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We weathered a storm this year, plain and simple. In a year fraught with budget woes, redistricting chaos and an unpredictable new Administration, the California Medical Association (CMA) overcame enormous shifts in the legislative and political landscapes.

In what is becoming more and more common with each election, this Legislature was nearly one third newly-elected members. We were faced with tackling the huge task of both getting to know new legislators and educating them on our complex issues.

As for the year in politics, it was a new year, new governor. Well, not exactly new. . .

Returning to the office he left 28 years ago, a reinvented Jerry Brown began his third term as governor. And while he is certainly not new to leading the state of California, this self-described “wiser and more experienced” governor was anything but predictable. Early indicators of Brown’s leadership style were highlighted in his no-frills inauguration. Even before he was sworn in, Brown’s handlers were unable to say with any certainty which post-inaugural events he would be at and when. One of the larger union organizations hosted a popular event dubbed “The Peoples Inauguration Party” on the Capitol lawn immediately after the swearing in ceremony, complete with free hot dogs and sandwiches. People waited in line for food and a chance to hear the new Governor speak, but in the first of many surprises to come, the Governor and his wife, Anne Gust Brown, stopped by for a few hot dogs and walked right past the tent and microphones. A short while later, he showed up impromptu to an unadvertised party and

made a public speech to the small crowd. Brown seems to enjoy surprises, or he doesn’t like to be predictable, or both.

And then came the budget. Because of recently passed ballot measures, the Legislature can pass a majority budget, but still needs a two-thirds vote for revenue increases. Throughout the year, Brown made a determined effort to close the budget gap by proposing tax increases be put on the ballot. Time and again, negotiations with Republican leadership broke down, despite the dismal outlook for the state.

In March, Brown signed a budget attempting to close a \$26 billion dollar deficit by slashing services for the sick and elderly, including \$1.7 billion in Medi-Cal services. This year, CMA was able to protect Maddy funds from being eliminated in this round of cuts, and continues to fight the Medi-Cal cuts, which require a federal waiver. In June, the Legislature passed a rare, on-time budget that was described as “not perfect, but Plan B.” But it was not without political drama, including a historic budget-veto, legislative pay freezes and a physical skirmish on the floor of the State Assembly.

The brush-up began when a Republican legislator likened the Democratic budget to a “Tony Soprano” insurance scheme. A “proud Italian” Democratic legislator took offense, and after a few exchanges another legislator rushed to the confrontation and the two had to be held back by their colleagues. Despite the heated debates, the Legislature passed a budget the following night. But in a surprise to almost everyone in Sacramento, Brown treated the legislative deal to a swift veto the next morning, calling the budget “unbalanced.” Having passed the deadline, and now without pay, Legislators scrambled. Two weeks later deals were made and Brown signed the spending plan without fanfare. This was the first- budget passed

by simple majority, but not without a bit of turmoil and unpredictable weather.

The budget was not the only strife of the year, though. In California's first ever attempt at politics-free drawing of districts, a "citizens commission" was charged with drawing maps without taking into account incumbents or partisanship. There were winners and losers in this process. Some legislators are now running for open seats in Congress while others find themselves drawn into districts with other sitting legislators. The experiment has left many politicians flailing wildly in the wind as they attempt to move into another open seat or prepare for an election to hold on to their political lives. While the district lines are final, the fallout is still being calculated.

With lawmakers worrying about their paychecks and their jobs, there were still laws to be passed. Even with a large sector of the Legislature being newcomers, many of the contentious issues of the year were reminiscent of years' past. We fought and won corporate bar, again. This year's bill had the same sponsor and same author as last year, but a slightly different outcome. After many of the same negotiations and same messaging around the dangers of corporate control over physicians, we reached a break-through with the author. As Chair of the Labor Committee, he began to understand the dangers in turning physicians into employees without any employee protections. The author split with his sponsors, and took all of CMA's suggested amendments in Health Committee. In what would be the most confusing committee hearing to date, the sponsors quickly opposed and killed their own bill.

And we battled the physical therapists, *again*. They wanted direct access to patients, *again*. And we opposed it, *again*. We tried to clear up an ambiguity in law that questions

whether medical corporations can hire physical therapists as employees, they opposed. We killed their bill, they killed ours. What was most interesting about these events was the lack of debate about the issue of scope expansion, or whether or not medical corporations should be allowed to employ physical therapists. The discussion seemed to be around compromise, specifically whether or not CMA should compromise. After all, they wanted something, we wanted something and some politicians thought the logical solution was to give something to each, or more accurately, not allow CMA to get one without giving up the other irrespective of the policy merits. SB 923 (Walters) would have allowed physical therapists to directly access patients without a diagnosis from a physician. The bill passed out of committee with one Senator giving a courtesy vote with a promise to hold the bill in Appropriations if the bill was not worked out. The bill was then held in Appropriations. Then came AB 783 (Hayashi), which would clarify the legal ambiguity, so that physical therapists, along with other physician extenders such as psychologists, nurses, physician assistants and podiatrists, can continue to work within the legal boundaries of medical corporations as they have for decades. Committee members commented that they wanted to see the issue of direct access worked out before voting on this issue, or even combine the two issues. To be safe though, the chair and vice-chair of the committee stated they would write letters to the Physical Therapy Board of California asking it to not act on the issue of physical therapist employment until the Legislature had more time to opine. And if the lawmakers were not frustrating enough, then came the physical therapy board. Ignoring the committee's request, the board began the process of investigating and potentially disciplining physical therapists on the basis of their employment. At this point, there wasn't much time left in the legislative session for

a solution, but it was clear that if the Legislature failed to act, the board would continue pushing forward. In an end-of-session maneuver, President pro tempore Steinberg authored SB 543, which stated simply that the physical therapy board could not, for one year, discipline physical therapists solely on the basis of their employment. That was Senator Steinberg's version of a compromise, which passed and is currently awaiting the governor's signature.

On a better note, MICRA was never introduced this year. There were rumors, even clear indicators, but in the end there was no bill that directly attacked MICRA. There were, however, three bills introduced by the consumer attorneys that bit around the edges. All three were opposed by CMA. One was amended to remove all offensive content and the other two died along the way.

With a new Legislature and Administration in place, CMA made sure to introduce bills dealing with such important issues as physician workforce, protecting MICRA, and adequate physician reimbursement rates. We continue to be at the forefront of discussions surrounding health care reform implementation and public health. The year was filled with tumultuous events and treacherous winding roads, but CMA captured decisive victories for physicians. The year ended without changes to the ban on the corporate practice of medicine, MICRA or scope of practice.

The storm has calmed, but it will be back. There will be new elections as politicians adjust to their new district lines and bills we defeated will surely be back next year. The state's fiscal crisis remains – so much so that former Speaker Willie Brown recently wrote in the San Francisco Chronicle that “[Governor] Brown is on the brink—and legislators are becoming concerned because they don't think he knows it.”

There is no way to wrap up this legislative year without highlighting the efforts of our team. While there were many twists and turns, our great group of advocates shifted, adapted and worked together to end the year successfully protecting physicians. The team has weathered this last storm, and is stronger for it. And most importantly we are ready for the next season, whatever it brings.

Below are details on the major bills that CMA followed this year. Please feel free to contact any of us at CMA with questions. Stay tuned for information about Governor Brown's actions on CMA-followed legislation.

CMA Sponsored Legislation

AB 589 (Perea): Medical School Scholarships

Prior CMA sponsored legislation provided \$1,000,000 per year in funding for the Steve Thompson Loan Repayment Program, which gives physicians up to \$105,000 in loan repayment if they agree to practice in an underserved area for at least 3 years. This bill mirrors the loan repayment program and would create the Steve Thompson Scholarship Program, which would provide scholarships to medical students who agree to practice in one of California's medically underserved areas upon completion of residency.

Status: Held on Senate Suspense File due to lack of specific non-state funding. Two year bill.

AB 655 (Hayashi): Peer Review

In California, there is no general legal duty to share peer review information among hospitals, or between hospitals and peer review bodies. AB 655 would allow for a reasonable peer review sharing agreement between peer

review bodies maintain the confidentiality of peer review information and protect the public health.

Status: Signed by the governor.

AB 783 (Hayashi): Professional Corporations—Licensed

Physical Therapists and Occupational Therapists

Since 1990, the Physical Therapy Board of California has explicitly allowed physical therapy services to be provided by a medical corporation. On November 3, 2010, the board rescinded this policy, threatening to disrupt the lives of physical therapists who are happily and legally employed by medical corporations. It also threatens to disrupt the care of our members' patients and their patients' continuity of care. AB 783 would ensure that licensed physical and occupational therapists may continue to be employed by medical, podiatric and chiropractic corporations, a practice which has been the norm for over two decades. (New temporary fix proposed in SB 543, see below.)

Status: Held in Senate Business and Professions Committee. Two year bill.

SB 543 (Steinberg and Price): Business and Professions—Regulatory Boards

Because AB 783 was held in committee, CMA, along with Senator Steinberg and others, worked to find an agreement from both sides while we find a more comprehensive solution. The Physical Therapy Practice Act authorizes the Physical Therapy Board of California to license and regulate physical therapists, including the suspending and revoking licenses. This bill would, until January 1, 2013, prohibit the board from taking disciplinary action against a licensee for providing physical therapy services as a professional employee of a medical corporation, podiatric medical corporation or chiropractic corporation.

Status: Signed by the governor.

SB 347 (Rubio): Postsecondary Education—Graduate Medical Education Payments (Medi-Cal)

SB 347 would augment the amount in graduate medical education (GME) funding that California receives in order to increase the number of resident physicians in California. Currently, under fee-for-service Medi-Cal, hospitals are reimbursed for GME costs through separate direct payment. The average Medicaid GME payment per hospital is about \$1.52 million. California does not make any GME payments under Medi-Cal managed care—either as a direct payment to teaching programs or through inclusion in capitation rates to Managed Care Organizations. This bill would recalculate Medi-Cal managed care rates and carve out GME payments.

Status: Held in Senate Health Committee. Two year bill.

CMA Opposed Legislation

SB 173 (Simitian): Health Care Coverage—Mammograms

This bill would require physicians to notify mammography patients with highly dense breasts about the density of their breast tissue and the possibility that they may require additional imaging services (including ultrasound or MRI). This bill would create both practical and legal problems for physicians. Because the scope of who must receive the notice is so broad, women will be “scared” into thinking they need these expensive additional screenings when it isn't at all warranted, leading to increased costs and pressures on a physician's practice. Moreover, because the grading of the condition that may/may not lead to their receipt of the prescribed notice is subjective in nature, the absence of the notice could lead to lawsuits against doctors if a patient

is later diagnosed with breast cancer. Although density is an emerging issue in mammography and the fight against breast cancer, the science is still out on this matter and no definitive protocols have been developed by the industry yet in response to this condition. Finally, the only supportable portion of the bill, that guaranteeing that carriers pay for these screenings should they be necessary was taken out of the bill. As a result, this bill drives up fear and demand for unnecessary and expensive screening procedures, at a time when our focus should be on obtaining regular mammography for age-appropriate women. Author moved language to SB 791. Language from this bill was moved from SB 173, which was held on the Assembly Suspense file. This bill would require, under specified circumstances, a health facility at which a mammography examination is performed to include in the summary of the written report sent to the patient a specified notice on breast density.

Status: Vetoed by the governor.

AB 52 (Feuer): Rate Regulation

AB 52 would require insurers to obtain prior approval from the Department of Managed Health Care or the Department of Insurance before increasing or decreasing in health care premiums, copayments or deductibles. While CMA is very concerned about the effect of skyrocketing premiums on individuals and small businesses, a full rate regulation scheme could give insurance companies an excuse to further squeeze dollars out of health care delivery. Rate-setting in health care is bad precedent and this type of rate oversight would be politically motivated. Arbitrary premium caps would not lead to sacrifice by the plans/insurers and could merely be passed down to physicians, leading to lower provider reimbursement, less time with patients and more barriers to care. Instead, CMA believes

we should enforce rate review and new medical loss ratios standards and invest in meaningful ways to bring down health costs, such as medical homes, electronic medical records, chronic disease management and increasing Medi-Cal and Medicare reimbursement rates.

Status: Held in Senate Appropriations Committee at the author's request. Two year bill.

AB 824 (Chesbro): Rural hospitals—physician services

This bill would erode the ban on the corporate practice of medicine by allowing rural hospitals to employ physicians. Specifically, through year 2022, a rural hospital would be allowed to hire up to 10 physicians, without the participation of the medical staff in the hiring process, and would allow them to exceed that number with permission from the Medical Board of California.

Status: Failed to meet committee deadline. Two year bill.

