



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

June 28, 2012

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From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

This memorandum contains a pursuit of a County position on legislation related to the expansion of presumption for job-related injuries; a change in County position on legislation related to the Basic Health Program; a status on County-sponsored legislation regarding job qualifications for the position of public defender; and updates on six County-advocacy measures regarding: 1) fictitious business name statements; 2) Laura's Law; 3) workers' compensation; 4) services for homeless youth; 5) the Los Angeles River; and 6) prescription drug refills.

Pursuit of County Position on Legislation

AB 808 (Skinner), which as amended on May 29, 2012, would expand the presumption of job-related injuries to cover hospital employees for methicillin-resistant staphylococcus aureus (MRSA). This presumption would exist for employees that provide direct patient care in an acute care hospital if the impairment develops or manifests itself during the period of employment with the hospital.

Under current law, certain medical conditions are presumed to be job-related for certain public safety employees. AB 808 would significantly expand this presumption beyond public safety employees by applying it to all employees who provide direct patient care in public, private, and non-profit hospitals.

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The Chief Executive Office (CEO) Risk Management Branch indicates that AB 808 would eliminate the County's ability to dispute job-relatedness for MRSA for all hospital employees involved in direct patient care. The expansion of the presumption of work-related disability would increase the number and cost of workers' compensation payments made to County employees. The CEO Risk Management Branch further indicates that existing Worker's Compensation Law provides reasonable and adequate protections for hospital employees without any need for a presumption.

This office opposes AB 808. Therefore, consistent with Board policies: 1) to oppose legislation that mandates eligibility of additional employees for safety workers' compensation benefits or safety retirement benefit provisions; and 2) to oppose legislation that expands existing or creates new presumptions related to injuries, illnesses, diseases, or physical conditions that can be claimed as job-related for workers' compensation or service-connected disability retirement purposes, **the Sacramento advocates will oppose AB 808.**

This measure is similar to County-opposed AB 375 (Skinner), which as amended August 31, 2011, would have expanded the presumption of job-related injuries to cover all hospital employees for blood-borne infectious diseases, MRSA, and all neck and back injuries. AB 375 failed to pass the Senate by a vote of 16 to 20 on September 9, 2011. AB 808 has no registered support on file and is opposed by the California State Association of Counties.

AB 808 passed out of the Senate Labor and Industrial Relations Committee on June 27, 2012.

Change in County Position on Legislation

County-support-in-concept SB 703 (Hernandez), which as amended June 25, 2012, would establish the Basic Health Program (BHP) State option allowed under the Federal Patient Protection Affordable Care Act (ACA) of 2010 to provide health care benefits to persons under 200 percent of the Federal Poverty Level who are ineligible for Medicaid.

As amended, SB 703 would place the administration of the BHP within the California Department of Health Care Services (CDHCS). Previously, the bill would have required the Managed Risk Medical Insurance Board or its successor agency or department to administer the BHP. This would require DHCS to: 1) determine eligibility, scope of coverage for individuals enrolled in the BHP, and premium cost sharing amounts; 2) collect premiums and provide or make available subsidized coverage through participating health plans; 3) process applications and enroll individuals; 4) determine and approve the benefits designs and share of cost amounts; and 5) maintain

enrollment expenditures to ensure that expenditures do not exceed amounts available in the Basic Health Program Trust Fund.

In the May 1, 2012 Sacramento Update, the Department of Health Services and this office recommended a support-in-concept position on SB 703 pending release of Federal regulations for the BHP by the United States Department of Health and Human Services, and to provide additional time to determine the impact of this measure to the County. However, this office has learned that the Federal regulations are not expected to be issued until after the Legislature adjourns on August 31, 2012. In addition, the most recent amendments to SB 703, which would place the administration of the BHP within the Department of Health Care Services rather than with the Managed Risk Insurance Board or its successor agency, would help to facilitate the integration of the BHP with Medi-Cal thereby simplifying enrollment and eligibility determination and providing greater continuity of health care services.

