

## **UC Irvine**

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## **LEGISLATIVE REPORT**

**Michael J. Buchele, MD, FAAEM, FACEP**  
(*Note: Information on all mentioned bills and propositions can be found at [www.leginfo.ca.gov/billinfo.html](http://www.leginfo.ca.gov/billinfo.html).)*)

Cal/AAEM continues to work with Cal/ACEP, and particularly the GAC (Government Affairs Committee), to monitor ongoing legislation that is working its way through the legislature in Sacramento. Recent discussions between Cal/AAEM and Cal/ACEP have continued to focus on our “common ground” between these two state (as well as national AAEM and ACEP) organizations, and how we can more effectively work together to double our “clout” at the state (as well as national) level to promote legislation to improve Emergency Medical Services to the citizens of California.

Cal/AAEM President Francine Volger, MD, has been in conversations with the new Cal/ACEP President, Irv Edwards, MD, in considering ways for our two organizations to continue to be more effective in working together, and in how Cal/AAEM can better assist in the support of the time- and resource-intensive initiatives of Cal/ACEP and its lobbyist, James Randlett.

As we enter the fall season, politics and campaigns begin to weigh heavily upon the legislators, and final touches and votes or tabling is to occur with the bills that have progressed through committee.

Another factor this fall is that Governor Arnold Schwarzenegger has called a special election for November 8, 2005. The measures that he has determined will appear on that statewide election ballot are as follows:

### Proposition 73 - Parental Consent

Requires parental consent before a minor can have an abortion.

### Proposition 74 - Teacher Tenure

Extends from two to five years the amount of time required for teachers to achieve tenure.

### Proposition 75 - Union Dues

Requires written consent from public employee union members before their dues can be used for political purposes.

### Proposition 76 - Budget

Imposes new spending cuts and allows the Governor more leeway in cutting programs.

### Proposition 77 - Redistricting

Creates a panel of three retired judges to draw legislative and congressional district boundaries.

### Proposition 78 - Prescription Drugs

(PhARMA/Pharmaceutical Industry)

Would create a program that pharmaceutical manufacturers would voluntarily participate in to provide discount drugs to low-income Californians.

### Proposition 79 - Prescription Drugs

(Democrats/Labor)

Would require pharmaceutical manufacturers to participate in a state program to provide cheaper prescription drugs to elderly and low-income Californians. Failure to participate in this program would result in those companies being eliminated from the Medi-Cal program.

### Proposition 80 - Energy

Would re-regulate electricity.

Obviously, Props # 73, 76, 78, and 79 will most directly affect Emergency Physicians. Cal/AAEM and Cal/ACEP will be monitoring these propositions along with the CMA, and future discussions on which to support will be held.

Also note that Prop 63 will also be on the ballot: it deals with issues of 51-50 patients that are inundating emergency departments, and is also under review for its effect on our delivery of care to our psychiatric patients.

In 2003, CMA successfully obtained a court injunction to block a cut in Medi-Cal reimbursement rates. Unfortunately, on August 2nd the Appeals Court overturned this ruling. This ruling opens the door for the Administration to reduce Medi-Cal reimbursement

rates by 5%, even though the State Budget has already been approved. CMA is sponsoring AB 1735 (De La Torre and Aghazarian), which would block implementation of Medi-Cal provider reimbursement cuts retroactively or in the current year, and Cal/AAEM strongly supports this legislation.

SB 57 (Alarcon) would allow a county board of supervisors to raise fines and forfeitures on alcohol and traffic offenses (excluding parking tickets) by \$2 for every \$10 of the base fine. The increase in revenues would go towards the Local Emergency Services Fund, also referred to as the Maddy Fund, which reimburses physicians for uncompensated ER care. The bill would also establish pediatric trauma dollars for reimbursement and expansion of services. The author estimates that this bill will generate about \$60 million per year. With the help of calls, emails, and faxes from physicians, SB 57 passed out of both houses of the Legislature, and is now sitting on the Governor's desk. Cal/AAEM also strongly supports this bill.

SB 364 (Perata) is being put on the inactive file on the floor of the State Assembly. This means that SB 364 will not be further pursued this year, but will be available for reconsideration in 2006. SB 364 is Cal/ACEP's major effort to successfully deal with the balance billing issue to insure that ER physicians get paid fairly and patients don't get balance billed. SB 364 would permit physicians with contracts with HMOs, but not with subcontracting medical groups, to bill the HMOs and receive payment. In these situations physicians would be prohibited from billing patients. Cal/ACEP estimates this would solve one third to one half of the balance billing issue. The reason

that SB 364 is being delayed is that sources revealed that the Governor's office was not ready for this legislation at this time. DMHC would have recommended a veto on the bill, so there is no real sense in sending the bill to the Governor when a veto is almost certain. Cal/ACEP and Cal/AAEM are in a great position for pursuing SB 364 next year. President Pro Tem Don Perata remains the author of this bill, which progressed the farthest in the legislative process—just one vote from the Gov's desk. Rest assured, balance billing will be one of the biggest issues that will occur next year, and we must prepare to do battle with the HMOs over this.

Speaking of HMOs. Assemblyman Leland Yee amended AB 1116 to strike the existing bill in its entirety and replace it with AB 1321. Thus, HMOs and capitated medical groups continue their attack on emergency physicians, aided and abetted by Assemblyman Yee. Creating a new bill late in the legislative session is a technique called "gut and amend" and generally, it is considered bad form when it is done for a bill that has already been defeated. Mr. Yee's AB 1321 was not taken up by the Assembly Appropriations Committee in May, which killed the bill for 2005. Cal/ACEP was very effective in defeating AB 1321, and together CAL/ACEP and Cal/AAEM will be just as resolved and effective in defeating AB 1116.

My thanks to the CMA, ACCMA, GAC, Cal/ACEP, and Jim Randlett for their contributions to the above report.

Stay tuned. Please feel free to let us know your thoughts at [calaaem@aaem.org](mailto:calaaem@aaem.org).