AB 926 (Hayashi): Physicians and Surgeons: Direct Employment

This bill would serve as the vehicle for any compromise between CMA and the California Hospital Association related to the corporate bar. This bill would reenact the pilot project to allow all qualified district hospitals to employ physicians by extending the sunset to 2022, allow for not more than 50 physicians to be hired, and require the Medical Board of California to report to the legislature on the effectiveness of the project. This bill goes far beyond the balance that was made in the original pilot project between the limited, direct employment of physicians by a hospital and patient health/physician autonomy to make decisions in the best interest of patient safety. Specifically, CMA should work with the author on amendments to have the bill apply

to rural areas only and limit the amount of physicians that can be hired.

Status: Corporate bar placeholder bill not used in 2011 legislative year.

SB 920 (Hernandez): Optometry

SB 920 was introduced by Senator Ed Hernandez to amend the Optometry Practice Act. Senator Hernandez previously authored legislation that has resulted in regulations to allow optometrists to treat Glaucoma, a ruling that is being challenged in court.

Status: Failed to meet committee deadline. Two year bill.

SB 924 (Walters): Physical Therapists: Direct Access to Services

SB 924 would substantially expand the scope of practice for physical therapists in California by allowing them to evaluate and treat patients for up to 30 days without a previous diagnosis from a licensed physician. Current law does not specifically address physical therapy treatment without referral, but the law does prohibit therapists from making medical diagnoses. A 1965 Attorney General Opinion on this proposed ambiguity found that prior diagnosis by a medical provider was necessary before physical therapy treatment may commence. This interpretation has since guided the scope of practice for physical therapists in California and is does so in the best interest of the patient. SB 924 would dismiss this long standing requirement of a diagnosis and allow physical therapists to perform treatment without knowledge of what they are treating.

Status: Failed to meet committee deadline. Two year bill.

SB 558 (Simitian): Elder and Dependent Adults Abuse or Neglect –Damages

SB 558 would change the standards of proof for elder abuse to a preponderance of evidence. By filing a claim for relief under the Act, plaintiff's attorneys are able to circumvent the limits on non-economic damages and attorney's fees provided to health care providers under the Medical Injury Compensation Reform Act (MICRA). This bill was opposed by CMA and CAPP.

Status: Held in Assembly Appropriations Committee. Two year bill.

AB 1062 (Dickinson): Arbitration and Appeals

AB 1062 would weaken the enforcement of arbitration agreements by prohibiting an appeal when a lower court refuses to enforce an agreement. Arbitration is an important MICRA component, and the bill was opposed by CMA and CAPP.

Status: Died on the Senate Floor. Two year bill.

CMA Bills of Interest

AB 1360 (Swanson): Physicians and Surgeons— Employment (Support)

As amended, CMA is in support of this bill. In contrast to this author's corporate bar bill last year, which CMA killed (AB 646), CMA successfully brokered a compromise in AB 1360. This bill would create an expanded pilot program to allow eligible district hospitals throughout the state to hire up to 5 physicians. Similar to the original pilot program, the medical staff at the hospital would have to concur with the hospital administration's decision to hire prior to the employment of each physician.

Status: Failed to meet committee deadline. Two year bill.

SB 866 (Hernandez): Prior Authorization Standardized Form (Support)

This bill would dramatically streamline and improve the prior authorization process for prescription drugs. The bill would require all plans, all insurers and physicians to use a standardized form when requesting prior authorization for prescription drug benefits. If a health plan or insurer fails to accept the prior authorization form or fails to respond to a physician within 48 hours, the bill would deem the prior authorization request granted. The bill would require the Department of Managed Health Care and the Department of Insurance to jointly develop the form with stakeholder input. The form cannot exceed two pages and must be electronically available and electronically transmissible.

Status: Signed by the governor.

AB 369 (Huffman): Step Therapy Reform (Support)

This bill would limit a health plan's or health insurer's ability to use to step therapy or "fail first" protocols for the treatment of pain. The bill would require that the duration of any step therapy or fail first protocol be determined by the prescribing physician and would prohibit a health plan or health insurer from requiring that a patient try and fail on more than two pain medications before allowing the patient access to other pain medication prescribed by the physician. This bill would still allows step therapy to be used, but closes loopholes and puts the medical decisions back in the doctor's hands so the patient can get the right medication in a timely fashion.

Status: Held in Assembly Appropriations Committee. Two year bill.

AB 1059 (Huffman): Health Plan Penalties (Support)

This bill seeks to ensure that enforcement actions by the Department of Managed Health Care (DMHC) make physicians and enrollees whole. Where the DMHC has found that an HMO has underpaid a physician, the bill would require the administrative penalty amount to, at a minimum, equal the amount of the underpayment plus interest. The enforcement action would also have to ensure that the physician and enrollee are compensated by the HMO for the full amount of the underpayment or financial value of the denied benefits.