The Department of Health Services recommends moving to a support position because it believes that establishing a BHP would result in the enrollment of a substantially higher number of individuals in a health care plan as provided under the ACA and because it has become increasingly clear that Federal regulations will not be promulgated until after the State legislative deadline to create the BHP.

The Department of Health Services and this office recommend that the County now support SB 703. Therefore, consistent with existing Board policy to support legislation that would implement provisions of Federal Health Care Reform by increasing access to care while maintaining and/or expanding the County's funding as a safety net provider, **the Sacramento advocates will now support SB 703.**

SB 703 is sponsored by the Local Health Plans of California and is supported by: the California Association of Public Hospitals and Health Systems; the Congress of California Seniors; Santa Clara County; the California Association of Health Insuring Organizations; the California Chiropractic Association; Disability Rights Legal Center; Molina Healthcare of California; and Planned Parenthood Affiliates of California. The bill is opposed by the American Federation of State, County, and Municipal Employees, AFL-CIO; California Right to Life Committee, Inc.; and the Orange County Board of Supervisors.

SB 703 is awaiting a hearing in the Assembly Appropriations Committee.

Status of County-Sponsored Legislation

County-sponsored AB 259 (Smyth), which as amended on June 25, 2012, would expand the job qualifications for applicants to the position of the Los Angeles County Public Defender to include sitting or retired judges, judicial commissioners, magistrates, referees or elected public officials passed the Senate Public Safety Committee by a vote of 4 to 1 on June 26, 2012. The bill now proceeds to the Senate Floor for consideration.

Status of County-Advocacy Legislation

County-supported AB 1325 (Lara), which as amended June 19, 2012, would, commencing January 1, 2014, require persons at the time of filing Fictitious Business Name (FBN) statements to provide proof of identity in the form of a California driver's license or other identification acceptable to the county clerk, who may also request an affidavit of identity and other formal documents, passed the Senate Business, Profession and Economic Development Committee by a vote of 9 to 0 on June 25, 2012. This measure now proceeds to the Senate Appropriations Committee.

County-support-and-amend AB 1569 (Allen), which as amended on April 16, 2012, would extend the sunset date for Laura's Law to January 1, 2017, passed the Senate Judiciary Committee by a vote of 4 to 0 on June 26, 2012. This measure now proceeds to the Senate Appropriations Committee.

County-opposed AB 1687 (Fong), which as amended June 18, 2012, would clarify the notification process for advising an injured worker of options available to object to a decision rendered under the utilization review process and authorize the Workers' Compensation Appeals Board to award attorney's fees when an injured worker receiving medical treatment is successful at overturning a utilization review decision for medical disputes arising from a finding of a permanent disability, passed the Senate Judiciary Committee by a vote of 4 to 0 on June 26, 2012. This measure now proceeds to the Senate Appropriations Committee.

County-supported AB 2547 (Blumenfield), which as amended on May 25, 2012, would create the State Office of Homeless Youth Advocate for the purpose of coordinating services for homeless youth, passed the Senate Governmental Organization Committee by a vote of 9 to 3 on June 26, 2012. This measure now proceeds to the Senate Appropriations Committee.

County-opposed SB 1201 (De León), which as amended on May 25, 2012, would make changes to the Flood Control Act to provide for increased public use of navigable

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waterways under the control of the Los Angeles County Flood Control District deemed suitable for recreational and educational purposes passed the Assembly Water, Parks and Wildlife Committee by a vote of 9 to 1 on June 26, 2012. The measure now proceeds to the Assembly Floor for consideration.

County-supported SB 1301 (Hernandez), which as amended on June 21, 2012, would allow a pharmacist to dispense up to a 90-day supply of a prescription drug, unless the prescriber indicates otherwise, passed the Assembly Health Committee by a vote of 18 to 0 on June 26, 2012. This measure now proceeds to the Assembly Appropriations Committee.

We will continue to keep you advised.

WTF:RA
MR:VE:IGEA:lm

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants