Introduced by Assembly Member Bauer-Kahan

January 22, 2025

An act to amend Sections 1317, 1317.3, 1317.4, and 1317.6 of the Health and Safety Code, relating to health care.

LEGISLATIVE COUNSEL'S DIGEST

AB 290, as introduced, Bauer-Kahan. Emergency services and care. Existing law requires the State Department of Public Health (department) to license and regulate each health facility, defined to mean a facility, place, or building that is organized, maintained, and operated for the diagnosis, care, prevention, and treatment of human illness, and includes, among others, a general acute care hospital and an acute psychiatric hospital.

Existing law, the Unruh Civil Rights Act (Unruh Act), specifies that all persons within the jurisdiction of the state are free and equal, and no matter their sex, race, color, religion, ancestry, national origin, disability, medical condition, genetic information, marital status, sexual orientation, citizenship, primary language, or immigration status are entitled to the full and equal accommodations, advantages, facilities, privileges, or services in all business establishments of every kind.

Existing law requires a health facility that maintains and operates an emergency department to provide emergency services and care, as defined, to any person requesting the services or care for any condition in which the person is in danger of loss of life, or serious injury or illness, as specified. Existing law prohibits the provision of emergency services and care from being based on or affected by, among other characteristics, a person's ethnicity, citizenship, age, preexisting medical

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condition, insurance status, economic status, or a characteristic identified in the Unruh Act, as specified. Existing law requires a hospital to adopt a policy prohibiting discrimination in the provision of emergency services and care, and to prohibit physicians and surgeons who serve on an "on-call" basis to the hospital's emergency room from refusing to respond to a call, based on the characteristics described above. If a hospital fails to timely adopt the required policies and protocols, in addition to denial or revocation of any of its licenses, existing law subjects the hospital to a fine not to exceed \$1,000 for each day after 60 days' written notice from the department that the hospital's policies or protocols are inadequate, as specified.

This bill would delete citizenship and preexisting medical condition, which are also similarly identified in the Unruh Act, from the list of characteristics prohibited from being considered with respect to the provision of emergency services and care. The bill would increase the fine for a hospital's failure to adopt the policies and protocols required for the provision of emergency services and care to \$1,000,000 per day.

Existing law prohibits a hospital, governmental agency, or person from retaliating against, penalizing, or taking other specified actions against a physician or other personnel for reporting in good faith a violation of the requirements governing the provision of emergency services and care, or for refusing to transfer a patient when the physician determines that the transfer or delay caused by the transfer will create a medical hazard to the person, as specified. Existing law subjects a person who violates either of these prohibitions to a civil penalty of no more than \$10,000 per violation.

This bill would increase the maximum amount of that civil penalty to \$1,000,000 per violation.

Under existing law, a hospital found by the department to have committed or been responsible for a violation of the requirements governing the provision of emergency services and care is subject to a civil penalty in an amount not to exceed \$25,000 for each hospital violation, except as specified. A physician and surgeon found by the Medical Board of California to have committed or been responsible for a violation of those requirements is subject to a civil penalty by the board not to exceed \$5,000. Existing law establishes a cumulative maximum limit of \$30,000 for civil penalties against hospitals assessed under these provisions and under a specified federal provision governing emergency examination and treatment for emergency medical conditions and women in labor. Existing law requires the department, when

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determining the amount of a penalty for a hospital violation, to take into account factors including, but not limited to, civil fines that have been imposed for violating the federal provisions. Existing law requires the department to return or credit state penalty amounts to a hospital to ensure that the cumulative maximum limit is not exceeded.

This bill would increase the maximum amount of a civil penalty against a hospital or physician and surgeon that violated the above-referenced requirements to \$1,000,000, respectively. The bill would delete the provisions requiring the cumulative maximum penalty limit and the requirement that the department consider the above-described civil fines imposed for violating federal provisions.

Existing law authorizes a person who suffers personal harm and any medical facility that suffers financial loss resulting from a violation of the requirements relating to the provision of emergency services and care to recover damages, attorney's fees, and other appropriate relief in a civil action against the transferring or receiving hospital, as specified. Existing law also authorizes a person potentially harmed by the emergency services and care provisions or implementing regulations, or the local district attorney or the Attorney General, to bring a civil action to enjoin the violation, as prescribed.

This bill additionally would authorize the local district attorney or the Attorney General to bring a civil action against an entity that violates an injunction issued according to the above provisions, as specified. The bill would require a court to award a civil penalty of up to \$1,000,000, attorney's fees, and litigation costs to the prevailing party.

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

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

- SECTION 1. Section 1317 of the Health and Safety Code is amended to read:
- 3 1317. (a) Emergency services and care shall be provided to
- 4 any person requesting the services or care, or for whom services
- 5 or care is requested, for any condition in which the person is in
- 6 danger of loss of life, or serious injury or illness, at any health
- 7 facility licensed under this chapter that maintains and operates an
- 8 emergency department to provide emergency services to the public
- 9 when the health facility has appropriate facilities and qualified
- 10 personnel available to provide the services or care.

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(b) In no event shall the provision of emergency services and care be based upon, or affected by, the person's ethnicity, eitizenship, age, preexisting medical condition, age, insurance status, economic status, ability to pay for medical services, or any other characteristic listed or defined in subdivision (b) or (e) of Section 51 of the Civil Code, except to the extent that a circumstance such as age, sex, preexisting medical condition, or physical or mental disability is medically significant to the provision of appropriate medical care to the patient.

- (c) Neither the health facility, its employees, nor any physician and surgeon, dentist, clinical psychologist, or podiatrist shall be liable in any action arising out of a refusal to render emergency services or care if the refusal is based on the determination, exercising reasonable care, that the person is not suffering from an emergency medical condition, or that the health facility does not have the appropriate facilities or qualified personnel available to render those services.
- (d) Emergency services and care shall be rendered without first questioning the patient or any other person as to-his or her their ability to pay therefor. However, the patient or his or her their legally responsible relative or guardian shall execute an agreement to pay therefor or otherwise supply insurance or credit information promptly after the services are rendered.
- (e) If a health facility subject to this chapter does not maintain an emergency department, its employees shall nevertheless exercise reasonable care to determine whether an emergency exists and shall direct the persons seeking emergency care to a nearby facility that can render the needed services, and shall assist the persons seeking emergency care in obtaining the services, including transportation services, in every way reasonable under the circumstances.
- (f) A general acute care hospital or acute psychiatric hospital shall not require a person who voluntarily seeks care to be in custody pursuant to Section 5150 of the Welfare and Institutions Code as a condition of accepting a transfer of that person after his or her the person's written consent for treatment and transfer is documented or in the absence of evidence of probable cause for detention, as defined in Section 5150.05 of the Welfare and Institutions Code.

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(g) An act or omission of a rescue team established by a health facility licensed under this chapter, or operated by the federal or state government, a county, or by the Regents of the University of California, done or omitted while attempting to resuscitate a person who is in immediate danger of loss of life shall not impose any liability upon the health facility, the officers, members of the staff, nurses, or employees of the health facility, including, but not limited to, the members of the rescue team, or upon the federal or state government or a county, if good faith is exercised.

- (h) "Rescue team," as used in this section, means a special group of physicians and surgeons, nurses, and employees of a health facility who have been trained in cardiopulmonary resuscitation and have been designated by the health facility to attempt, in cases of emergency, to resuscitate persons who are in immediate danger of loss of life.
- (i) This section does not relieve a health facility of any duty otherwise imposed by law upon the health facility for the designation and training of members of a rescue team or for the provision or maintenance of equipment to be used by a rescue team.
- SEC. 2. Section 1317.3 of the Health and Safety Code is amended to read:
- 1317.3. (a) As a condition of licensure, each hospital shall adopt, in consultation with the medical staff, policies and transfer protocols consistent with this article and regulations adopted hereunder. its implementing regulations.
- (b) As a condition of licensure, each hospital shall adopt a policy prohibiting discrimination in the provision of emergency services and care based on ethnicity, eitizenship, age, preexisting medical condition, age, insurance status, economic status, ability to pay for medical services, or any characteristic listed or defined in subdivision (b) or (e) of Section 51 of the Civil Code, except to the extent that a circumstance such as age, sex, preexisting medical condition, or physical or mental disability is medically significant to the provision of appropriate medical care to the patient. Transfer by a hospital of a patient who requires evaluation for involuntary psychiatric treatment, as determined by the receiving hospital or other receiving health facility, based upon the decision of a professional person duly authorized by law to make that decision, shall not constitute discrimination for the purposes of this section,

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if the transferring hospital has not been designated as an evaluation
facility by a county pursuant to Section 5150 of the Welfare and
Institutions Code, and if the transfer is in compliance with Section
1317.2.

- (c) As a condition of licensure, each hospital shall require that physicians and surgeons who serve on an "on-call" basis to the hospital's emergency room cannot refuse to respond to a call on the basis of the patient's ethnicity, citizenship, age, preexisting medical condition, age, insurance status, economic status, ability to pay for medical services, or any characteristic listed or defined in subdivision (b) or (e) of Section 51 of the Civil Code, except to the extent that a circumstance such as age, sex, preexisting medical condition, or physical or mental disability is medically significant to the provision of appropriate medical care to the patient. If a contract between a physician and surgeon and hospital for the provision of emergency room coverage presently prevents the hospital from imposing those conditions, the conditions shall be included in the contract as soon as is legally permissible. Nothing in this section shall be construed as requiring that any physician serve This section does not require a physician to serve on an "on-call" basis.
- (d) As a condition of licensure, all hospitals shall inform all persons presented to an emergency room or their representatives if any are present and the person is unable to understand verbal or written communication, both orally and in writing, of the reasons for the transfer or refusal to provide emergency services and care and of the person's right to emergency services and care prior to transfer or discharge without regard to ability to pay. Nothing in this subdivision requires This subdivision does not require notification of the reasons for the transfer in advance of the transfer where a person is unaccompanied and the hospital has made a reasonable effort to locate a representative, and because of the person's physical or mental condition, notification is not possible. All hospitals shall prominently post a sign in their emergency rooms informing the public of their rights. Both the posted sign and written communication concerning the transfer or refusal to provide emergency services and care shall give the address of the department as the governmental agency to contact in the event the person wishes to complain about the hospital's conduct.

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(e) If a hospital does not timely adopt the policies and protocols required in this article, the hospital, in addition to denial or revocation of any of its licenses, shall be subject to a fine not to exceed—one thousand dollars (\$1,000) one million dollars (\$1,000,000) each day after expiration of 60 days' written notice from the state department that the hospital's policies or protocols required by this article are inadequate unless the delay is excused by the state department upon a showing of good and sufficient cause by the hospital. The notice shall include a detailed statement of the state department's reasons for its determination and suggested changes to the hospital's protocols—which that would be acceptable to the state department.

- (f) Each hospital's policies and protocols required in or under this article shall be submitted for approval to the state department by December 31, 1988.
- SEC. 3. Section 1317.4 of the Health and Safety Code is amended to read:
- 1317.4. (a) All hospitals shall maintain records of each transfer made or received, including the "Memorandum of Transfer" "Transfer Summary" described in subdivision (f) of Section 1317.2, for a period of three years.
- (b) All hospitals making or receiving transfers shall file with the state department annual reports on forms prescribed by the department department, which shall describe the aggregate number of transfers made and received according to the person's insurance status and reasons for transfers.
- (c) The receiving hospital, and all physicians, other licensed emergency room health personnel, and certified prehospital emergency personnel at the receiving hospital who know of apparent violations of this article or the regulations adopted hereunder its implementing regulations shall, and the corresponding personnel at the transferring hospital and the transferring hospital may, report the apparent violations to the state department on a form prescribed by the state department within one week following its occurrence. The state department shall promptly send a copy of the form to the hospital administrator and appropriate medical staff committee of the transferring hospital and the local emergency medical services agency, unless the state department concludes that the complaint does not allege facts requiring further investigation, or is otherwise unmeritorious, or the state department

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concludes, based upon the circumstances of the case, that its investigation of the allegations would be impeded by disclosure of the form. When two or more persons required to report jointly have knowledge of an apparent violation, a single report may be made by a member of the team selected by mutual agreement in accordance with hospital protocols. Any individual, required to report by this section, who disagrees with the proposed joint report has a right and duty to separately report.

A failure to report under this subdivision shall not constitute a violation within the meaning of Section 1290 or 1317.6.

- (d) No-A hospital, government governmental agency, or person shall not retaliate against, penalize, institute a civil action against, or recover monetary relief from, or otherwise cause any injury to a physician or other personnel for reporting in good faith an apparent violation of this article or the regulations adopted hereunder its implementing regulations to the state department, hospital, medical staff, or any other interested party or government governmental agency.
- (e) No-A hospital, government governmental agency, or person shall not retaliate against, penalize, institute a civil action against, or recover monetary relief from, or otherwise cause any injury to a physician who refused to transfer a patient when the physician determines, within reasonable medical probability, that the transfer or delay caused by the transfer will create a medical hazard to the person.
- (f) Any person who violates subdivision (d) or (e) of Section 1317.4 is subject to a civil-money penalty of no more than-ten thousand dollars (\$10,000) one million dollars (\$1,000,000) per violation. The remedy specified in this section shall be in addition to any other remedy provided by law.
- (g) The state department shall on an annual basis publish and provide to the Legislature a statistical summary by county on the extent of economic transfers of emergency patients, the frequency of medically hazardous transfers, the insurance status of the patient populations being transferred and all violations finally determined by the state department describing the nature of the violations, hospitals involved, and the action taken by the state department in response. These summaries shall not reveal the identity of individual persons transferred.

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(h) Proceedings by the state department to impose a fine under Section 1317.3 or 1317.6, and proceedings by the board to impose a fine under Section 1317.6, shall be conducted as follows:

- (1) If a hospital desires to contest a proposed fine, the hospital shall within 15 business days after service of the notice of proposed fine notify the director in writing of its intention to contest the proposed fine. If requested by the hospital, the director or the director's designee, shall hold, within 30 business days, an informal conference, at the conclusion of which he or she the director or the director's designee may affirm, modify, or dismiss the proposed fine. If the director or the director's designee affirms, modifies, or dismisses the proposed fine, he or she they shall state with particularity in writing his or her particularity, in writing, the reasons for that action, and shall immediately transmit a copy thereof to the hospital. If the hospital desires to contest a determination made after the informal conference, the hospital shall inform the director in writing within 15 business days after it receives the decision by the director or director's designee. The hospital shall not be required to request an informal conference to contest a proposed fine, as specified in this section. If the hospital fails to notify the director in writing that it intends to protest the proposed fine within the times specified in this subdivision, the proposed fine shall be deemed a final order of the state department and shall not be subject to further administrative review.
- (2) If a hospital notifies the director that it intends to contest a proposed fine, the director shall immediately notify the Attorney General. Upon notification, the Attorney General shall promptly take all appropriate action to enforce the proposed fine in a court of competent jurisdiction for the county in which the hospital is located.
- (3) A judicial action to enforce a proposed fine shall be filed by the Attorney General after a hospital notifies the director of its intent to contest the proposed fine. If a judicial proceeding is prosecuted under the provisions of this section, the state department shall have the burden of establishing by a preponderance of the evidence that the alleged facts supporting the proposed fine occurred, that the alleged facts constituted a violation for which a fine may be assessed under Section 1317.3, 1317.4, or 1317.6, and the proposed fine is appropriate. The state department shall also have the burden of establishing by a preponderance of the evidence

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that the assessment of the proposed fine should be upheld. If a 2 hospital timely notifies the state department of its decision to 3 contest a proposed fine, the fine shall not be due and payable unless 4 and until the judicial proceeding is terminated in favor of the state 5 department.

- (4) Action brought under the provisions of this section shall be set for trial at the earliest possible date and shall take precedence on the court calendar over all other cases except matters to which equal or superior precedence is specifically granted by law. Times for responsive pleading and for hearing any such proceeding shall be set by the judge of the court with the object of securing a decision as to subject matters at the earliest possible time.
- (5) If the proposed fine is dismissed or reduced, the state department shall take action immediately to ensure that the public records reflect in a prominent manner that the proposed fine was dismissed or reduced.
- (6) In lieu of a judicial proceeding, the state department and the hospital may jointly elect to submit the matter to binding arbitration, in which case, the department shall initiate arbitration proceedings. The parties shall agree upon an arbitrator designated by the American Arbitration Association in accordance with the Association's established rules and procedures. The arbitration hearing shall be set within 45 days of the parties' joint election, but in no event less than 28 days from the date of selection of an arbitrator. The arbitration hearing may be continued up to 15 days if necessary at the arbitrator's discretion. The decision of arbitrator shall be based upon substantive law and shall be binding on all parties, subject to judicial review. This review shall be limited to whether there was substantial evidence to support the decision of the arbitrator.
- (7) Proceedings by the board to impose a fine under Section 1317.6 shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.
- SEC. 4. Section 1317.6 of the Health and Safety Code is amended to read:
- 1317.6. (a) Hospitals found by the state department to have committed or to be responsible for a violation of this article or the regulations adopted pursuant thereto its implementing regulations shall be subject to a civil penalty by the state department in an

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amount not to exceed twenty-five thousand dollars (\$25,000) one million dollars (\$1,000,000) for each hospital violation. In determining the amount of the fine for a hospital violation, the state department shall take into account all of the following:

- (1) Whether the violation was knowing or unintentional.
- (2) Whether the violation resulted or was reasonably likely to result in a medical hazard to the patient.
 - (3) The frequency or gravity of the violation.

- (4) Other civil fines which have been imposed as a result of the violation under Section 1395 of Title 42 of the United States Code.
- (b) Notwithstanding this section, the director shall refer any alleged violation by a hospital owned and operated by a health care service plan involving a plan member or enrollee to the Department of Managed Health Care unless the director determines the complaint is without reasonable basis. The Department of Managed Health Care shall have sole authority and responsibility to enforce this article with respect to violations involving hospitals owned and operated by health care service plans in their treatment of plan members or enrollees.
- (c) Physicians and surgeons found by the board to have committed, or to be responsible for, a violation of this article or the regulations adopted pursuant thereto its implementing regulations shall be subject to any and all penalties—which that the board may lawfully impose and may be subject to a civil penalty by the board in an amount not to exceed—five thousand dollars (\$5,000) one million dollars (\$1,000,000) for each violation.—A civil penalty imposed under this subdivision shall not duplicate federal fines, and the board shall credit any federal fine against a civil penalty imposed under this subdivision.
- (d) The board may impose fines when it finds any of the following:
 - (1) The violation was knowing or willful.
- (2) The violation was reasonably likely to result in a medical hazard.
 - (3) There are repeated violations.
- (e) It is the intent of the Legislature that the state department has primary responsibility for regulating the conduct of hospital emergency departments and that fines imposed under this section should not be duplicated by additional fines imposed by the federal

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government as a result of the conduct which constituted a violation of this section. To effectuate the Legislature's intent, the Governor shall inform the Secretary of the federal Department of Health and Human Services of the enactment of this section and request the federal department to credit any penalty assessed under this section against any subsequent civil monetary penalty assessed pursuant to Section 1395dd of Title 42 of the United States Code for the same violation.

- (f) There shall be a cumulative maximum limit of thirty thousand dollars (\$30,000) in fines assessed against hospitals under this article and under Section 1395dd of Title 42 of the United States Code for the same circumstances. To effectuate this cumulative maximum limit, the state department shall do both of the following:
- (1) As to state fines assessed prior to the final conclusion, including judicial review, if available, of an action against a hospital by the federal Department of Health and Human Services under Section 1395dd of Title 42 of the United States Code (for the same circumstances finally deemed to have been a violation of this article or the regulations adopted hereunder, because of the state department action authorized by this article), remit and return to the hospital within 30 days after conclusion of the federal action, that portion of the state fine necessary to assure that the cumulative maximum limit is not exceeded.
- (2) Immediately credit against state fines assessed after the final conclusion, including judicial review, if available, of an action against a hospital by the federal Department of Health and Human Services under Section 1395dd of Title 42 of the United States Code, which results in a fine against a hospital (for the same circumstances finally deemed to have been a violation of this article or the regulations adopted hereunder, because of the state department action authorized by this article), the amount of the federal fine, necessary to assure the cumulative maximum limit is not exceeded.

34 (g)

(e) Any hospital found by the state department pursuant to procedures established by the state department to have committed a violation of this article or the regulations adopted hereunder its implementing regulations may have its emergency medical service permit revoked or suspended by the state department.

(h)

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(f) Any administrative or medical personnel who knowingly and intentionally violates any provision of this article, may be charged by the local district attorney with a misdemeanor.

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(g) Notification of each violation found by the state department of the provisions of this article or the regulations adopted hereunder its implementing regulations shall be sent by the state department to the Joint Commission for the Accreditation of Hospitals, the state emergency medical services authority, and local emergency medical services agencies.

(i)

- (h) Any person who suffers personal harm and any medical facility-which that suffers a financial loss as a result of a violation of this article or the regulations adopted hereunder its implementing regulations may recover, in a civil action against the transferring or receiving hospital, damages, including punitive damages, reasonable attorney's fees, and other appropriate relief. Transferring and receiving hospitals from which inappropriate transfers of persons are made or refused in violation of this article and the regulations adopted hereunder shall be liable for the reasonable charges of the receiving or transferring hospital for providing the services and care-which that should have been provided. Any person potentially harmed by a violation of this article or the regulations adopted hereunder, its implementing regulations, or the local district attorney or the Attorney General, may bring a civil action against the responsible hospital or administrative or medical personnel, to enjoin the violation, and if the injunction issues, the court shall award reasonable attorney's fees. The provisions of this subdivision are in addition to other civil remedies and do not limit the availability of the other remedies.
- (i) (1) The local district attorney or the Attorney General may bring a civil action against an entity that violates an injunction issued pursuant to subdivision (h).
- (2) A court shall award a prevailing plaintiff who brings an action pursuant to paragraph (1) all of the following:
- 36 (A) A civil penalty of up to one million dollars (\$1,000,000) per violation.
 - (B) Reasonable attorney's fees and litigation costs.
 - (3) Each day that an entity violates an injunction issued pursuant to subdivision (h) gives rise to a distinct violation of this section.

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- 1 (4) The provisions of this subdivision are in addition to other civil remedies and do not limit the availability of other remedies.
- 3 (k)
- 4 (j) The civil remedies established by this section do not apply
- 5 to violations of any requirements established by any county or
- 6 county agency.