Status: Signed by the governor.

SB 155 (Evans): Maternity Coverage (Support)

This bill, cosponsored by the American Congress of Obstetricians and Gynecologists and Kaiser Permanente, would close a loophole exploited by health insurance companies in order to sell cheap, "subprime" non-comprehensive health insurance that lacks maternity coverage. This bill would bring two bodies of law into conformity by requiring all individual and group health insurance policies regulated under the Department of Insurance to cover maternity services, while HMOs regulated by the Department of Managed Health Care are already required to meet these standards. This bill would ensure fair, affordable access to maternity coverage in health care benefits, regardless of the type of plan offered. It was split into two separate bills, SB 222 and AB 210.

Status: Bill was split into two different legislative vehicles. Updates on each bill below.

SB 222 (Evans): Maternity Services (Support)

This bill would require every individual health insurance policy to provide coverage for maternity services for all insured covered under the policy. This bill would become operative only if AB 210 is also enacted.

Status: Signed by the governor.

AB 210 (Hernandez): Maternity Services (Support)

This bill would require every group health insurance policy to provide coverage for maternity services for all insured covered under the policy. This bill would become operative only if SB 222 is also enacted.

Status: Signed by the governor.

SB 100 (Price): Outpatient Surgery Settings (Support)

This bill would improve the ability of accrediting agencies and the Medical Board of California to work together to ensure that the care provided in outpatient surgery settings is top notch and that any bad actors are immediately identified and remediated or disciplined. The bill would increase transparency about the accreditation status of these facilities to inform patients, improves the inspection and investigation processes in the event a complaint is received, requires emergency protocols to be in place if there are serious complications or side effects from surgery and protects against “accreditation shopping.” This is a balanced and reasonable bill that closes gaps and adds important safeguards to provide even more protection to patients.

Status: Signed by the governor.

AB 499 (Atkins) Minor Consent for Prevention of STIs (Support)

Current law allows minors to consent to treatment of sexually transmitted infections (STIs), but not to preventative care for STIs. This is a barrier to minors seeking the HPV vaccine and other methods of prevention of STIs who cannot or will not obtain parental consent. This bill would allow a minor who is 12 years of age or older to consent to medical care related to the prevention of a sexually transmitted disease. CMA policy supports legislation to allow patients 12 through 17 years of age to obtain vaccines to prevent sexually transmitted infections without parental consent if it is not possible for the physician to discuss the matter with the parent.

Status: Signed by the governor.

AB 584 (Fong) Workers’ Compensation: Utilization Review (Support)

This bill would require that physicians performing “utilization review” (UR) in California’s workers’ compensation cases be licensed by the Medical Board of California. Currently, many carriers hire out-of-state physicians to perform UR. Because these physicians do not understand the nuances of California law and our workers’ compensation system, in many cases they end up inappropriately modifying, delaying or even denying treatment requests from the primary-treating, California doctor seeing the injured worker. Moreover, this also leads to increased lien filings for payment by doctors due to these complications and delays, adding unnecessary costs and workload to the system. Finally, the medical board has stated that UR is the practice of medicine, but since these physicians are not licensed in

California, they cannot be held accountable for their actions to delay or deny treatment under California law. This bill is similar to AB 933 (Fong) of 2010, which CMA supported.

Status: Vetoed by the governor.

SB 336 (Lieu): Emergency Room Crowding (Support)

This measure would require every licensed general acute care hospital to assess the condition of its emergency department (ED), using a crowding score, every four or eight hours, and to develop and implement capacity protocols for overcrowding. California EDs are dangerously overcrowded and have reached a crisis level, ranking last in the nation in the number of emergency rooms available to its residents (6 for every one million people). This bill—sponsored by the California College of the American Chapter of Emergency Physicians (CalACEP)—would help to address this overcrowding and is similar to AB 2153 (Lieu) of 2010, which CMA supported.

Status: Held in Assembly Appropriations Committee. Two year bill.

