

SB 227 (LEYVA): HEALTH CARE FACILITIES: INSPECTIONS AND PENALTIES

POSITION: The Chamber's Public Policy Sub-Committee on Healthcare voted to OPPOSE the bill on May 8, 2019. The Chamber's Public Policy Committee voted to OPPOSE the bill on May 14, 2019. The Chamber's Board of Directors voted to OPPOSE the bill on May 23, 2019.

RATIONALE: SB 227 does not improve patient outcomes but adds significant costs to healthcare.

STATUS: SB 227 was introduced by Senator Connie Leyva and has passed out of committees where it waits for a vote on the floor of the Senate.

SUMMARY

SB 227 builds off of existing nurse to patient ratios by requiring periodic inspections of hospitals, and removes any flexibility for hospitals that are found to be out of compliance. Per current law, should a facility be briefly out of compliance due to a nurse calling in sick, or a flood of trauma patients to an emergency department, there is a review process to determine what penalties, if any, to levy. This bill removes that flexibility and requires fines beginning at \$30,000 for any instance of noncompliance found.

INDUSTRY/IES IMPACTED

The healthcare industry would be impacted by this bill.

SUPPORTERS

- CA State Council of the Service Employees International Union
- United Nurses Association of California
- AFL-CIO
- California Labor Federation
- California Teamsters Public Affairs Council
- Consumer Attorneys of California
- San Francisco Aids Foundation

ARGUMENTS IN FAVOR

- Current regulations are not enforced strongly enough, and as a result patient care is put at risk.
- Maintaining adequate nurse-to-patient ratios are important to maintaining standards of care, and without high penalties, there is no incentive to comply with the law.

OPPONENTS

- Association of CA Healthcare Districts
- CalChamber
- CA Children's Hospital Association
- CA Hospital Association
- Kindred Hospital San Diego
- Palomar Health
- Sharp Healthcare

ARGUMENTS IN OPPOSITION

- Staffing ratios are already clearly spelled out in the law, with provisions to penalize those that are out of compliance and result in harm to patients.
- In an already costly industry, this bill would add \$3 billion in compliance costs per year.