  
3 4011.10. (a) It is the intent of the Legislature in enacting this  
4 section to provide county sheriffs, chiefs of police, and directors  
5 or administrators of local detention facilities with an incentive to  
6 not engage in practices designed to avoid payment of legitimate  
7 emergency health care costs for the treatment or examination of  
8 persons lawfully in their custody, and to promptly pay those costs  
9 as requested by the provider of services. Further, it is the intent  
10 of the Legislature to encourage county sheriffs, chiefs of police,  
11 and directors or administrators of local detention facilities to  
12 bargain in good faith when negotiating a service contract with  
13 hospitals providing emergency health care services. The  
14 Legislature has set a date of January 1, 2009 for this section to be  
15 repealed, and does not intend to delete or extend that date if  
16 county sheriffs, chiefs of police, and directors or administrators  
17 have not complied with the intent of the Legislature, as expressed  
18 in this subdivision.  
19 (b) Notwithstanding any other provision of law, a county  
20 sheriff or police chief may contract with providers of emergency  
21 health care services. Hospitals that do not contract with the

1 sheriff or police chief for emergency health care services shall  
2 provide these services to their departments ~~on the same basis as~~  
3 ~~they are required to provide these services pursuant to Section~~  
4 ~~489.24 of Title 42 of the Code of Federal Regulations. No sheriff~~  
5 ~~or police chief shall reimburse a hospital that provides these~~  
6 ~~services, and that their department has not contracted with, at a~~  
7 ~~rate that exceeds the hospital's reasonable and allowable costs,~~  
8 ~~regardless of whether the hospital is located within or outside of~~  
9 ~~California. at a rate equal to 110 percent of the hospital's actual~~  
10 ~~costs according to the most recent Hospital Annual Financial~~  
11 ~~Data report issued by the Office of Statewide Health Planning~~  
12 ~~and Development, as calculated using a cost-to-charge ratio.~~

13 *(c) A county sheriff or police chief shall not request the*  
14 *release of an inmate from custody for the purpose of allowing the*  
15 *inmate to seek medical care at a hospital, and then immediately*  
16 *rearrest the same individual upon discharge from the hospital,*  
17 *unless the hospital determines this action would enable it to bill*  
18 *and collect from a third-party payment source.*

19 *(d) The California Hospital Association, the University of*  
20 *California, the California State Sheriffs' Association and the*  
21 *California Police Chiefs' Association shall, immediately upon*  
22 *enactment of this section, convene the Inmate Health Care and*  
23 *Medical Provider Fair Pricing Working Group. The working*  
24 *group shall consist of at least six members from the California*  
25 *Hospital Association and the University of California, and six*  
26 *members from the California State Sheriffs' Association and the*  
27 *California Police Chiefs' Association. Each organization should*  
28 *give great weight and consideration to appointing members of*  
29 *the working group with diverse geographic and demographic*  
30 *interests. The working group shall meet at least three times*  
31 *annually to identify and resolve industry issues that create fiscal*  
32 *barriers to timely and affordable emergency inmate health care.*  
33 *In addition, the working group shall address issues including, but*  
34 *not limited to, inmates being admitted for care and later*  
35 *rearrested and any other fiscal barriers to hospitals being able to*  
36 *enter into fair market contracts with public agencies. No*  
37 *reimbursement is required under this provision.*

38 *(e) Nothing in this section shall require or encourage a*  
39 *hospital or public agency to replace any existing arrangements*  
40 *that any city police chief, county sheriff, or other public agency*

1 *that contracts for health services for those departments, has with*  
2 *his or her health care providers.*

3 ~~(e)~~

4 *(f)* An entity that provides ambulance or any other emergency  
5 or nonemergency response service to a sheriff or police chief,  
6 and that does not contract with their departments for that service,  
7 shall be reimbursed for the service at the rate established by  
8 Medicare. Neither the sheriff nor the police chief shall reimburse  
9 a provider of any of these services that their department has not  
10 contracted with at a rate that exceeds the provider's reasonable  
11 and allowable costs, regardless of whether the provider is located  
12 within or outside of California.

13 ~~(d) Each sheriff or police chief shall work with the State~~  
14 ~~Department of Health Services in obtaining hospital cost~~  
15 ~~information in order to establish the costs allowable under this~~  
16 ~~section. The State Department of Health Services may provide a~~  
17 ~~sheriff or police chief with hospital cost information that the~~  
18 ~~State Department of Health Services obtains pursuant to Sections~~  
19 ~~14170 and 14171 of the Welfare and Institutions Code.~~

20 ~~(e)~~

21 *(g)* For the purposes of this section, “reasonable and allowable  
22 costs” shall be defined in accordance with Part 413 of Title 42 of  
23 the Code of Federal Regulations and federal Centers for  
24 Medicare and Medicaid Services Publication Numbers 15.1 and  
25 15.2.

26 ~~(f)~~

27 *(h)* For purposes of this section, in those counties in which the  
28 sheriff does not administer a jail facility, a director or  
29 administrator of a local department of corrections established  
30 pursuant to Section 23013 of the Government Code is the person  
31 who may contract for services provided to jail inmates in the  
32 facilities he or she administers in those counties.

33 ~~(g)~~

34 *(i)* This section is repealed as of January 1, 2009.

35 *SEC. 2. If the Commission on State Mandates determines that*  
36 *this act contains costs mandated by the state, reimbursement to*  
37 *local agencies and school districts for those costs shall be made*

1 *pursuant to Part 7 (commencing with Section 17500) of Division*  
2 *4 of Title 2 of the Government Code.*

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