

ASSEMBLY BILL

No. 2849

Introduced by Assembly Member Gomez

February 19, 2016

An act to amend Section 127340 of the Health and Safety Code, relating to hospitals.

LEGISLATIVE COUNSEL'S DIGEST

AB 2849, as introduced, Gomez. Hospitals.

Existing law requires hospitals to annually adopt and update a community benefits plan, as defined. Existing law makes findings with respect to the community benefits provided by not-for-profit hospitals.

This bill would make technical, nonsubstantive changes to those provisions.

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

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

- 1 SECTION 1. Section 127340 of the Health and Safety Code
- 2 is amended to read:
- 3 127340. The Legislature finds and declares all of the following:
- 4 (a) Private not-for-profit hospitals meet certain needs of their
- 5 communities through the provision of essential health care and
- 6 other services. Public recognition of their unique status has led to
- 7 favorable tax treatment by the government. In exchange, ~~nonprofit~~
- 8 *not-for-profit* hospitals assume a social obligation to provide
- 9 community benefits in the public interest.

(b) Hospitals and the environment in which they operate have undergone dramatic changes. The pace of change will accelerate in response to health care reform. In light of this, significant public benefit would be derived if private not-for-profit hospitals *periodically* reviewed and reaffirmed—~~periodically~~ their commitment to assist in meeting their communities' health care needs by identifying and documenting benefits provided to the communities which they serve.

(c) California's private not-for-profit hospitals provide a wide range of benefits to their communities in addition to those reflected in the financial data reported to the state.

(d) Unreported community benefits that are often ~~provided~~ *provided*, but not otherwise ~~reported~~ *reported*, include, but are not limited to, all of the following:

- (1) Community-oriented wellness and health promotion.
 - (2) Prevention services, including, but not limited to, health screening, immunizations, school examinations, and disease counseling and education.
 - (3) Adult day care.
 - (4) Child care.
 - (5) Medical research.
 - (6) Medical education.
 - (7) Nursing and other professional training.
 - (8) Home-delivered meals to the homebound.
 - (9) Sponsorship of free food, shelter, and clothing to the homeless.
 - (10) Outreach clinics in socioeconomically depressed areas.
- (e) Direct provision of goods and services, as well as preventive programs, should be emphasized by hospitals in the development of community benefit plans.