SB 863 (Lieu): Workers' Compensation—Liens (Support)

This bill is an effort to address the increasing number of medical payment liens being filed in the California workers' compensation system. In January of 2011, the Commission on Health and Safety and Workers' Compensation published a report on this subject that outlined a number of policy recommendations. This bill is crafted based on some of those recommendations, the primary one being to reduce the amount of time allowed to file a lien. This would help to stem the increasing practice of third-party entities buying up physicians' workers' comp accounts receivables and

filing new liens on them, even when the claims are 10 or more years old. CMA supports this bill as a means of securing efficiencies in the system without unduly hindering a physician's ability to file a lien, a critical last resort for obtaining payment.

Status: Held in Assembly Appropriations Committee. Two year bill.

SB 923 (De Leon): Workers' Compensation—Official Medical Fee Schedule (Oppose Unless Amended)

This bill would require the Administrative Director (AD) of the Division of Workers' Compensation to adopt a physician services fee schedule based on the Medicare system, the Resource-Based Relative Value Scale (RBRVS) by July 1, 2012. Under current law, the AD has the authority to do this based on the requirement to regularly update the physician fee schedule. However, past efforts to do so—as recently as mid-2010—resulted in significant payment cuts to various physician specialties, in some cases as much as a 40 percent reduction. Although this bill previously contained language that ensured such reductions didn't occur, this language was removed during the bill's hearing in Senate Labor Committee at the request of the California Labor Federation. CMA supported the prior version of SB 923 as an assurance of sufficient payment during this policy transition, but now may need to change position as there is new risk to sufficient payment. Moreover, the ground rules (or billing rules) are not dealt with in this bill in any way, but significantly impact payment to physicians. We are working on language to offer to the author to address this concern.

Status: Suspended in Assembly Appropriations Committee. Two year bill.

AB 1000 (Perea): Health Care Coverage—Cancer Treatment (Support)

This bill would help ensure that cancer patients are not denied the most appropriate and effective treatment by putting costs above care. According to the author, “there are significantly greater patient out-of-pocket costs for oral cancer therapies covered under the pharmacy benefit than IV therapies covered under the medical benefit. These out-of-pocket costs become a de facto denial of access, which, in a study by Prime Therapeutics, resulted in 1 in 6 patients not receiving treatment solely due to cost. Therefore, patient access to potentially the only life-saving cancer therapy available to them is restricted.

Status: Held in Assembly Appropriations Committee. Two year bill.

AB 378 (Solorio): Workers’ Compensation—Pharmacy Products (Watch)

This bill is meant to address a recent spike in prescriptions for and costs associated with compounded pharmaceutical products in the workers’ compensation system. In the past few years, the amount carriers have paid annually for these products have gone up over fourfold, with no legitimate clinical justification. It has been argued by the cosponsors of the bill—a coalition of labor, businesses, and insurance companies—that the same “bad actor” physicians who were profiteering from drug repackaging scams have now refocused on compounds. As a result, the author of this measure has in the past proposed utilization constraints to prevent unnecessary use of compounds, but CMA was able to kill that effort in the legislature. The new effort, as contained in AB 378, would curtail the amount payable for compounded drugs in workers’ comp cases in order to remove the incentive to overbill that currently exists in the system due to

a lack of price controls for these products. The bill would also take a utilization approach to solving the problem, by adding “pharmacy goods” to the list of products and services in existing state law that a physician is barred from self-referring for. The final version of this bill contains compromise language negotiated by CMA that would limit reimbursement for physician-dispensed products to a level that would cover a physician practice’s costs to dispense them, but won’t provide an unreasonable financial incentive to prescribe and dispense them. This was done by allowing a physician office to be reimbursed for compounds at 300% of the Documented Paid Cost to the office, capped at a margin of \$20. When the author and supporters agreed to take this amendment, CMA took a Neutral position on the bill.

Status: Signed by the governor.

SB 850 (Leno): Medical records- Confidential Information (Watch)

SB 850 purports to reduce medical errors. The information provided by the consumer attorneys stated “Many EHR software systems have design flaws that can cause serious errors if left uncorrected. In some situations, health care providers have taken advantage of these design flaws to cover-up errors by modifying or deleting earlier entries. SB 850 would ensure the accuracy, integrity and efficiency of electronic health records in order to achieve the ultimate goal of reducing medical errors”. This was clearly introduced in order to highlight a particular case in which physicians were accused of fraudulently changing the patient’s electronic medical records. CMA opposes the bill, stating it is unnecessary and there are already laws in place to address fraud. After many discussions with the author, the bill was amended to merely reflect federal requirements related to EHR systems. In this form, CMA went neutral on the bill.

Status: Signed by the governor.